

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. 134-2023

Providing Final Approval for the Expenditure of Funds from the 2023 CIP Budget for the Soldiers Field Project

The following Resolution was offered by Brooke Carlson, seconded by Kim Norton.

BACKGROUND RECITALS

A. A foundation of the Destination Medical Center Corporation's ("DMCC") mission statement seeks to "position Rochester, Minnesota as the world's premier destination center for health and wellness; attracting people, investment, and jobs to America's City for Health." The Development Plan adopted by the DMCC on April 23, 2015, as amended (the "Development Plan") also recognizes the importance of public space, green space, and fostering connections between residents, patients, visitors, and business representatives as an opportunity to advance the Destination Medical Center initiative.

B. Extensive planning and effort have been devoted to Soldiers Memorial Field Park ("Soldiers Field"), 150 acres of memorials and active recreation space located immediately south of the City of Rochester (the "City") downtown business district and owned, operated, and maintained by the City. This significant project, led by the staff of the City, the Park Board, and the Destination Medical Center Economic Development Agency ("EDA") and their consultants, conducted extensive community input, including the community co-design process, prepared design options, and researched planning options. Discovery Walk will connect the Heart of the City to Soldiers Field and the Sixth Street Bridge will link Soldiers Field to the downtown waterfront area.

C. The northern portion of Soldiers Field is located in the development district boundaries as adopted in the Development Plan (the "Development District") and in the Education – Recreation subdistrict as described in the Development Plan.

D. In the 2023 Five Year Capital Improvement Plan, (the "2023 CIP") approved by the DMCC on September 22, 2022, found that this project and other projects described in the 2023 CIP were public infrastructure projects, consistent with the Development Plan. In the 2023 CIP, the DMCC preliminarily approved up to \$10,000,000 for this project, recognizing that community planning efforts were then at a preliminary stage and would shape the project scope and funding needs, and the DMCC required further detail and information as to the public realm plans and proposed funding to be presented to the DMCC for specific approval of project plan and costs.

E. On October 4, 2022, the City Park Board adopted the Short-Term Soldiers Field Master Plan and thereafter the City Council approved it as well. The public realm components of this project include an aquatics center, with lap pool, bath house, wading pool, and outdoor seating, new basketball courts, adding a trail through the northeast corner of the park, nature play area, community shelter, public restrooms, and new public parking (the "Soldiers Field Project").

F. The community co-designers and planning/design consultants proposed two public realm concepts and the Park Board recommended the preferred alternative concept, which moves a shelter and restroom structure to the western region of the park, minimizing impacts to the golf course. On January 23, 2023, the City Council reviewed both concepts and by consensus directed staff to proceed with the preferred alternative concept. The City wishes to proceed with construction bids for the Soldiers Field Project in early 2023.

G. Minnesota Statutes, Section 469.40, subdivision 11, defines “public infrastructure project” as “a project financed in part or in whole with public money in order to support the medical business entity's development plans, as identified in the DMCC development plan” and expressly includes, among other items, the ability to:

(2) demolish, repair, or rehabilitate buildings. . . . (4) install, construct, or reconstruct elements of public infrastructure required to support the overall development of the destination medical center development district including, but not limited to, streets, roadways, utilities systems and related facilities, utility relocations and replacements . . . streetscape improvements, drainage systems, sewer and water systems, . . . landscaping, . . . wayfinding and signage, and other components of community infrastructure. . . . (6) install, construct, or reconstruct, furnish, and equip parks, cultural, and recreational facilities, facilities to promote tourism and hospitality [and] (7) make related site improvements including, without limitation, excavation, earth retention, soil stabilization and correction, and site improvements to support the destination medical center development district . . .”
Minn. Stat. § 469.400, subd. 11 (2022).

H. The City and EDA staff now request final approval of the 2023 CIP in the amount not to exceed \$10,000,000 for the competitive bidding, construction, and related costs of the Soldiers Field Project. This request is attached as Exhibit A.

RESOLUTION

NOW THEREFORE, BE IT RESOLVED, by the Destination Medical Center Corporation Board of Directors that:

(1) the DMCC finds that the portion of the Soldiers Field Project contained within the Development District is a public infrastructure project within the meaning of Minnesota Statutes, Section 469.40, subdivision 11, which includes installing, constructing, or reconstructing, furnishing and equipping parks, cultural, and recreational facilities; demolishing, repairing, or rehabilitating buildings; installing, constructing, or reconstructing elements of public infrastructure required to support the overall development of the destination medical center development district including, but not limited to, streets, roadways, utilities systems and related facilities, utility relocations and replacements, streetscape improvements, drainage systems, sewer and water systems, landscaping, wayfinding and signage, and other components of community infrastructure; and making related site improvements including, without limitation, excavation,

earth retention, soil stabilization and correction, and site improvements to support the destination medical center development district; and

(2) subject to approval by the City, the DMCC approves the Soldiers Field Project as consistent with the Development Plan.

BE IT FURTHER RESOLVED, that the Board approves payment for competitive bidding, construction, and related costs of acquisition, furnishing, and equipping of the Soldiers Field Project in an amount not to exceed \$10,000,000 from the 2023 CIP.

BE IT FURTHER RESOLVED, that the approvals contained herein are expressly contingent upon (1) no material changes in project scope or schedule, and (2) expenditure of funds within the Development District.

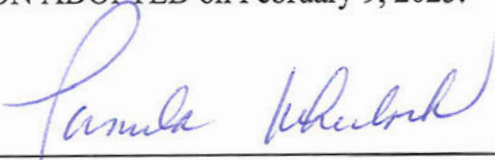
BE IT FURTHER RESOLVED, that the Board requests that the City and EDA staff provide regular updates with respect to the Soldiers Field Project.

The question was on the adoption of the Resolution and there were 8 YEAS and 0 NAYS, as follows:

BOARD OF DIRECTORS
Destination Medical Center Corporation

	<u>YEA</u>	<u>NAY</u>	<u>OTHER</u>
Douglas M. Baker, Jr.	<u>X</u>	_____	_____
James R. Campbell	<u>X</u>	_____	_____
Brooke Carlson	<u>X</u>	_____	_____
Kim Norton	<u>X</u>	_____	_____
R.T. Rybak	<u>X</u>	_____	_____
Mark Thein	<u>X</u>	_____	_____
Pamela Wheelock	<u>X</u>	_____	_____
Paul D. Williams	<u>X</u>	_____	_____

RESOLUTION ADOPTED on February 9, 2023.

ATTEST: 

Pamela Wheelock, Chair
Destination Medical Center Corporation

EXHIBIT A



February 3, 2023

TO: Destination Medical Center Corporation

From: Patrick Seeb, Executive Director, DMC Economic Development Agency
Alison Zelms, Administrator, City of Rochester

RE: Recommendation to Provide Final Approval of Expenditure of Funds for DMC Education and Recreation Sub-District Public Realm Enhancements

Background

Soldiers Field Memorial Park, located immediately south of Rochester's downtown business district, is 150 acres in size and includes 4,000 feet of Zumbro River frontage. It is currently comprised of memorials, activity space, an 18-hole golf course, aquatic amenities, and a track and field facility (with winter skating), tennis courts, a baseball field, playgrounds, and trails. The northern portion of the park lies within the DMC Education-Recreation sub-district as defined in the City- and DMC Corp.-approved DMC development plan.

Soldiers Field Memorial Park plays a critical role within downtown Rochester and the larger community. The park serves many stakeholders including the downtown, community, and visitors. It is not only a destination, but it also serves as a connection to other critical areas of the downtown and close by neighborhoods.

In 2022, the City of Rochester updated the Soldiers Memorial Field Park master plan, with plans to improve the aquatics features, add sport courts, and enhance the trails, playgrounds and shelters. The update split the proposed park improvements into short- and long-term park plans.

Alignment with DMC and City of Rochester Objectives

There are several key features within the 2022 Soldiers Field Master Plan that align with the DMC Development Plan:

- Continues to define Soldiers Field Memorial Park as an anchor and signature public space of the Education and Recreation DMC Sub-district.
 - Improves equitability designed spaces that are created with specific needs of users.
 - Provides a welcoming and inclusive park for a growing and diverse community.
- Incorporates sustainable design practices

The connectivity aspects of the plan also provide equitable freedom of movement. Walking and bicycling in the City of Rochester are primary modes of transportation that are safe, convenient, and enjoyable. The City's recently adopted Active Transportation Plan which prioritizes walking, rolling and moving as key aspects of quality public spaces.



Recent Action

On September 22, 2022, DMC EDA and City of Rochester staff presented the proposed 2023 DMC Funding Request to the DMC Corporation at its regular public meeting. A component of the funding request, the 2023 DMC Capital Improvement Program, included a budget of up to \$10,000,000 for public realm improvements in the Education-Recreation sub-district.

The DMC Corp. board approved the 2023 funding request and specifically noted in its approval resolution 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.”

On October 4, 2022, the City of Rochester Park Board adopted the short-term plan and directed City Parks and Recreation staff to pursue park improvements that would not significantly impact the existing 18-hole golf course.

At the November 10, 2022 DMC Corp. board meeting, DMC EDA and City staff noted elements of the Soldiers Memorial Field Park plan that could complement or advance that economic and community development priorities of the DMC corp. board, including:

1. Sustaining and improving the park as a signature public space within the DMC Education-Recreation sub-district
2. Providing additional and enhanced public amenities that for inclusive and equitable use by residents, patients, downtown employees, and visitors
3. Utilizing contemporary, sustainable design and construction practices

Staff also noted that Soldiers Memorial Field Park will remain an integral part of an inter-connected public realm:

1. The park lies at the southern terminus of Discovery Walk, and improved park amenities will encourage people to use and experience Discovery Square’s signature public space (at its north end, Discovery Walk will connect to Mayo Clinic’s Annenberg Plaza and the adjoining Peace Plaza)
2. To the east of the park, construction of the 6th Street S.E. public space and bridge and the expected development of the Downtown Waterfront Southeast commercial and residential district will likely increase park use.

Following the November 2022 DMC Corp. board meeting, City staff employed a Community Co-design model to ensure the community was integrated into the design process and project continues to be a community supported project. This resulted in two alternatives to be presented to the Park Board and City Council

On January 17, 2023, the Rochester Park board voted to recommend that the Rochester City Council accept the Preferred Alternative plan.

On January 23, 2023, the Rochester City Council reviewed both public realm concepts and by consensus directed City staff to proceed with the Preferred Alternative plan.

Recommendation

DMC EDA and City staff recommend that the DMC Corporation and Rochester City Council provide final approval of the following 2023 DMC CIP expenditure:

- 1) Education-Recreation Subdistrict (Soldiers Memorial Field Park): Public Realm Planning, Design, and Construction: Up to \$10,000,000 to finance a portion of the construction, bid documents, and associated soft costs of the Preferred Alternative (concept image below) which qualify as a DMC “public infrastructure project” within the currently-defined DMC development district.





Additionally, the DMC EDA recommends that the DMC Corp. make any expenditure of the funds by the City of Rochester contingent upon the adoption of a final design that does not substantively alter the new and enhanced park amenities included in the Preferred Alternative Plan:

- Aquatics
- West Nature Play and Shelter
- Parking and Track Improvements
- Basketball Courts
- East Playground Improvements
- Downtown Riverwalk
- Southwest Trail Extension

Financial Considerations

Current cost estimates for the Preferred Concept Alternative total \$20.1 million as outlined below:

COSTS/ALLOCATIONS	
Concept Level Cost Estimate	
Preferred Aquatics Concept	\$12M
West Nature Play + Shelter	\$600K
Parking + Track Improvements	\$200K
Basketball Courts	\$150K
East Playground Improvements	\$850K
Downtown Riverwalk	\$750K
Southwest Trail Extension	\$500K
<i>Design/Engineering (15%)</i>	<i>\$2.26M</i>
<i>Inspections/Fees/Permits</i>	<i>\$100K</i>
<i>Contingency (10%)</i>	<i>\$1.5M</i>
<i>Mobilization (8%)</i>	<i>\$1.2M</i>
Estimated Total	\$20.1M
Funding Allocations	
Federal Grant	\$5M
State Grant	\$250K
DMC funding	\$10M
City Referendum	\$7M
Total Funds	\$22.5M

Requested DMCC Action

Approve the attached resolution: “Providing Final Approval for the Expenditure of Funds from the 2023 CIP Budget for the Soldiers Field Project”