

DESTINATION MEDICAL CENTER CORPORATION
CITY OF ROCHESTER CITY COUNCIL
DESTINATION MEDICAL CENTER ECONOMIC
DEVELOPMENT AGENCY

JOINT WORK SESSION

Thursday, June 23, 2016
12:30-3:00 P.M.

AGENDA

- I. Welcome and Introductions (DMCC Board, City Council, EDA Board)
- II. Snapshot of DMC: Projects and Public/Private Investment
- III. Key Issues:
 - A. What is the Scope and Timing of DMC Public Investment? (Presenters: Lisa Clarke, EDA; Gary Neumann, City of Rochester; Mitchell Abeln, EDA; Patrick Seeb, EDA; Dale Martinson, City of Rochester)
 - 1. What are public funding streams and how do they work?
 - 2. When do public funds become available?
 - 3. How can we leverage public funds for maximum public value?
 - 4. What is the gap between available funds and capital investment needs, as described in the Development Plan?
 - B. Transportation Planning (Presenters: Richard Freese, City of Rochester; Charlie Reiter, City of Rochester; Ken Holte, SRF)
 - 1. What is the transportation plan, timing, key decisions, and deliverables?
 - 2. How can we move on transportation strategies short term (parking, for example) during longer term planning and federal process?
 - 3. How do we leverage public/private partnerships, TIF and other funding streams to expand the reach of our transportation dollars?
 - C. Establishing priorities to leverage available funds, projects/investment in place.
 - D. Other Issues
- IV. Roles and responsibilities for all three Boards in addressing next steps
- V. Adjournment

Outline

Presentation on DMC Integrated Transit Studies

June 23, 2016

1. Overview

Introduction to Discussion & Decisions needed

2. DMC Plan Adoption

Review of 2015 Council Action on DMC Plan

3. Review of Proposed Transportation Studies Work

a. Integration of Studies to Refine Major Transportation Elements of DMC Vision

Transit Systems, Street Use & Operations, City Loop, Parking & Travel Demand

b. What has been determined / What will proposed studies address

c. Executive Summary of individual studies (handouts in Appendix to packet)

4. Key Steps / Milestones / Time Line

a. Major Work Tasks & Decision Points for each study

b. Overall Timeline & Key Coordination Activities

5. Organizational Chart

6. Budget

TRANSPORTATION PRINCIPLES FOR THE DMC

1. Make it easy, affordable, and convenient for people from Southeast Minnesota and around the world to get to downtown Rochester.
2. Bring 30 percent of the workforce to downtown Rochester on transit by 2035.
3. Create a park-once downtown environment connected by a frequent downtown circulator.
4. Build shared-parking prioritized for economic development.
5. Create world-class streets, designed for people.
6. Create an exceptional place for healthy, human-powered transportation.
7. Form a downtown Rochester access authority.
8. Invest in sustainable transportation infrastructure and programs that reduce the ecological footprint of the City.
9. Use DMC funding to leverage public and private transportation infrastructure funding.
10. Establish and maintain a transportation network that is accessible and inclusive to people of all ages, abilities, and states of wellness.

ADVANCING THE DESTINATION MEDICAL CENTER VISION

DMC TRANSPORTATION REFINEMENT STUDIES

What is Proposed?

To advance the transportation concepts presented in the DMC Vision four studies are proposed:

- *Downtown Transit Circulator & Operations Study*
- *Downtown Street Use & Operations Study*
- *Parking & Travel Demand Management Study*
- *City Loop Study*

To successfully and cost effectively manage the studies the work will be integrated under one coordinated planning effort to provide for the sharing of inputs, coordination of public involvement, and to insure that findings from each study are jointly considered across each realm of work.

Purpose of the Studies?

- The purpose of the studies is to refine work completed in the DMC Visioning process.
- The studies will include a rigorous assessment of alternatives for vehicular, transit, pedestrian and bicycle travel at a level of detail needed to generate confidence in selected projects.
- Key Questions include whether the concepts can work in the limited physical street space available, whether solutions are the best and most cost-effective use of public dollars, and whether the public is supportive of the significant reshaping envisioned of how downtown access and mobility service will be provided.
- Completion of the studies will position DMC partners to advance projects to design and procurement and will satisfy requirements for federal and/or state funding consideration.

What steps were completed in the DMC Development Plan?

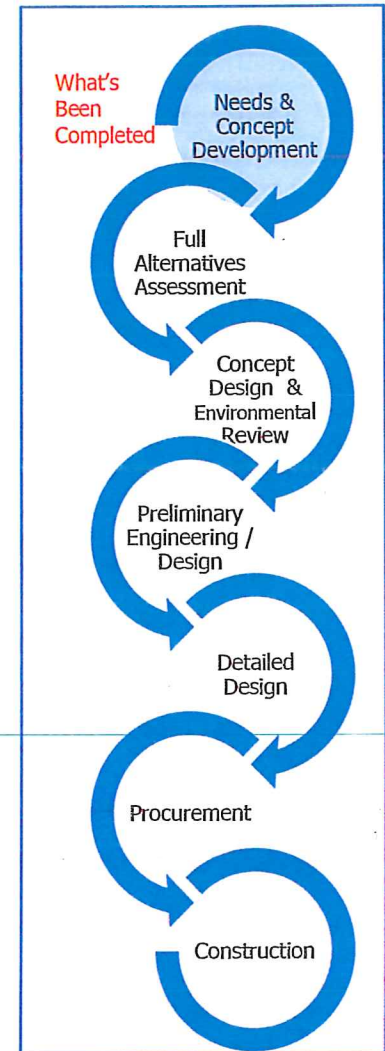
- The DMC Development Plan was a visionary document that presented a conceptual framework of how the downtown district could be developed in response to the significant economic development envisioned.
- The DMC Development Plan was based on a high level assessment of conceptual needs and feasibility; project alternatives were not fully

analyzed nor recommendations sufficiently defined to advance to the engineering phase.

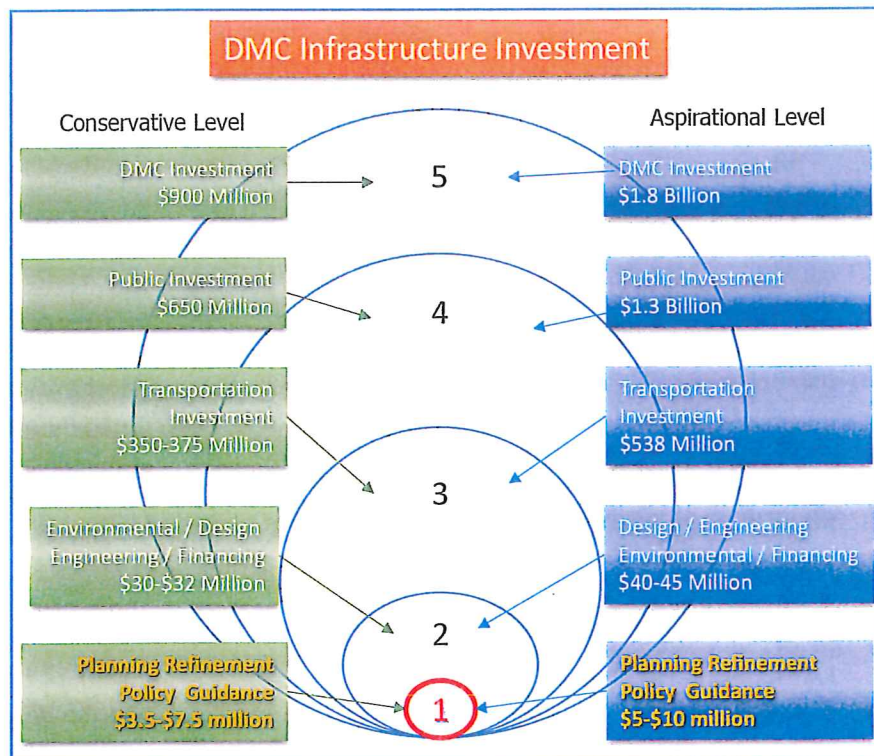
- The process to develop the vision moved very quickly and did not include sufficient time or opportunity for local stake-holders and the public to fully review.
- The project identified policy questions that will need to be further considered as projects advance and required state and federal funding processes are completed.

Given the potential scope of change and scale of public investment anticipated, what level of additional project development and design fees can be expected?

- The DMC Plan identified an aspirational infrastructure investment level of \$1.8 Billion supported by up to \$1.3 Billion in public funds
- Local fiscal limitations and the competitive nature of securing federal grants brings into focus whether this level of public funding can realistically be realized; what is known is there will be \$585 million in DMC funding with some level of federal funding and additional developer funding, possibly reaching \$900 Million for public infrastructure
- The aspirational level of public investment in transportation was an estimated \$538 Million with an additional \$715 Million in parking costs, of which 40% was publicly funded. A more realistic estimate of funding for transportation not including parking is \$325-\$375 Million.



- To get from the concept development phase to a construction project, it is typical to expend the equivalent of about 10% of the project investment on planning and design, which would equal a range of about \$35-\$50 Million for transportation system improvements.
- The front end planning work to fully assess alternative concepts sufficiently and identify the best cost feasible project typically requires about 1-2% of projected investment, or an estimated \$5 to \$10 Million for the proposed DMC work



With as much as \$285 Million expected to come from Federal

funds, specific process steps need to be followed, none of which have been completed to date.

How much time is needed to complete the studies?

- The study work proposed could be completed in 18 to 24 months.
- This work provides the foundation on major roadway or transit projects that typically require 6 to 10 years from concept to construction.

What Key Questions must these studies address?

- The studies are designed to complete the detailed assessment of potential street, transit and pedestrian alternatives needed to satisfy transportation needs and meet mode shift goals in the DMC District so projects can advance to engineering/design and implementation.
- The process will follow state and federal project development steps to keep all funding options open.
- The Downtown Circulator and Transit Operations study will follow specific steps needed to insure eligibility for federal funding including:

- completion of a federally compliant alternatives analysis of options and routes for a circulator

- operational assessment of changes to regional and local transit services;
- broad public involvement
- Benefit/Cost & Impact assessment

- The Downtown Street Use & Operations study will look at street space reallocation determine if the proposed mix of lane reductions, turn restrictions, street closures, pedestrian facilities and mixed traffic operations is feasible to provide balanced vehicular, transit and pedestrian/bike service.

- The Parking and Travel Demand Management Study is critical to the success of the multi-modal vision for the DMC District. It will focus on the location and management of district parking, which is tied to successful deployment of the Circulator, as well as how that demand can be minimized through measures that encourage and incentivize reduced private vehicle demand.
- The City Loop Study will refine this signature placemaking and livability feature that knits together all the DMC districts. This requires concept verification with stakeholders to resolve potential impacts from traffic flow changes, on-street parking loss, changes in right-of-way utilization and bike-pedestrian-vehicle conflicts.

Agenda Item #2

Synopsis of Rochester City Council Action

City Council DMC Plan Adoption Public Hearing

March 2015

Slide from Public Hearing Presentation

What City Approval did

- Found that the plan meets the requirements and legislative intent of DMC Act
- Established that the plan provides a framework of policies and procedures to guide future DMC related actions
- Established the boundaries of the DMC District
- Acknowledged the plan provides a tool to support the economic development efforts of the DMC / EDA
- Acknowledged that the plan provides a workplan to guide the ongoing efforts of the DMC / EDA
- Acknowledged the establishment of evaluation criteria for investment of DMC funds
- Established an outline of planned public infrastructure and transportation programs that will trigger conceptual planning and engineering work for the DMC District

What City Approval did not do

- Approve a definitive block by block Master Plan or Land Use Plan for downtown Rochester
- Provide a commitment for capital investment for any specific projects
- Appropriate any funds by the City of Rochester for DMC projects
- Establish an obligation to enact any specific tax by the City of Rochester

Citations in the Council Resolution Approving the DMC Development Plan

**THE COUNCIL
RECOGNIZED THE
FOLLOWING
FINDINGS MADE BY
THE PLANNING
COMMISSION**

1. The Plan is limited to a conceptual framework for physical development, transportation solutions and financing. It does not change public policy, procedures, or the City's comprehensive plan. It does not commit entities to financial contributions outside of those specified in the DMC Law. It does not establish zoning or prescriptive land use limitations, or Rochester Common Council-approved zoning or development policies. It does not determine the design of integrated transportation, parking and land use solutions. These solutions will be determined following further study and analysis, and may find their way into the City's comprehensive plan update.

5. Comprehensive and coordinated transportation solutions will need to be defined, committed to, and strategically implemented by public and nonpublic partners. Additional studies should be pursued in Phase I since resolution and movement on these items is needed to support anticipated growth. Though the Plan includes proposed routes, types of transit modes, and station locations, further study is needed before those details can be determined and evaluation of options that best serve the City's needs will need to be considered

6. Investments identified in Phase I that are intended to implement transit improvements or other investments that require further study should be postponed until after completion of further study that verifies routes, modes, design needs, etc. Proceeding with physical infrastructure changes in advance of project refinement study could result in unnecessary delay during final implementation or major expenditures without verification that they are needed.

9. It is recommended that a number of studies and analysis will need to be undertaken to carefully and prudently move forward with consideration of the proposed transportation plan and alternatives for streets, transit and parking in the DMC project area. Among the questions to consider with the Plan is whether the integrated transit and parking system as proposed is the best and most cost-effective system for the City, whether this system and the city-wide land use vision that evolves from the City's comprehensive plan update are mutually reinforcing, and whether there are changes that could improve the Plan or alternatives that may provide better options for the community. These studies should include a transit/street capacity system study, a downtown parking and Park & Ride needs study, a downtown access authority study, a City Loop/Cultural Crescent implementation study, a capital projects and investment study, and a policy and ordinance study.

Specific action in the Resolution regarding the Council's understanding of its Approval

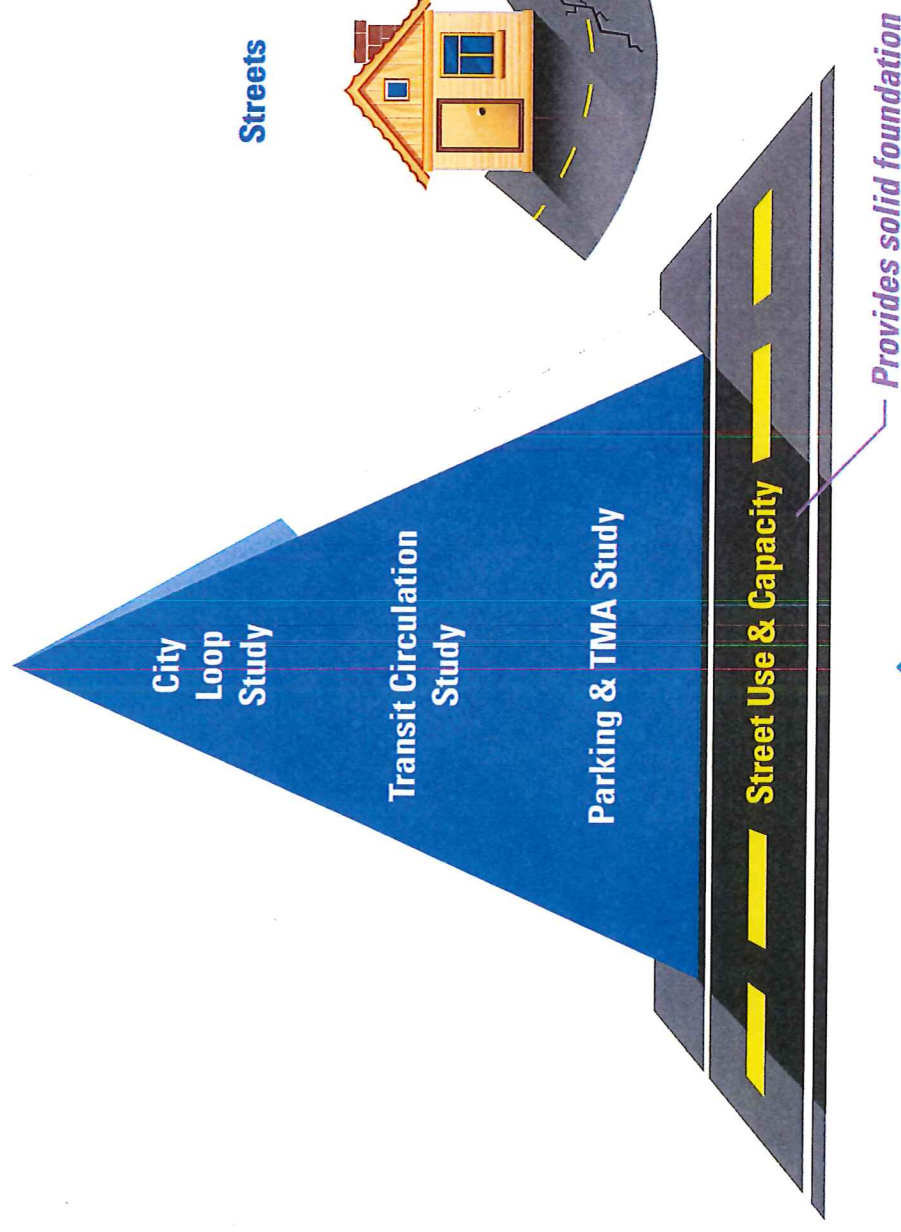
BE IT FURTHER RESOLVED by the Council that the City define the term "approve" as it appears in this resolution as follows:

1. The term "approve" means agreement with and acceptance of the Plan as a conceptual general framework for development designed to achieve the five goals and eight guiding principles described in this resolution, as well as the Plan's establishment of the DMC Development District boundaries.
2. The term "approve" does not mean commitment to or adoption of any specific development project, project design, project location, policy, or public funding proposal that might be contained within the Plan.
3. The term "approve" does not mean any City commitment to or promise to enact any specific tax, budget, or to appropriate public funds, approve a capital investment, adopt a land use control, or to approve any DMCC Funding Request that seeks public funds for any DMC-related purpose.
4. The term "approve" does not mean any City commitment to or adoption of any specific land use, parking solution, land use solution, or transportation solution or route.

Relationship of Travel Mode Studies

In a compact urban district all travel modes & services impact others and need to be considered jointly to achieve a successful outcome

Addressing each mode individually or on a project by project raises significant risk that projects or services will not work in concert to achieve vision



The alternative is to conduct independent studies without a solid base or connection.

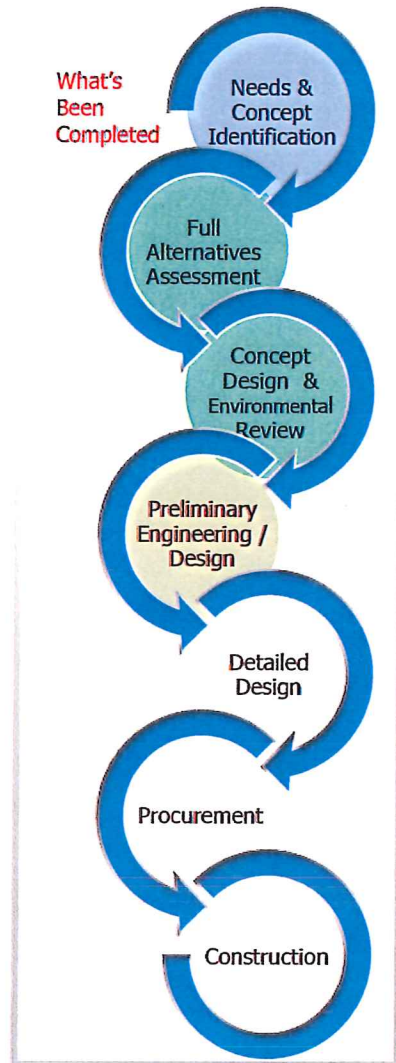
*Each study works with and supports the related studies to create a **Integrated System**.*

*Result will be an **Uncoordinated System**.*

Agenda Item #3b

Overview of Proposed Transportation Studies

- The purpose of the proposed studies is to refine the visioning and planning level work completed for the DMC Plan. The DMC Plan ESTABLISHED a compelling vision; the goal of the upcoming work is to flesh out how to EXECUTE that vision.
- The DMC Mobility Plan is an excellent example of a Subarea Transportation Planning study. The intent of such studies is to refine existing regional or community transportation plans for a defined area, integrating information about future economic, land use, housing and other elements of the private and public realm with transportation concepts to support district or community development goals.
- Consistent with the concept of Subarea Planning, the DMC Plan addressed the following matters
 1. Developed an understanding of current travel at a district-wide level; how it operates, how well it serves current needs
 2. Developed an understanding of future district-wide travel needs
 3. Established Goals and Objectives for transportation
 4. Identified potential access and mobility problems
 5. Identified strategies to meet mobility and access needs in the context of community development goals
 6. Conducted a high level assessment of how well different strategies would meet goals and objectives
 7. Based on this assessment, defined a concept and scope for a set of transportation improvements including mode type, features, general location of improvements and order of magnitude costs.
- The DMC Plan, as is typical of a subarea study, considered how standard design templates would fit existing conditions and used generalized factors (such as typical construction costs) to estimate needs.
- Moving forward, additional steps as illustrated in the graphic above will be needed to refine the concepts in the DMC Plan. A more complete assessment of recommended concepts to develop a firm understanding of impacts, feasibility, costs and phasing must be completed to support the development of a community consensus and consent to move ahead with implementation of specific actions.
- Four fact sheets follow, one for each proposed study, which explain the main outcomes of the DMC Plan work and the main tasks that still lie ahead in the proposed transportation development process.



Work Completed in DMC Study

- Established that considering how to efficiently move **persons** rather than **vehicles** should be the guiding principle for the district
- Recognized that significant urbanization of the downtown core will require greater accommodation of non-auto travel modes
- Generally envisioned a priority of pedestrians first, then transit service, then bicyclists and lastly general vehicle traffic on many downtown streets
- Specifically envisioned certain streets where priority would be for transit use
- Based on transit and pedestrian priorities, conceptualized potential changes that would need to be made in lane configurations
- Recommended a strategic investment framework of core Priority Investment Streets and secondary Supportive Street Investments
- Identified a palette of Common Street Elements to consider for enhancing transit, pedestrian and bicycle modes
- Provided illustrative examples of how elements in the palette and lane reconfiguration would impact major streets such as Broadway and Civic Center Drive

Key Work in Proposed Study

- Analyze street reconfigurations at a concept engineering level
- Study the impacts of reducing the number of travel lanes, introducing intersection restrictions or significantly increasing the level of transit vehicles on traffic flow
- Assess the impacts of street reconfigurations on business priorities such as on-street parking, loading zones, pedestrian access or storefront visibility
- Achieve stakeholder buy-in to proposed changes in individual corridors
- Determine at an operational level whether the reduction in traffic at downtown entry portals will be sufficient to maintain reasonable downtown access capacity
- Study how to effectively phase improvements
- Fully consider the need or feasibility of proposed new streets



STREET USE AND OPERATIONS STUDY

June 17, 2016

STREET USE AND OPERATIONS STUDY

INTRODUCTION

This study is intended to fully define street concepts that will be implemented as part of the downtown development effort and to test how those concepts will perform as development progresses. There are five main components of the study:

1. Data Collection
2. Travel Model Development and Testing
3. Operational Analysis of Modes and Configurations
4. Concept Designs
5. Visualizations

DATA COLLECTION: The data collected will be used to develop baseline traffic volumes for pedestrians, transit, vehicles, and bicyclist for use in SRF's traffic forecasting as well as to supplement base map information for concept planning and design which will be completed by other consultants.

The outcome of the data collection is to ensure all studies and consultants are using the same data. Data collection will include additional traffic volumes and specific information related to transit, pedestrian and bike movements. Other data collected will include drop off and delivery areas to analyze existing and future operations as they relate to business street usage.

TRAVEL MODEL DEVELOPMENT: The main objective of the proposed Traffic Forecasting and Base Modeling component will be to develop traffic forecasting models to generate trips for all modes of travel, including vehicles, transit ridership, pedestrians, and bicyclists within the downtown study area. Through development of a Dynamic Traffic Assignment (DTA) model, this study will determine how vehicles are expected to route through the study area based on expected origin-destination, congestion, and travel time.

Existing and future peak hour traffic volumes developed from the forecast models will be inputted into a base model for distribution to the team. This study will work in close coordination with the Parking and TMA study, City Loop Study, and Transit Circulation and Operations Study to determine how changes to the land use, parking, transit, and/or roadway infrastructure network will impact traffic volumes.

OPERATIONAL ANALYSIS: The purpose of the Transportation Simulation Modeling component is to develop a framework for evaluation of street use concepts, including transit, bicycle/pedestrian, and vehicle users. The framework, along with the forecasts and base simulation models developed by SRF, will be used to analyze the feasibility and ultimately the multimodal LOS for the street use concepts. The analysis in this task will use the roadway concepts developed by the Stantec and AECOM teams, City Loop concepts developed by that study team, Parking concepts development by that study team, and Transit concepts developed by that study team to produce a comprehensive set of person throughput

and LOS analysis. The analysis will inform the Stantec and AECOM teams, the City Loop team, the Parking team, and the Transit study team on the feasibility and operational benefits/impacts of each concept. The objective will be to develop a preferred street use concept for all modes that prioritizes pedestrians and transit in the downtown core, with vehicle access to parking locations outside the downtown core.

CONCEPT DESIGN: This component stitches together the planning/design aspect with urban design principles. This task will take the overall urban design framework and street typologies established during the concept planning phase and develop 15% to 20% conceptual layouts and typical sections. Planning level cost estimates will be prepared for each of the scenarios advanced to the concept design phase.

The concept designs will build upon the vision and recommendations reflected in the Street Typology and Preferred Access Plan that will be generated in the Concept Planning phase of work.

VISUALIZATIONS: The goal is to produce visuals that clearly show the framework for Rochester's future transit, parking, pedestrian, and trail system options, and produce imagery that generates interest and public support for future transportation/transit initiatives. Imagery will be developed in a tiered approach consisting of graphics at city, corridor and pedestrian scales.

Photo Simulations will be the main type of visual used at the Pedestrian Scale level. The simulations will illustrate the appearance and function of the proposed design concepts and allow viewers to compare existing and proposed conditions. Each photo simulation will be comprised of an existing and proposed photo incorporating concept design features. The visualization team will work with the designers to develop images reflecting the design intent of Rochester's future transit, parking, pedestrian, and trail system options. Items to be included in the proposed simulations include: transit amenities, landscaping/streetscape treatments, roadway improvements, plaza/open space additions, and pedestrians engaged in activities along the corridors.

KEY DELIVERABLES/OUTCOMES

- Street Typology/Complete Streets/Main Streets
- Concept Designs Evaluation
- Preferred Demo Project
- Traffic Volumes/ Models
- Transit Ridership Model
- Pedestrian/Bicycle Forecast Model
- Bridge Concept Designs

MAJOR STUDY TASKS

1. Data Collection
2. GIS Base Map Features
 - a. Field verification
3. Roadway infrastructure
 - a. Survey study areas
 - b. Miscellaneous survey
 - c. Survey drop off area locations
 - d. Survey delivery area locations

4. Traffic volumes and counts
 - a. Conduct intersection turning movement counts
 - b. Conduct portal intersection counts including occupancy counts
5. Pedestrian and bikes
 - a. Conduct trail intersection counts

TRAVEL MODELS

1. Conduct OD Analysis For Existing Vehicles Through Study Area
2. Re-Validation Of The ROCOG Model To Develop Horizon Year Daily Forecasts
 - a. Develop Trip Distribution And Trip Assignment
 - b. Identify Pinch Points
 - c. Develop A Base Synchro Model For Study Intersections
 - d. Conduct A High-Level Capacity Analysis At Study Intersections
3. Develop Small Area Model For Downtown Area To Determine Horizon Year Peak Hour And Daily Forecasts
 - a. Model Individual Blocks Within The Study Area, Including Parking Lots And Loading Generators
 - b. Develop Dynamic Traffic Assignment Model And Analyze For Up To 10 Scenarios
 - c. Conduct A High-Level Capacity Analysis At Study Intersections
4. Develop Transit Ridership Model
 - a. Estimate Changes In Transit Ridership Based On Geography
 - b. Develop Transit Ridership Estimates
5. Develop Pedestrian/Bicycle Forecast Model
 - a. Estimate Pedestrian and Bicycle Forecasts within the Study Area For Up To 20 Scenarios.

OPERATIONAL ANALYSIS

1. SUPPORT TO STREET USE STUDY

As part of the simulation task, Kimley-Horn will provide support and input to the following Street Use subtasks:

- Data Collection – Review and provide input on data collection plan (methods, types of data, and locations). This will occur in the first 3 months of the study.
- Base Models – Review and coordination with SRF in the development and validation of the base Synchro models
 - Develop the base VISSIM models (41 total intersections).
- Concept Planning – Review and validate capacity/feasibility of preliminary concepts using Synchro models.

2. TRANSPORTATION SIMULATION

The goal of this task will be to develop a framework and criteria for the multimodal analysis and assessment of the parking, transit, City Loop, and street use concepts.

3. SUPPORT TO OTHER STUDIES

This task will also provide a supporting role to the work of the Parking/TMA, City Loop, and Transit studies.

4. UTILITIES

The purpose of this task is to coordinate DMC related street reconstruction with major utility infrastructure projects.

CONCEPT DESIGN

1. Data Collection
2. Street Typology (Complete Streets/Main Streets) and Corridor Profiles
3. Performance Measures
4. Concept Evaluation
5. Implementation Strategies
6. Identification of a Preferred Demo Project
7. Civil Concept Design
8. Bridge Concept Design
9. Prepare Planning Level Cost Estimates

VISUALIZATIONS

1. Coordination with design teams
2. Data Collection
3. Develop 3D models of proposed design elements
4. Support to planning phase of street use and operations study
5. Photo simulations for street use/operations, city loop and transit studies
6. 3D renderings for street use/operations, city loop and transit studies
7. 3D animations for the street use and operations study

PROJECT STAFF SUMMARY

DATA COLLECTION CONSULTANT--WSB

- LEE GUSTAFSON, SR. PROJECT MANAGER
- MARK SEVERTSON, SURVEY MANAGER
- MARY SCHWARTZ, PROJECT MANAGER

TRAVEL MODEL CONSULTANT--SRF

- STEVE WILSON
- EMILY GROSS
- JACOB ASPLUND
- JOSH MAUS

OPERATIONAL ANALYSIS CONSULTANT: KIMLEY-HORN AND ASSOCIATES

- JONETTE KUHNAU, P.E. – TRAFFIC ENGINEER
- DAN COYLE, P.E. – UTILITY ENGINEER
- JUSTIN SEBENS – TRANSIT PLANNER
- ASHLEY PAYNE – GIS SPECIALIST

CONCEPT DESIGN CONSULTANTS: STANTEC AND AECOM

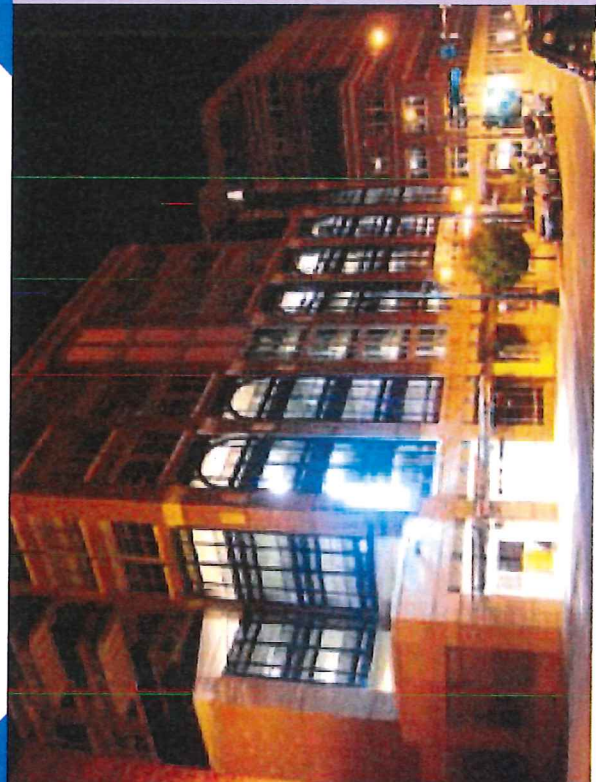
- MIKE RUTKOWSKI, P.E., AICP
- TASK MANAGER – MARK RYAN
- CIVIL LEAD – MATT FORSYTH
- BRIDGE DESIGN LEAD – VARTAN SAHAKIAN

VISUALIZATION CONSULTANT: AECOM

- Visualization Lead – Andrew Jones
- VISUALIZATION SUPPORT – KATHRYN RYAN

Work Completed in DMC Study

- Recommended a comprehensive program to manage the demand for downtown vehicular access
- Recommended a strategy to influence and reduce that demand involving two major elements:
 - Parking Management:** provide the least amount of parking needed to support the DMC District by making the most efficient use out of every space built
 - Transportation Demand Management (TDM):** provide supportive programs for employers, workers and visitors that effectively communicate information about travel options and encourage/ facilitate the use of options to private vehicle travel in and around downtown
- Supported the need for a **Transportation Management Organization (TMO)**
- Identified important goals, responsibilities and outcomes for a TMO
- Identified key objectives for the parking / TDM program to achieve including:
 - Suggested Parking and TDM be jointly managed through an Access Authority
 - Shift at least 50% of long term parking customers to locations outside the district
 - Create 6,000 to 8,000 spaces at the edge of the district and about 4,000 park & ride spaces nearer the edge of the city for long term parking users
 - Establish use of **Shared Parking** to facilitate the efficient joint use of parking
 - Unbundling Parking** costs from housing or commercial rents
 - Consider use of **Payment in Lieu Parking Fees** to reduce provision of site-specific parking



Key Work in Proposed Study

- Relative to Parking Management
 - Quantify parking demand by user markets / Mayo market
 - Identify when a circulator service / peripheral parking should be implemented
 - Identify whether a circulator should be phased in as a lower cost bus service before transitioning to higher cost rail or elevated service
 - Identify locations and actions to reserve sites for reservoir commuter parking
 - Identify actions needed to implement key parking policies
 - Consider whether large investment in early phases in the parking supply in early years is an appropriate strategy
- Relative to a Transportation Management Organization
 - Resolve the preferred organizational structure for a TMO and how to interface with Mayo's existing TDM Program
 - Develop buy-in from existing property owners regarding travel demand management and parking program approaches
 - Expand the level of coordination and deployment of TDM strategies across many diverse interests in the District
 - Determine how responsibilities for TDM programs would be divided between the TMO and individual business or property interests

PARKING & TRANSPORTATION MANAGEMENT AUTHORITY STUDY

June 23, 2016

PARKING & TRANSPORTATION MANAGEMENT ASSOCIATION (TMA) STUDY (J8618-22)

INTRODUCTION

The ultimate outcome of the proposed Parking and TMA Studies will be to evolve the current parking management programs from their parking focus and begin to envision and define a broader “access management” program that will have a more comprehensive scope and function that focuses on access by all modes, rather than temporary vehicle storage. The objective will be to create an environment that encourages access by all modes including private auto, transit, active transportation and shared mobility strategies as well as transportation demand management (TDM) programs. In addition, advanced planning and community educational resources will be developed to enhance the awareness of available transportation choices and improve the overall downtown experience for all citizens and employees of and visitors to Rochester.

The initial recommended Strategic Plan Vision and Framework is summarized as moving from a “parking to integrated access management”. The new program that will emerge from this planning work will encourage the Rochester community to embrace a wide range of mobility management options to mitigate parking demand overall while enhancing and improving transportation options for all travelers. The new program will also be forward looking and will attempt to envision and incorporate, to the degree feasible, emerging technologies (such as the autonomous vehicles) and the creative application of new strategies (such as shared mobility platforms).

KEY DELIVERABLES/OUTCOMES

- Existing parking supply and demand
- Future parking needs
- Parking and access demand scenario development and evaluation
- Maximize Utilization of Existing Parking Resources
- Economic Development and Financing Strategies
- Zoning and Parking Requirements Alignment with Growth and Mobility Vision
- TDM Plan
- TDM Delivery Model (TMA or Alternative) and Work Plan
- TMA Management and Transition Plan

MAJOR STUDY TASKS

1. Conduct a Parking and TDM current program assessment and Best Practices Review

2. Data Collection, Parking Supply/demand analysis / Demand Modeling – (Park+) and Future Parking Needs assessment / Alternatives Analysis
3. Assess and Maximize Utilization of Existing Parking Resources
4. Strategies to Leverage parking and Mobility Management Options as Tools for Economic Development and Future Parking Garage and TDM Initiative Financing Strategies
5. Align Zoning and Parking Requirements with Growth & Mobility Vision
6. Development of a TDM plan
7. Development Regulations to Support TDM
8. Development of a TDM Delivery Model (TMA or Alternative) and Work Plan
9. Create a TDM Pilot Program
10. TDM Program Start Up
11. TMA Management and Transition
12. Project Management and Coordination
13. Draft and Final Reports

PROJECT STAFF SUMMARY

KIMLEY-HORN AND ASSOCIATES

- L. DENNIS BURNS, CAPP - PROJECT MANAGER
- DAN COYLE, P.E. – DEPUTY PROJECT MANAGER
- VANESSA SOLESBEE – PARKING/COMMUNICATIONS SPECIALIST
- DAVE ALBERSMAN – PARKING DESIGN SPECIALIST
- BRETT WOOD, P.E., CAPP – SUPPLY/DEMAND MODELING
- ADRIA KOLLER, P.E. – ANALYST
- TED RITSCHARD, P.E. - PLANNER

URBANTRANS

- JODDIE GRAY – LEAD TDM/TMA PLANNER
- MATTHEW KAUFMAN – TDM/TMA SURVEY AND ANALYSIS LEAD
- AARON GAUL – TDM/Behavior Change Marketing Lead

NELSON NYGAARD

- DAVID FIELDS – PROJECT ADVISOR
- THOMAS BROWN – PROJECT ADVISOR

MOBILITY MANAGEMENT ASSOCIATES

- JOSH KAVANAGH, CAPP – PARKING AND TDM SPECIALIST

SRF CONSULTING GROUP

- CRAIG VAUGHN – PROJECT COORDINATION/ADVISOR

Work Completed in DMC Study

- Established a vision for reducing private vehicle travel downtown while greatly enhancing the pedestrian environment and public realm through greater use of transit services
- Recommended long term, low turnover parking be shifted to locations outside the district with access provided by a transit circulator and express bus
- Shift long term, low turnover parking to locations outside of the district and provide access with a transit circulator and express bus
- Considered alternative transit modes for the circulator at a system planning level
- Recommended a streetcar circulator for illustrative purposes acknowledging considerable study would still be needed
- Suggested significant downtown changes to the routing and hub location functions for regular city bus service
- Concluded local transit ridership would need to grow by 400% and regional transit by 250% to reduce downtown vehicle travel to acceptable levels
- Suggested \$90 million in non-DMC local City funding would be needed for transit system development, significantly above the historic average level of local city funding of about \$2.5 million per year

Key Work in Proposed Study

- Study transit proposals / changes at a level of detail needed for the city to enter a Federal Transit Administration project development process
- Analyze the operations of a streetcar or high capacity bus rapid transit in mixed traffic versus a dedicated transit lane
- Complete any required environmental review needed if federal or state funds are to be utilized for construction of transit improvements
- Address the impact of shifting bus hub operations to 3rd / 4th Ave West on Mayo operations and access for patrons in the east half of downtown
- Analyze the impact of combined circulator operations and parking ramp access on streets and adjacent properties in business areas or neighborhoods at the edge of downtown
- Address the potential ramifications that a system of downtown fringe parking linked with a circulator may have on utilization of local bus service
- Address the issue of where to relocate regional commuter bus drop-off and layover parking



TRANSIT CIRCULATION STUDY

June 23, 2016

TRANSIT STUDY (J8621)

INTRODUCTION

The Destination Medical Center Development Plan completed in 2015 identified a wide variety of potential improvements in the downtown area to enhance the competitive stature of the region and improve the quality of life. This plan included a transit circulator concept that would knit the various parts of the downtown plan together. The Integrated Transit Studies will identify the preferred transit mode and route for the transit circulator. It will also outline the appropriate actions to integrate the circulator with all other local and regional modes of travel including pedestrians, bicycles, public and private transit services, and cars.

KEY DELIVERABLES/OUTCOMES

- Purpose and Need Document
- Initial Alternatives and Tier 1 Screening Results
- Definition of Detailed Alternatives
- Downtown Station Concepts
- Tier 2 Evaluation and Preferred Alternative Recommendation
- Implementation Plan
- Final Report

MAJOR STUDY TASKS

HDR Team approach for the Integrated Transit Studies includes five major steps identified below.

1. Establish the community goals for the circulator
2. Develop preliminary alternatives to address those goals
3. Evaluate the preliminary alternatives and select a handful of options for detailed analysis
4. Develop detailed alternatives
5. Evaluate detailed alternatives and recommend preferred project

The scope of the technical analysis will depend upon the goals established by the Working Group. Based upon other similar studies, it is likely that the analysis will include, but not be limited to:

PROJECT STAFF SUMMARY

HDR, INC.

- Douglas Moore, AICP: Project Manager
- Kim Slaughter, AICP: Technical Advisor, FTA liaison, governance, implementation

- Jim McConnell, AIA: Lead Architect, guideway and transit center conceptual design
- Luke Olson, PE, Senior Engineer: Guideway analysis and costing
- Tim Burkhardt, AICP, Senior Transportation Planner, alternative analysis
- Tom Shook, Transit Operations Specialist
- Eric Rouse, AICP: Financial and funding analysis

KIMLEY HORN AND ASSOCIATES

- Jeanne Witzig, AICP: Environmental Manager

STONEBROOKE ENGINEERING, INC.

- Kelly Besser, PE: Utility analysis
- Ron Beson, PE: Structural engineering

SRF CONSULTING GROUP, INC.

- Mona Elabbady: Project Coordinator

Work Completed in DMC Study

- Established that an essential ingredient of any great urban space is the ability to move around freely and easily on foot
- Established that developing a quality pedestrian environment would support the economic development, residential strategy and healthy living objectives of the DMC vision
- Recommended a major strategic investment in the form of a world-class **interconnected downtown urban trail**
- Proposed a conceptual alignment for the City Loop linking all six of the DMC Development Sub-districts
- Identified potential connections for the City Loop to the regional trail system
- Provided illustrative examples of how the City Loop might fit in certain locations
- Proposed that improving conditions with the City Loop and a set of streets prioritized for pedestrians would also make bicycling a more comfortable activity in the district
- As a result of changes, anticipates that walk and bicycle travel share will double by year 2035
- Recommended establishment of a downtown area bike share program
- Recommended creation of a downtown bike station

Key Work in Proposed Study

- Reach the stage of considering how the City Loop trail segments would fit "on the ground" throughout the various districts
- Consider how residential and business properties could be impacted
- Resolve the feasibility of sharing the railroad corridor for the City Loop
- Resolve how major street crossings such as a mid-block North Broadway crossing would be handled
- Provide adequate opportunity for public input regarding specific designs in specific locations
- Address federal project development requirements including federal environmental review
- Identify potential funding sources for potential funding for trail maintenance and upkeep



CITY LOOP STUDY

June 23, 2016

CITY LOOP STUDY (J8620)

INTRODUCTION

The City Loop will be a bicycle route around downtown Rochester and will tie into the existing trail network and other proposed bicycle routes. The City Loop will offer connections to each DMC district and connect visitors, residents and workers to culture, entertainment, and nature.

Our approach to conducting the bike and pedestrian system planning and design for the City Loop focuses on creating low-stress, high-quality, world class facilities that make walking and bicycling inviting, convenient, and safe, strengthening Rochester's communal vibrancy with active transportation opportunities for people of all ages and abilities.

We propose to work collaboratively with SRF, City of Rochester/DMC, stakeholders and other transportation infrastructure program team members to advance the DMC vision from concept to reality. Understanding that City Loop may be the most challenging of the four transportation studies, we'll invest considerable efforts in closely coordinating and integrating our work with other consultants and the DMC/City team. Our approach to preparing work products is to develop accurate and visually-compelling materials in a timely manner that will help guide SRF/City/DMC, stakeholders and the community through plan development.

KEY DELIVERABLES/OUTCOMES

- ADA Assessment of Route Segments
- Precedents Review
- Concept Alternatives
- Evaluation Measures
- Preferred Concept
- Visualizations
- Phasing Plan
- Final Report
- 30% Design for Key Locations

MAJOR STUDY TASKS

Our scope of work includes eleven primary tasks:

1. Project Management
2. Community Engagement Activities including Topical Presentations, Stakeholder Listening Sessions, and Pilot Project initiation and monitoring

3. Detailed Review of Previous Design Guidance and Related Studies
4. Research and Presentation of Project Precedents and Updated Design Guidance
5. Assessment of Baseline Conditions (including ADA) and Validation of DMC/City Loop Vision
6. Develop Design Programming Guidance
7. Develop and Evaluate City Loop Concept Alternatives
8. Finalize Preferred City Loop Concept
9. Develop Project Phasing and Estimated Costs; Early Implementation (Piolet Project), Data Collection and Evaluation
10. Prepare Visualizations
11. Final Report and Targeted/Limited 30% Design (Preliminary Engineering)

PROJECT STAFF SUMMARY

SEH, INC.

- MARK LOBERMEIER, P.E. – PRINCIPAL IN CHARGE, LEAD CIVIL ENGINEER
- BOB KOST, PLA, AICP – PROJECT MANAGER/DESIGNER
- ANDY MASTERPOLE – URBAN DESIGNER
- KARYN LUGER AND ANNA SPRINGER – TECHNICAL ASSISTANCE, PLANNING AND DESIGN
- RON LEAF – GREEN INFRASTRUCTURE/STORMWATER MANAGEMENT

ALTA

- COLIN HARRIS, P.E. – BICYCLE TRANSPORTATION DESIGN/ENGINEERING
- STEVE DURRANT, FASLA – TECHNICAL ASSISTANCE, QA/QC
- FRED YOUNG, PLA – BIKE SHARE DESIGNER
- JIMMY SHOEMAKER AND VICTORIA KOVACS – TECHNICAL ASSISTANCE, PLANNING AND DESIGN

BARR

- NATHAN CAMPEAU – STORMWATER MANAGEMENT

NELSON\NYGAARD

- EVAN COREY – DESIGN CONTINUITY AND PEER REVIEW
- MICHAEL KING – DESIGN GUIDANCE AND PEER REVIEW

REA

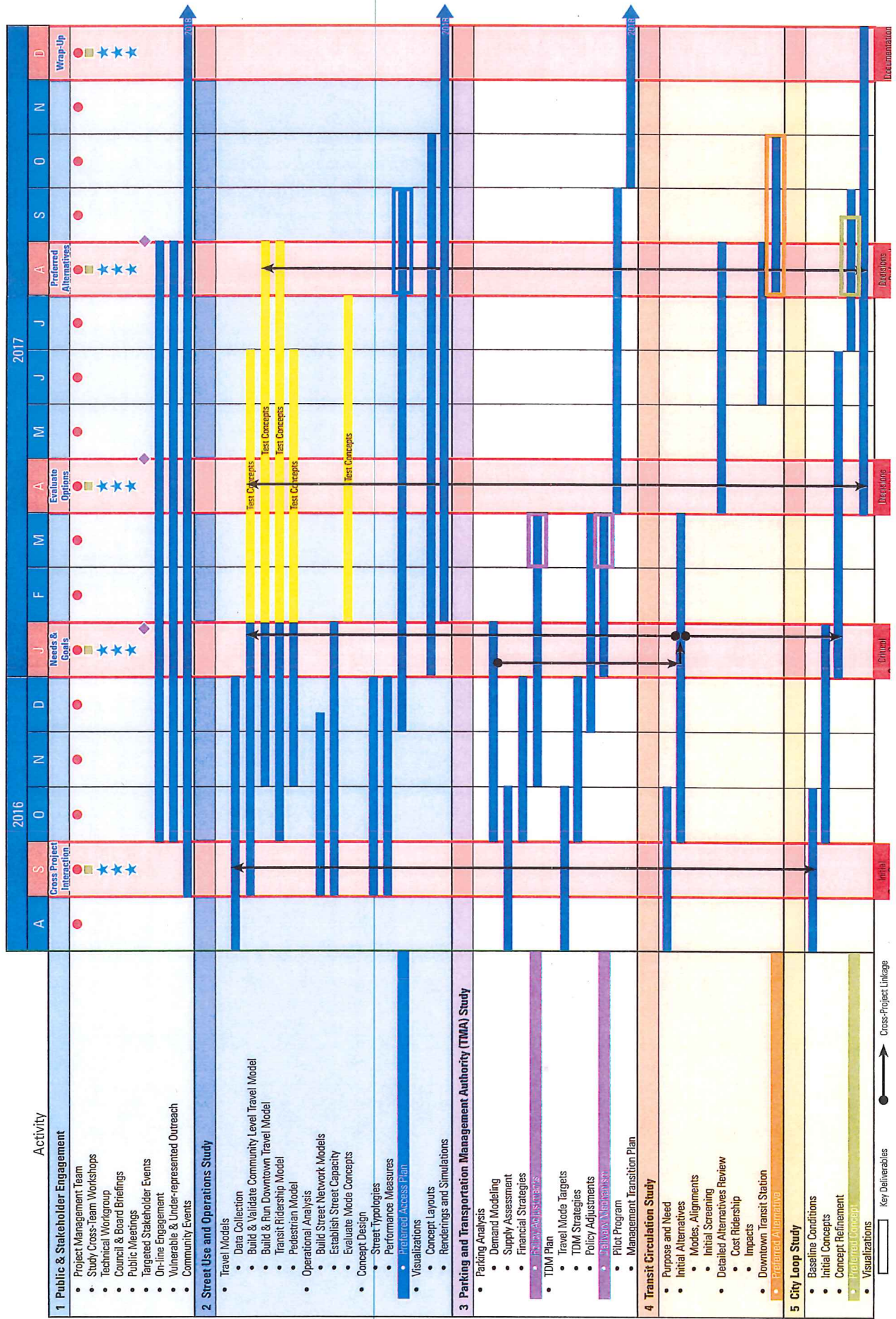
- KEVIN OSBORN – PRECEDENT RESEARCH

COMMUNITY DESIGN GROUP (MBE/DBE)

- BASELINE CONDITIONS ASSESSMENT AND ENGAGEMENT ACTIVITIES

*additional technical and design production staff may be engaged over the course of the project.

Integrated Transit Studies Imeline



Key Milestones		2016												2017											
		A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D							
1 Public & Stakeholder Engagement Activities																									
Deliverables - Engagement Plan - Summary of Input			Workshops & Meetings				Workshops & Meetings		Workshops & Meetings		Workshops & Meetings							Workshops & Meetings							
2 Street Use and Operations Study																									
Deliverables - Level of Service - Model Simulations for Scenarios - Street Typologies - Access Plan - Concept Plans - Visualizations			Data Collection				Street Capacity		Test Results		Access Plan						Visualizations								
3 Parking and Transportation Management Authority (TMA) Study																									
Deliverables - Parking Supply Inventory - Parking Demand Model - Policy Adjustments (Shared Parking) - Financial Analysis/Rates - TDM Plan - Pilot Program			Data Collection		Demand Estimates				Policy Adjustments		Align Parking /Circularor Locations														
			Mode Targets				TDM Strategies		Delivery Mechanisms		Pilot Programs														
4 Transit Circulation Study																									
Deliverables - Purpose and Need - Initial Modes & Alignment Screening - Detailed Alternatives Cost, Ridership & Impacts - Preferred Alternative			Purpose & Need				Concepts		Screening Results		Preferred Alternative														
5 City Loop Study																									
Deliverables - Purpose & Need - Evaluation Measures - Concept Alternative Layouts - Preferred Concept			Baseline Conditions				Initial Concepts		Impacts		Preferred Concept														

City Technical Lead



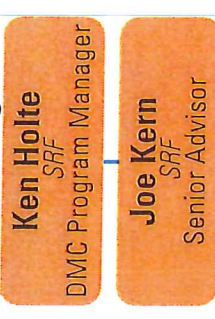
Project Sponsor



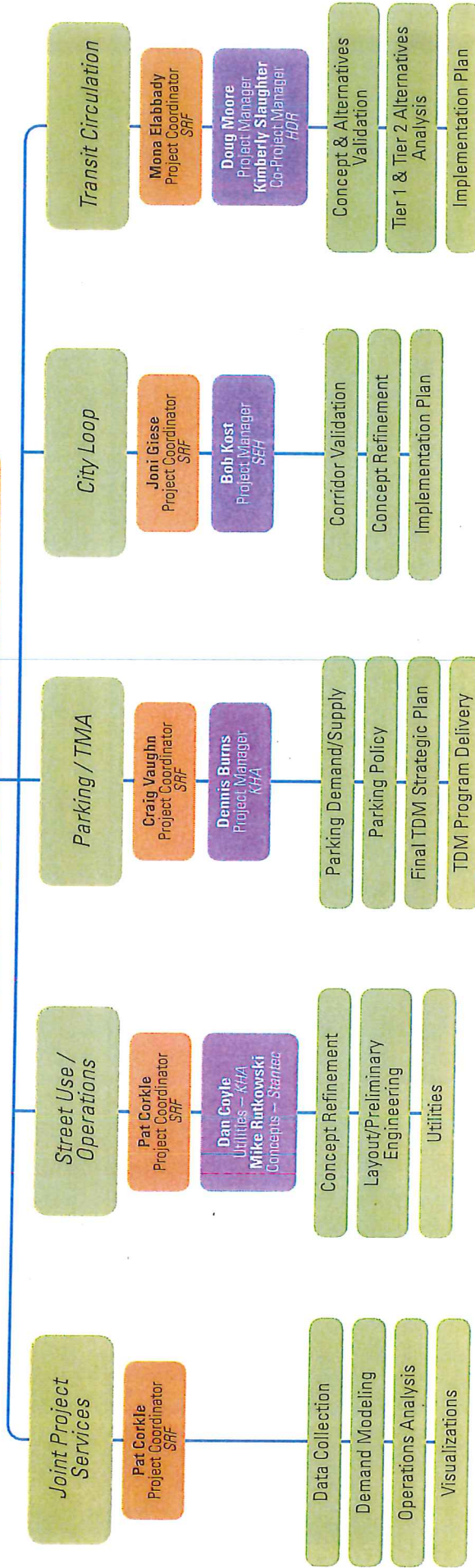
City Policy Lead



Project Management



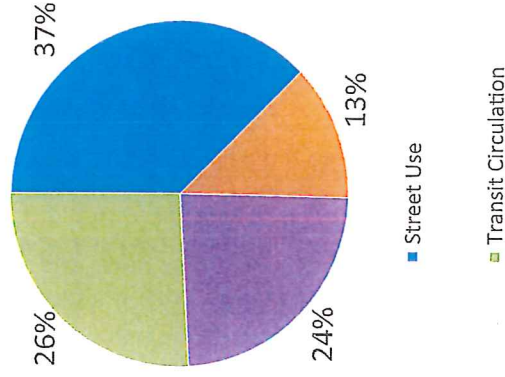
Beth Bartz SRF – Coordination of Public Involvement



Each Study will be required to meet established DMC WMBE Goal

Distribution of Expenses

2016				
Study	Jul/Aug	Sep/Oct	Nov/Dec	
Parking/TMA	\$ 180,000	\$ 180,000	\$ 180,000	
City Loop	\$ 120,000	\$ 120,000	\$ 120,000	
Transit Circulation	\$ 140,000	\$ 140,000	\$ 140,000	
Street Operations	\$ 200,000	\$ 200,000	\$ 200,000	
BI-MONTHLY TOTALS	\$ 640,000	\$ 640,000	\$ 640,000	
Cash Flow by Year	\$ 1,920,000			



Study	2017					
	Jan/Feb 2017	Mar/Apr	May/June	Jul/Aug	Sep/Oct	Nov/Dec
Parking/TMA	\$ 166,914	\$ 166,914	\$ 166,914	\$ 166,914	\$ 166,914	\$ 166,914
City Loop	\$ 100,066	\$ 100,066	\$ 100,066	\$ 100,066	\$ 100,066	\$ 100,066
Transit Circulation	\$ 307,681	\$ 307,681	\$ 307,681	\$ 307,681	\$ 307,681	
Street Operations	\$ 372,268	\$ 372,268	\$ 372,268	\$ 372,268	\$ 372,268	\$ 372,268
BI-MONTHLY TOTALS	\$ 946,929	\$ 946,929	\$ 946,929	\$ 946,929	\$ 946,929	\$ 639,247
Cash Flow by Year	\$ 5,373,891					

2018				
Study	Jan/Feb 2018	Mar/Apr	May/June	
Parking/TMA	\$ 96,839	\$ 103,015	\$ 44,037	
City Loop				
Transit Circulation				
Street Operations				
BI-MONTHLY TOTALS	\$ 96,839	\$ 103,015	\$ 44,037	
Cash Flow by Year	\$ 243,891			

Study	TOTALS
Parking/TMA	\$ 1,785,374
City Loop	\$ 960,395
Transit Circulation	\$ 1,958,407
Street Operations	\$ 2,833,606
TOTALS	\$ 7,537,782

DESTINATION MEDICAL CENTER District

INTERIM PARKING MANAGEMENT PROPOSAL

Presentation Outline

What is the issue?

- In the last six months a number of major downtown development proposals including significant parking capacity well beyond what is needed to serve on-site uses have come forward.
- The DMCC Board in their recent meetings have raised the question of how proposed parking supply for off-site uses should be evaluated for consistency with the DMC Plan in order to be able to provide guidance to developers.
- While the DMC Plan is clear that providing on-site parking for residents and certain other parking users such as business customers, hotel guests, visitors or patients is clearly consistent with the plan, the plan does not provide clear direction on off-site employee parking as well as where public parking is needed.
- Past practice in regards to public parking has been to target public assistance to locations where parking will be available for public uses (Mayo Civic Center events, the Library, etc) or to supplement the supply of parking for high turnover uses such as shoppers or restaurant patrons.
- Based on the proposed timeline of the transportation studies, the analysis of parking markets (ie, resident demand, customer demand, employee demand, etc) and supply, and the initial feasibility screening of modes and alignments for a downtown circulator will be completed late 1st Quarter / early 2nd Quarter of 2017. This would be the point at which an indication of where employee and other long term, low turnover parking locations consistent with proposed circulator alignments could be confirmed.
- Staff believes there are four key questions for which direction is needed in near term:
 - Developers want direction on how much private & public parking to supply on-site
 - Where will the city have a role in providing parking in DMC District?
 - How to approach off-site commuter parking in the interim period?
 - The potential for early identification of Reservoir Parking sites and the potential for protection of such sites.
- Staff would recommend consideration of an Interim Parking Overlay Ordinance establishing temporary parking guidelines for the DMC District This could be done as an LDM amendment

which the Council could initiate. If done as an LDM amendment, the matter would be referred to the Planning Commission for a hearing and recommendation before returning to the Council.

- The fastest path to getting an ordinance in place would need to adhere to the following steps:
 - Council initiate ordinance amendment in July
 - Planning Commission hearing and recommendation in late July
 - Council hearing and adoption in August
 - NOTE: Once action is initiated regulations can be used to guide review
 - Consideration would need to be given to whether this path would provide sufficient time and opportunity for community input and Council review.

Background

- Even with an interim overlay ordinance, staff believe consideration should be given to some of the key parking management principles established in the DMC Plan and adopted Downtown Master Plan. These include:

- Parking = Access / New parking supply should not exceed available street capacity at downtown portals
- Parking Requirements should reflect an evolving downtown parking model
 - Parking is not simply a supply question; supply should reflect location, utilization of existing supply and whether likely users are from target parking markets
 - Make efficient use of parking resources by adjusting supply to recognize:
 - Captive Markets (mixed use development areas generally require less parking)
 - Recognize that peak parking demand for different uses will vary throughout the day, allowing for shared use of spaces, reducing total need
 - A Park Once system facilitated by a Circulator services reduces the need for redundant spaces
 - Minimize Long Term, Low Turnover Leased Parking in the District
 - Provide sufficient parking to meet public need but don't let supply run too far ahead of demand

Questions that need to be answered on developer supplied on-site parking

- How much?
 - Based on user market needs (residents, customers, visitor, community patron (ie, library, MCC, event), employee) not development square footage
- Is the location appropriate for serving different parking markets?
- What is city role?

Preliminary List of Elements for Interim Overlay Ordinance Strategy

1. Parking Supply Guidelines

1.1. Establish area ordinance will apply to

1.2. Required Parking

1.2.1. Policy on minimum amount of on-site parking to be provided

1.2.2. Establish Policy / standard for maximum on-site parking

1.2.2.1. Maximum on-site parking guided by Shared Use Parking Calculation (Address the concern of developers building excess parking for monthly employee contract parking in conflict DMC Vision)

1.2.3. Parking Location

1.2.3.1. Parking can be provided off-site with caveat that it is within acceptable access distance for the market it is intended to serve.

1.3. Public Parking Reservation

1.3.1. Use flexible approach with developer including in preliminary plans an option for the City to secure one or more floors of parking for public parking during project negotiation and approval process

1.3.2. Development Agreement spells out timeframe for city decision on whether to pursue public parking within development agreement

1.3.3. Transferable Parking Entitlement : Site Developer can transfer to or acquire from other developers negotiated public parking reservation

1.4. No parking for Off-Site employee parking use

1.5. Development must include technology to monitor space availability, information to drive app-based availability notification, ability to adjust pricing

2. Public Assistance

2.1. Public assistance to developers for parking will be available only to support Public Parking Reservation (1.3)

2.2. Inclusion of Travel Reduction Measures (Section 3) may be a consideration in determining final amount of public assistance for parking

3. Travel Reduction and Traffic Impact

3.1. Travel Reduction Requirements

3.1.1. For developments with a maximum parking requirement of over 250 spaces, establish a goal to achieve a 5% reduction in on-site trip generation.

3.1.1.1. Measures can include Minimum Travel Reduction strategies in 3.1.2 and 3.1.3 or other measures of demonstrated potential to reduce on-site trip generation.

3.1.2. Minimum Travel Reduction expectations

3.1.2.1. All development expected to work with city to offer Transit Pass Program to on-site population.

3.1.3. All Residential development expected to provide

3.1.3.1. Car Sharing program

3.1.3.2. Bicycle Parking

3.2. Other Priority Travel Reduction Options

3.2.1. Developers are encouraged to unbundling parking cost

3.2.1.1. Developer allowed to market unused unbundled spaces to other users

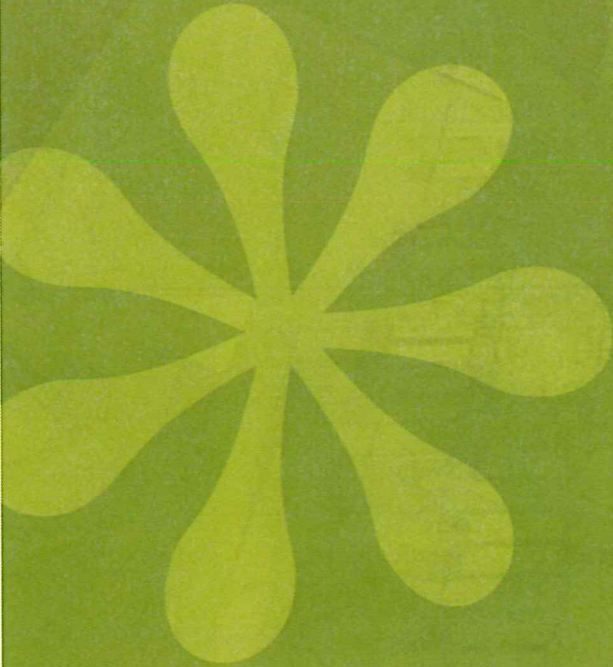
3.3. Traffic Impact

3.3.1. A development cannot consume more than 10% of remaining capacity at any downtown portal

3.3.1.1.

4. Mayo Medical Center Parking

4.1. City will continue to work with Mayo to minimize future employee parking demand and implement alternative demand reduction solutions consistent with parking goals established in Mayo Master Plan.



Topic: DMC Finances

Agenda

1. What are the public funding streams?
2. When do the public funds become available?
3. How can we leverage public funds for maximum public value?

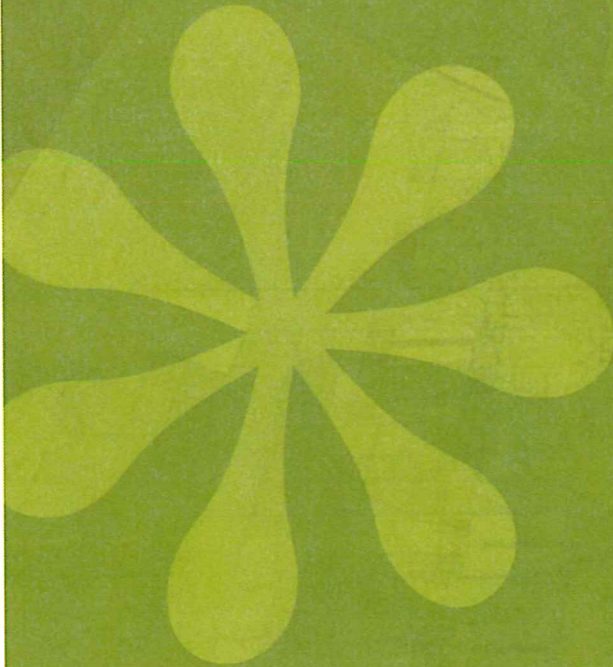


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6. Availability of Public Funds
7. Public Investment Detail
8. City of Rochester Review
9. Considerations
10. Understating Cash Flow and Bonding Issues
11. Key Takeaways

DMC Plan Scope Review

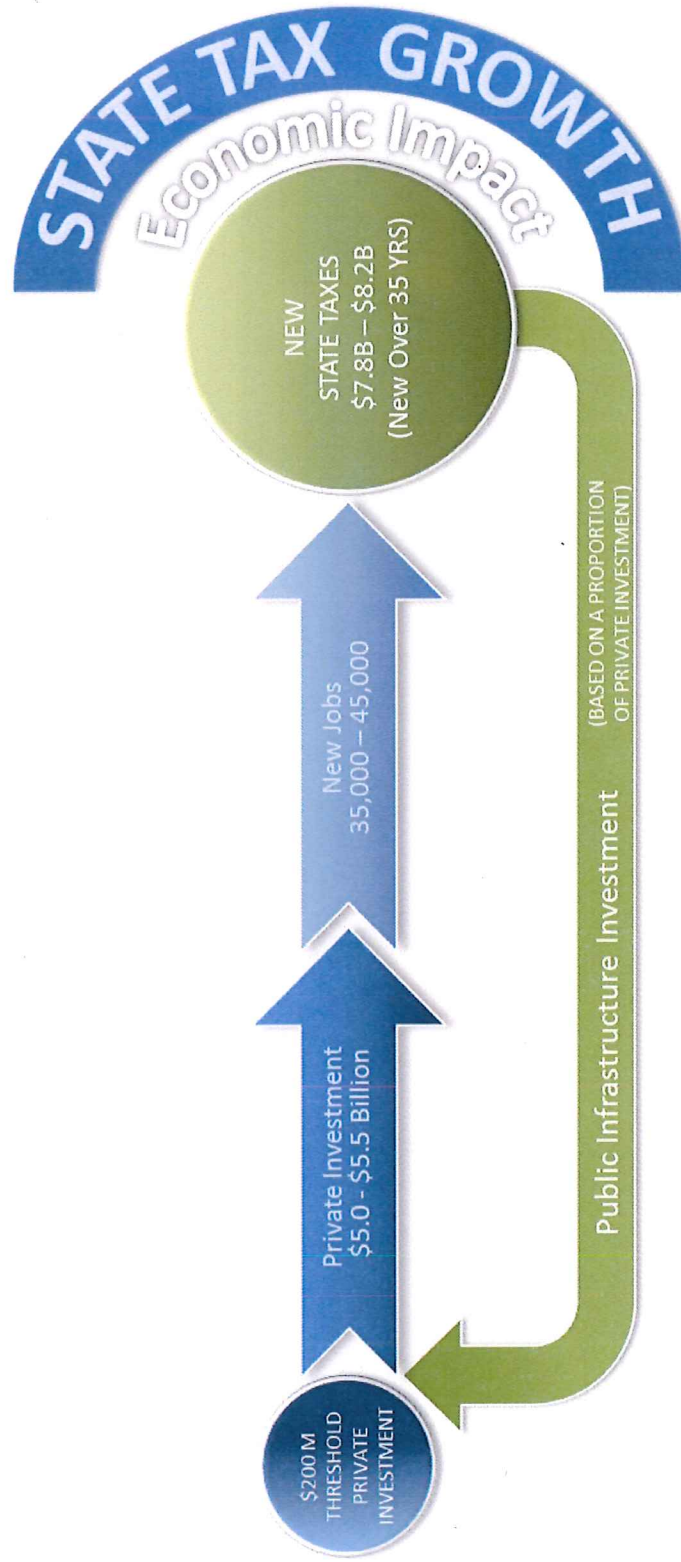
DMC Development Plan IS:

- Findings that meet the requirements and legislative intent of the DMC Act
- A **framework** to guide the policies and procedures for the DMC
- Establishment of the Development District Boundaries
- A tool to support the Economic Development efforts of the DMC
- A workplan to guide the ongoing efforts of the DMC and EDA
- Evaluation criteria for DMC Investment
- An outline of the planned public infrastructure and transportation programs for the DMC that will trigger a conceptual planning and engineering report for the DMC District

DMC Development Plan IS NOT:

- A definitive **block-by-block** Master Plan or Land Use Plan for Rochester
- A commitment for capital investment for any specific project(s)
- An appropriation of any funds by the City of Rochester
- An obligation to enact any specific tax by the City of Rochester

State's Commitment is an Investment



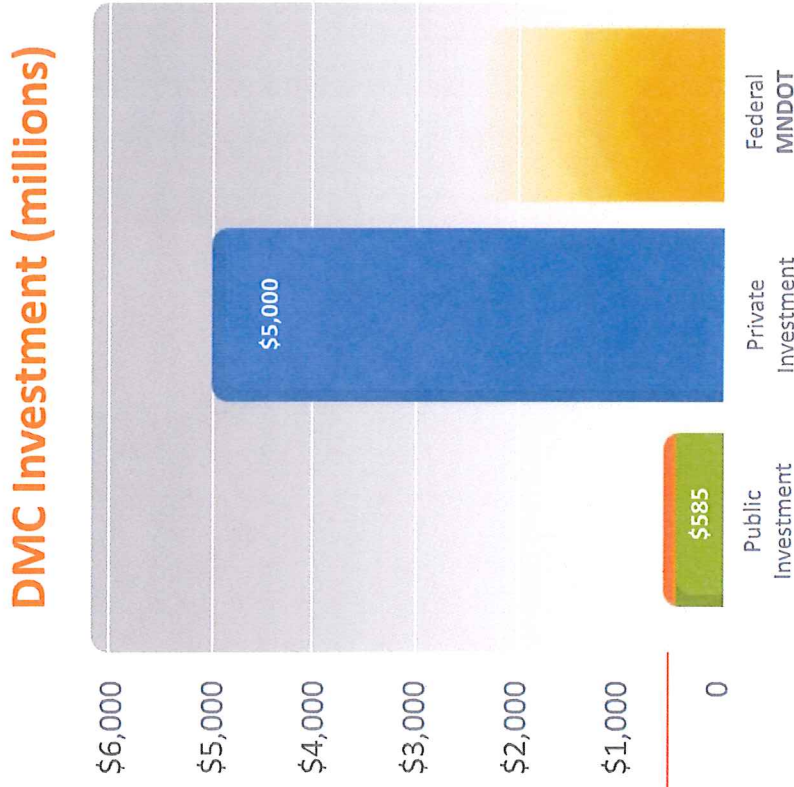
Understanding of Sources (1 of 2)

Sources not directly controlled by Board(s)/Council: \$6.0B+

- 1. Mayo Clinic: \$3.0B+
- 2. Other Private Investment: \$2.0B+
- 3. Other Public (Fed/MNDOT Grant Dollars): TBD
- 4. Other Private (donations/sponsorships): TBD

Sources available for DMC Investments:

- 1. DMC Public Sources: \$585.0M



Understanding of Sources (2 of 2)

Total public sources: \$585.0M

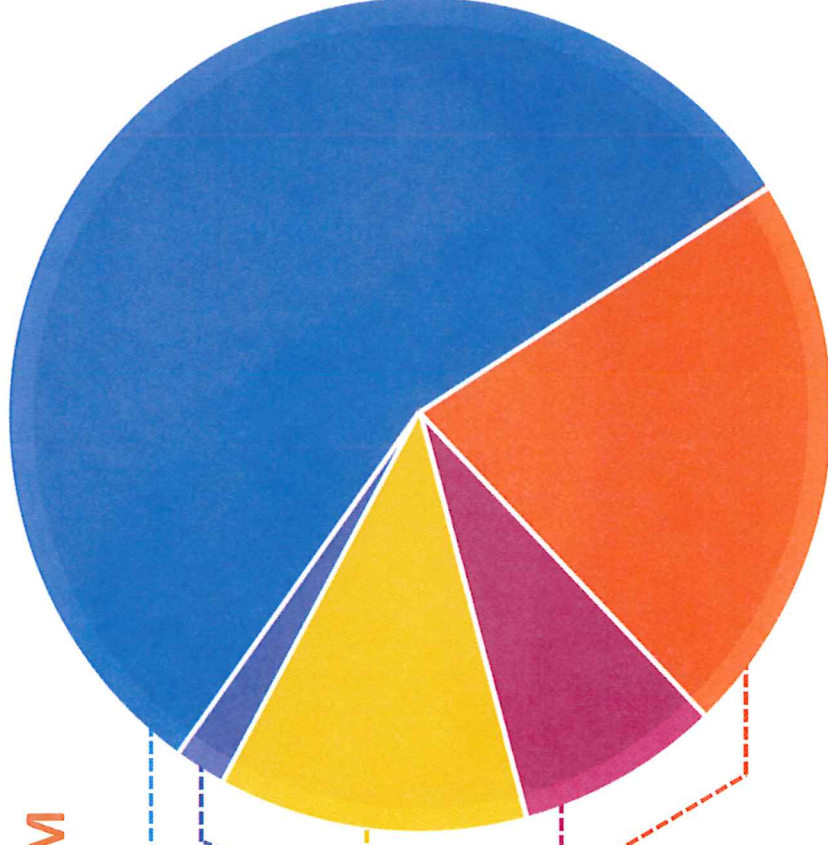
State General Aid, **\$327.0**

State Tax Exemption, **\$14.0**

State Transit Aid, **\$69.6**

County Transit Aid, **\$46.4**

City of Rochester Aid, **\$128.0**



Understanding of Sources (2 of 2)

Total public sources: \$585.0M

1. City of Rochester Aid: \$128.0M

1. Funded via city 0.25% sales tax, estimated at \$5.6M annually.
2. Tax Increment Financing (TIF) projects may count towards this total.
 1. The two above sources are projected to cover the \$128.0M commitment.

2. State General Aid \$327.0M

1. These funds are available after \$200.0M of Private Investment at a rate of 2.75% for every dollar over the \$200.0M threshold. These funds are advanced annually.
2. These funds are also subject to a local match, at a rate of 1:2.55 of Rochester Aid to State General Aid.

3. County Transit Aid \$46.4M (40% of \$116M of Transit funds)

1. Funded via a portion of the county's 0.25% sales tax.
2. The County's contribution is estimated at \$3.0M annually.

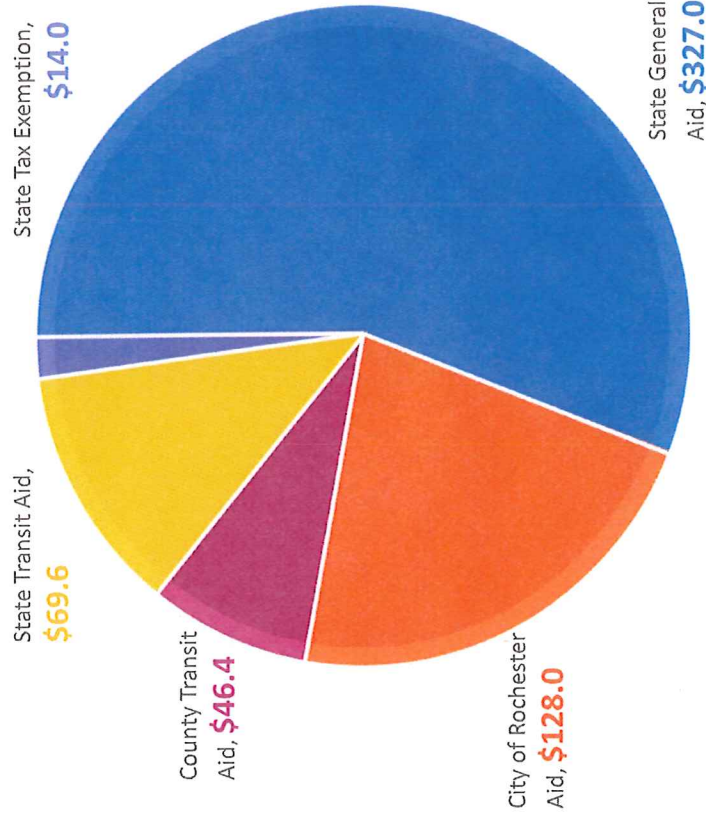
4. State Transit Aid: \$69.6M (60% of \$116M of Transit funds)

1. These funds are available after \$200.0M of Private Investment at a rate of 60% of 0.75% for every dollar over the \$200.0M threshold. These funds are advanced annually.

5. Sales Tax Exemption: \$14.0M

1. Projection of exemption over 20 years.
 1. Materials, supplies, equipment in construction of publicly owned buildings & infrastructure are exempt.

\$585M Breakout:



Estimated Private Investment Pipeline:

Phase One Projection

Private Investment	Project Name	Public Assistance	Est. Project Cost in Calendar Year
July 2013 – Dec 2015	Various	Various	\$152.4M
2016 Projection:			
	501 Building	City TIF	\$25.0M
	Stencil Apartments	City TIF	\$10.0M
	Lofts at Mayo Park	City TIF	\$7.5M
	1 st Ave Flats	City TIF / Housing Tax Credits	\$5.0M
	Conley Maass	City TIF / Historical Credits	\$3.0M
	BroadWay @ Center	DMC TIF	\$20.0M
	Associated Bank	None	\$5.0M
	Mayo Projects	None	\$75.0M
Total 2016:			\$150.5M
2017 High Level Projection	Various	TBD	\$150.0M
2018 High Level Projection	Various	TBD	\$150.0M
2019 High Level Projection	Various	TBD	\$150.0M
Total Phase One Projection			\$752.9M

State General Aid Illustration

Private Investment Projection with resulting State General Aid (Millions)



State General Aid Projection:
Phase One (2015-2019)
Total: \$20.9M



Availability of Public Funds

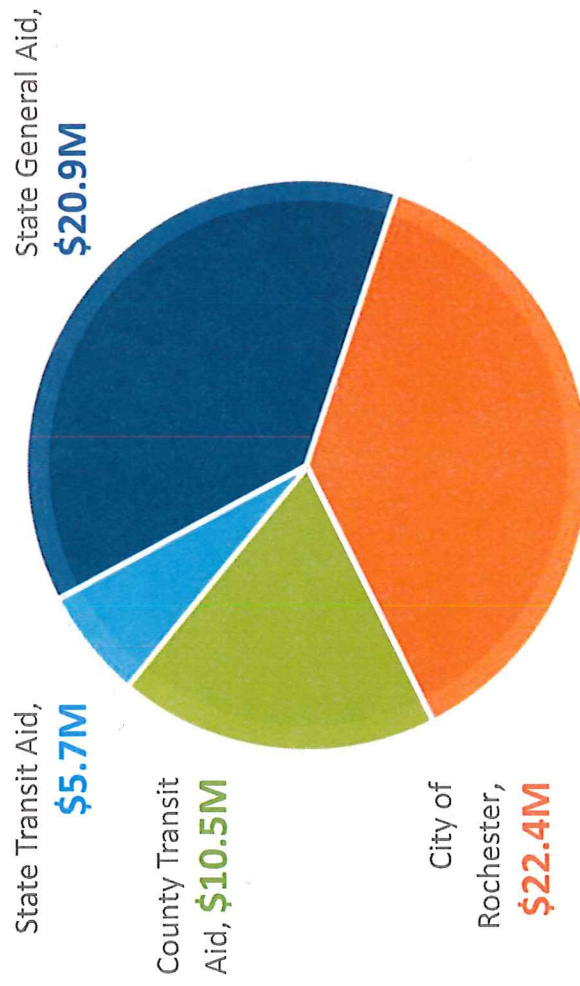
● Projected Private Investment = \$5.0B

● Projected Public Funding = \$585M

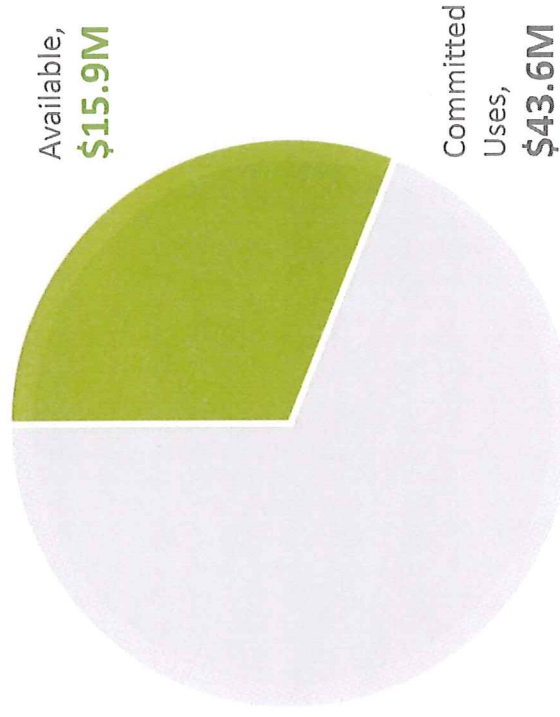


Public Investment Detail

Phase 1 - \$59.5M
(2015 – 2019)
Sources*



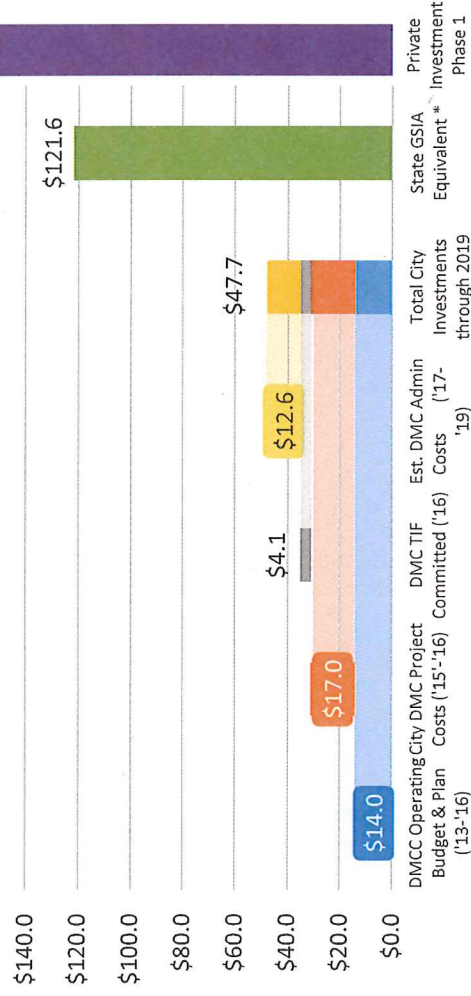
Phase 1 - \$59.5M
Committed vs Available
Sources*



* Cash Basis. PAYGO TIF can increase funds available.

City of Rochester Review:

Phase One Review (2015-2019)



1. Phase I Revenue: 0.25% Sales Tax, estimated at \$5.6M a year from 2016 – 2019
2. Zero State General Aid received through 2016.
3. City has fronted investments in advance of City DMC Sales Tax Revenue in amount of \$15.8M. This advance will need to be repaid (possibly via Bonding).
4. City of Rochester's \$128.0M commitment does not include any potential bond interest payments.
5. \$47.7M projection does not include 2017-2019 capital costs yet to be determined.

Estimated City Project Cost Detail:

1. Transit Studies & Program Management: \$825,000
2. Chateau Theatre: \$5,500,000
3. Parking Ramps (B&C): \$10,700,000

Total: \$17,025,000

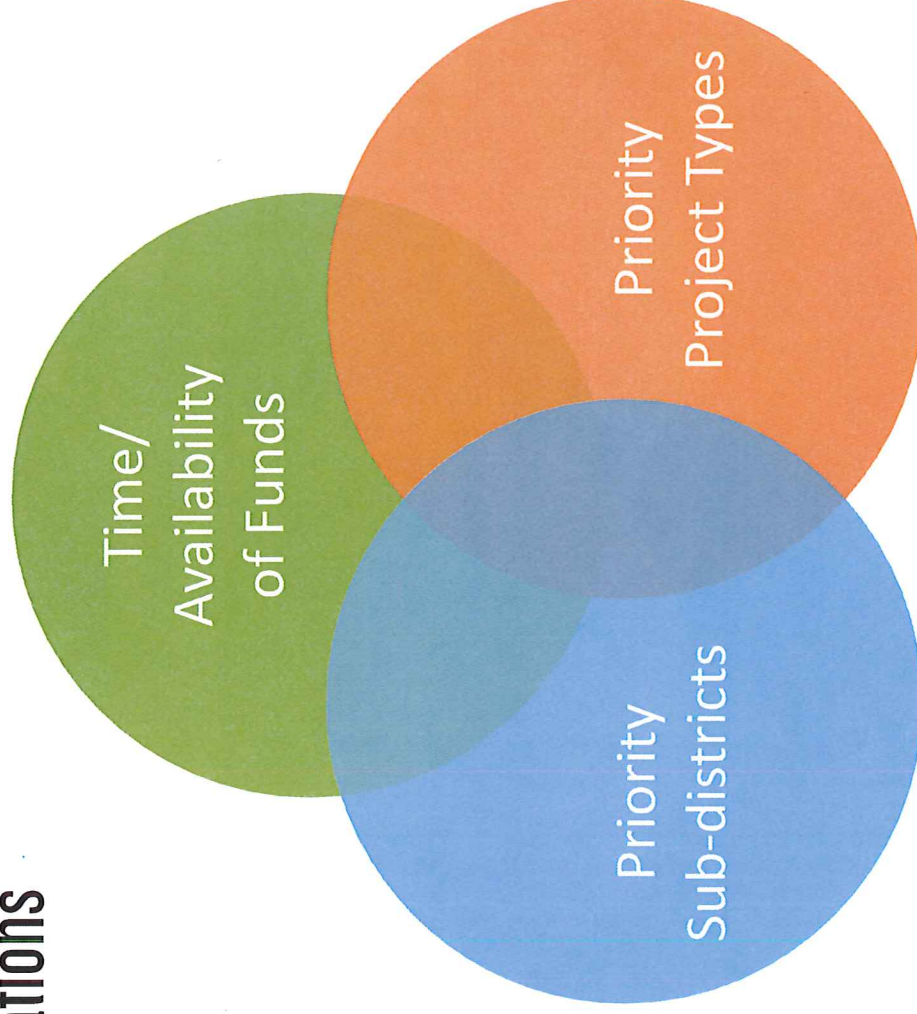
Estimated DMC TIF Funding:

1. Broadway @ Center: \$3,735,000
2. 3rd Street Design Project: \$365,000

Total: \$4,100,000

*While the City's projected investment of \$47.7M in phase I unlocks \$121.6M of State General Aid, the projected Private Investment unlocks \$25.6M of State General Aid. This shows that the City is out in front of the state.

Considerations



Understanding Cash Flow and Bonding Issues

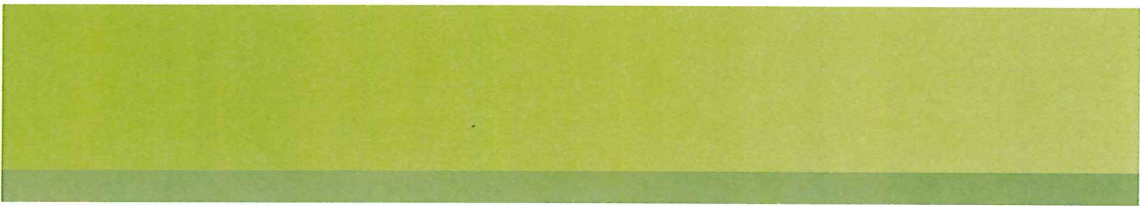
1. Overall City revenue available for the DMC
2. Annual Revenues to provide bonding match for \$455.0M GSIA
3. Alternatives to provide more bonding capacity
4. Transit Project Funding – State and County Match total \$116M
5. City up-front funding of \$15.8M needs to be repaid
6. Credit for City Tax Increment used for DMC projects

Understanding Cash Flow and Bonding Issues

1. **Overall City revenues available for the DMC.**
 - 0.25% sales tax \$5.6M/yr. with est. growth increasing to \$8.0M/yr. by 2035 = \$136.0M
 - \$1.0M/yr. in tax abatement from 2020 to 2035 = \$15.0M (City staff proposed)
 - TIF/Parking and CIP funds as solely determined by the Mayor and Council.
2. **Annual Revenues To Provide Bonding Match for \$455.0M GSIA:**
 - Legislation requires the City to issue all the bonds.
 - Current available annual revenues = \$1.4M/yr. with State Match = \$50.0M in bonds (2035)
 - Additional revenues proposed – Abatement 2020 \$1 M/yr. with State Match + est. sales tax growth \$0.5 M = \$47 M in bonds (2035).
3. **Alternatives to provide more bonding capacity:**
 - Some reduction in the DMC annual operating budget.
 - Additional Revenues – for 2020-2035 allocate \$1.0 M in abatement funds (City staff recommends)
 - Additional Revenues - impose one or more of remaining DMC taxing alternatives in addition to 0.25% DMC sales tax (City staff does not recommend).
 - Alternatives in DMC Legislation (lodging tax, food and beverage tax, admissions tax)
4. **Transit Project funding - State and County match totals \$116 M. Transit costs may exceed this.**
 1. County annual pledge of \$3 M/yr. needed starting in 2017 for transit costs/bonding.
 2. County funding will be in advance of State Transit funding (similar to the City \$)
 3. Additional funding from GSIA funding may be needed for transit improvements.
 4. Some bonding capacity may need to be reserved for transit solutions.
5. **City up-front funding of \$15.8 M needs to be repaid within 3 to 5 years.**
6. **Credit for City tax increment used for DMC projects**
 - Legislation provides opportunity for City local contribution credit for TIF/CIP contributions made for DMC.
 - TIF credit has only applied to the Broadway at Center Project thus far, was requested for the Brutger project, and will be requested by the City for the Bloom project.
 - For many other smaller TIF projects the City has undertaken the projects as City TIF projects only that do not receive credit towards the required local contribution, preserving a higher cash contribution from the 0.25% sales tax.
 - TIF for a few larger projects increase the City match available in Phase II and III when higher State Matching funds are needed.
 - City TIF or DMC TIF funding allows projects to proceed without reducing city cash contribution or requiring DMC sales tax bonding.
 - The DMC legislation TIF provisions do provide an opportunity for financial assistance to allow more projects, such as those on bare land, to proceed.

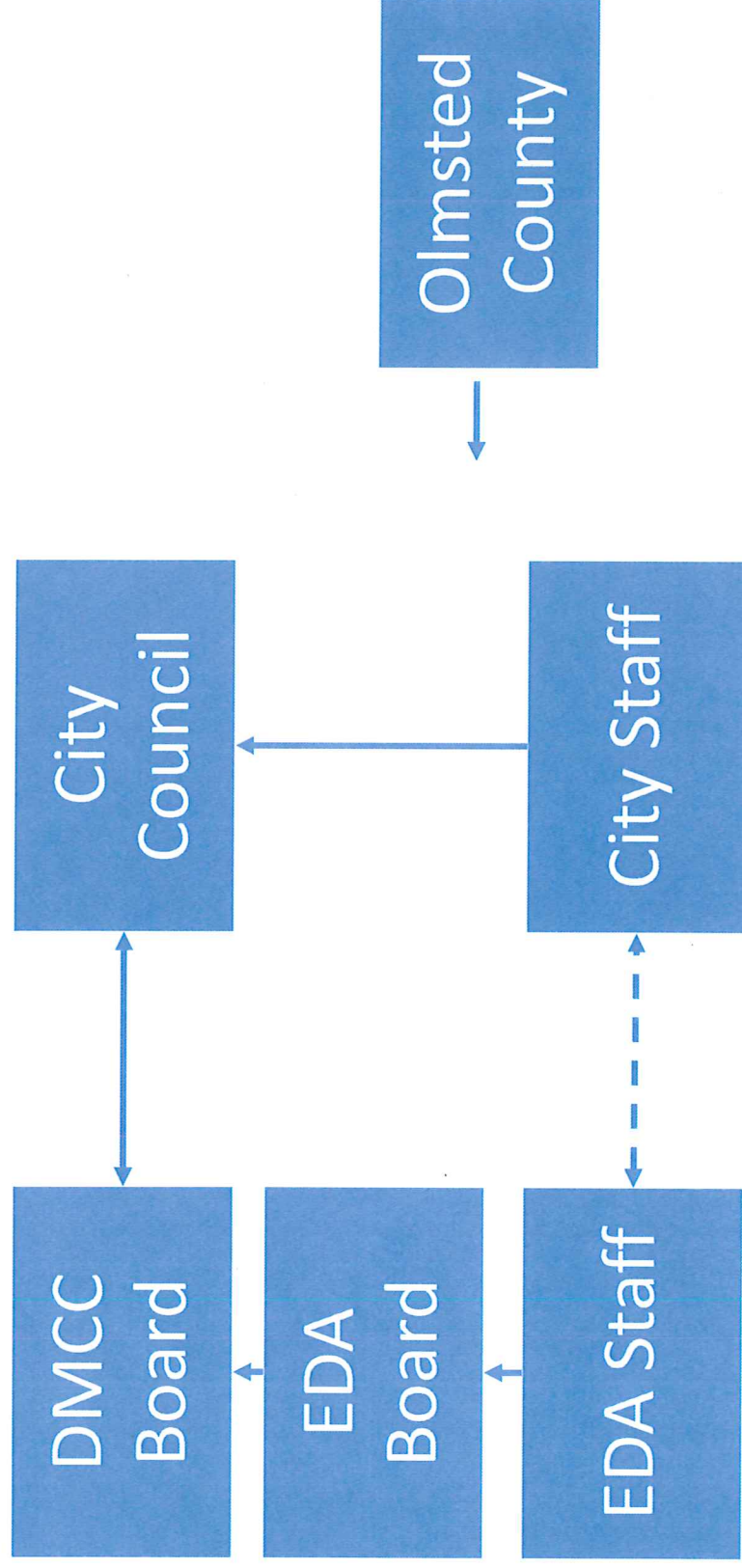
Key Takeaways

- DMC leadership needs to continue to be prudent with the allocation of the public funds
- We have confidence in the initiative, evidenced by the high levels of private investment to date and in the pipeline
- We are fortunate to have the city and county in a position that they can lead the public investment to date
- Private investment leads to Public investment



Appendix

Organizational Relationships



Roles & Responsibilities

DMCC Board:

- Approval of the DMC Development Plan, after action by the City Council
- Public non-profit corporation, appointed by the Governor of MN, Olmsted County, Rochester City Council, and Mayo Clinic
- Approval of projects, annual budget and 5 year CIP, prior to action by the City
- Provides public oversight and expertise to shape strategy
- Retains services of DMC EDA to assist with DMC implementation
- Retains services of the City for financial and administrative support
- Retains firm for legal and administrative services

City of Rochester (City Council):

- Approval of the DMC Development Plan, after submittal by DMCC
- Approval of projects, annual budget and 5 year CIP, after action by the DMCC Board
- Provides financial and administrative support to the DMCC
- Assists the DMCC with DMC implementation
- Constructs public infrastructure projects for DMCC
- Agreement with MN DEED for receipt and management of State funds
- Agreement with Olmsted County for receipt of County Transit funding

Olmsted County

- Member of DMCC Board
- Provides transit matching funds to city
- Membership on Transit/Transportation work group

DMC EDA (Staff for DMCC):

- Private non-profit corporation formed by Mayo Clinic
- Assists DMCC in DMC implementation
- Works with City staff on all projects in the DMC Boundary
- Leadership role for Discovery Square
- Co-Leadership role on Heart of the City
- Co-leadership role on Chateau Theater

City Staff

- Assists with DMC implementation and construction
- Works with DMC EDA staff on all projects in the DMC Boundary
- Leadership role in Transit/Transportation planning and construction
- Co-Leadership role on Heart of the City
- Co-leadership role on Chateau Theater

County Staff

- Planning Staff works with City staff on all aspects of transit and project planning
- Engineering staff works on Transit/Transportation work group

Development Review Process

