

DESTINATION MEDICAL CENTER CORPORATION (DMCC)
BOARD MEETING

Thursday, September 22, 2022
9:30 A.M.

MINUTES

- I. Call to Order. Chair Pamela Wheelock called the meeting to order at 9:30 a.m.

- II. Roll Call. Jim Campbell, Council President Brooke Carlson, R.T. Rybak, Commissioner Mark Thein, Chair Pamela Wheelock, and Paul Williams were present. Mayor Kim Norton participated in a portion of the meeting via audio but was not part of a quorum for the meeting.

- III. Approval of Agenda. Mr. Williams moved approval of the agenda. Mr. Campbell seconded the motion.

Ayes: Mr. Campbell, Council President Carlson, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams. Nays: None.

- IV. Approval of Minutes: May 18, 2022. Council President Carlson moved approval of the minutes. Commissioner Thein seconded the motion.

Ayes: Mr. Campbell, Council President Carlson, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams. Nays: None.

- V. Public Comment. Dan Collison, Director of Business Development and Public Affairs – Midwest for Sherman Associates, introduced himself and noted a housing project proposed for downtown Rochester.

Sarah, a Rochester resident, noted the purchase of the downtown apartment building in which she resides by M.A. Mortenson Co. and advocated for the preservation of naturally-occurring affordable housing. Chair Wheelock and Mr. Rybak requested an update on this acquisition.

- VI. Chair's Report. Chair Wheelock described the meeting agenda items and noted DEED's certification of \$29.2 million in state aid for 2021, and Mayo Clinic's recognition as the number one hospital in the world for the seventh year.

- VII. Consent Agenda.
 - A. DMCC Insurance: League of Minnesota Cities Insurance Trust (LMCIT) Waiver. Motion: Elect not to waive statutory tort limits

 - B. 2023 Regular Meeting Schedule.
Resolution A: Approving the 2023 Regular Meeting Schedule

 - C. DMCC 2022 Budget: Year to Date Update

Commissioner Thein moved to approve the consent agenda. Mr. Rybak seconded the motion.

Ayes: Mr. Campbell, Council President Carlson, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams. Nays: None.

VIII. DMCC Form 990; Minnesota Annual Charitable Organization Report

Resolution B: Approving the 2022 State of Minnesota Charitable Organization Report and 2021 Form 990

Craig Popenhagen, CliftonLarsonAllen, presented the Form 990 and Minnesota Charitable Organization Report.

Commissioner Thein moved to approve Resolution B. Council President Carlson seconded the motion.

Ayes: Mr. Campbell, Council President Carlson, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams. Nays: None.

IX. Metrics. Patrick Seeb, EDA Executive Director, and Catherine Malmberg, EDA Director of Public Infrastructure & Development Strategy, presented on the property tax capacity impacts of several developments in the DMC development district. Chair Wheelock requested tax information from 2015, or before the DMC Initiative. Mr. Williams requested information as to a “return on investment” for the projects approved by the DMCC and the City.

X. EDA Board President Comments. Clark Otley, M.D., EDA Board of Directors President, described the factors the EDA considers when making recommendations to the DMCC and Rochester City Council, including health, sustainability, affordability, community engagement and support, and equity.

XI. 2023 DMCC Funding Request.

- A. Capital Improvement Plan
- B. 2023 EDA & City Staff Workplan and Budget
- C. 2023 DMCC Budget
- D. Working Capital Loan

Mayor Norton expressed support for the 2023 DMCC Funding Request. Chair Wheelock recognized Soldiers Field as a critical community asset and noted that further community planning is required before final approval is appropriate in the Capital Improvement Plan.

Mr. Seeb and Ms. Malmberg were joined by Cindy Steinhauser, City of Rochester Deputy Administrator, to present the 2023 DMCC Funding Request. Mr. Seeb described the budget process and highlighted several key projects.

Ms. Malmberg and Ms. Steinhauser outlined the Riverfront Plan recently adopted by the City. Council President Carlson noted that the City Council reviewed a Master Plan for Soldiers Field at a Study Session and that the Park Board will review the plan. Mr. Campbell asked for more detailed plans concerning the Second Street restoration. Michael Flynn, EDA Senior Director of Economic Development, described the EDA's business recruitment and lead generation program, focusing on awareness-building and research in 2023. Chair Wheelock asked for regular updates on this process.

Resolution C: Approving the 2023 DMCC Funding Request and the Extension of Working Capital Loan and Authorizing Transmittal to the City

Mr. Campbell moved approval of Resolution C. Council President Carlson seconded the motion. Commissioner Thein moved to amend Resolution C to add to the first resolved statement that “for the Soldiers Field Memorial Park project, recognizing that community planning efforts are at a preliminary stage and will shape the project scope and funding needs, further detail and information as to public realm plans and proposed funding shall be presented to the DMCC for specific approval of the project plan and costs.” Mr. Campbell and Council President Carlson accepted the change as a friendly amendment.

Ayes: Mr. Campbell, Council President Carlson, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams. Nays: None.

XII. Project Discussions (City of Rochester, EDA).

- A. Heart of the City. Jamie Rothe, EDA Director of Community Engagement and Experience, provided an update on the Heart of the City project, including public space activation efforts, post-occupancy evaluation, new business openings, and ongoing community feedback.
- B. Discovery Square. Mr. Flynn provided an update on Discovery Square, including a Two Discovery Square tenant announcement and Discovery Walk construction. Mr. Flynn noted growing market interest in laboratory infrastructure that could promote business growth and workforce recruitment.
- C. Mobility. Mr. Seeb highlighted the long-term bus rapid transit operating agreement between the City and Mayo Clinic. Ms. Malmberg noted other mobility-related activity, including a recent federal grant for the construction of a bridge over the Zumbro River at Sixth Street S.E., hiring an active transportation coordinator, and developing a City-wide active transportation plan. In addition, Mayo Clinic is working with NTH, Inc., a real estate and project management firm, to perform a developer selection process for the West Transit Village.

XIII. EDA Work Plan Implementation.

- A. Housing. Kevin Bright, EDA Director of Housing and Sustainability, and JoMarie Morris, Strategy and Operations Consultant for the Coalition for

Rochester Area Housing, provided an update on the local housing market. David Dunn, Executive Director of the Olmsted County Housing and Redevelopment Authority, and Taryn Edens, City of Rochester Housing and Neighborhood Services Manager, also participated. Ms. Morris outlined Coalition priorities and provided a progress update. Mr. Bright presented the EDA housing development strategy and described the forecasted demand for downtown housing.

- XIV. Adjournment. Mr. Williams moved to adjourn the meeting. Mr. Campbell seconded the motion.

Ayes: Mr. Campbell, Council President Carlson, Mr. Rybak, Commissioner Thein, Chair Wheelock, Mr. Williams. Nays: None.