

Essentia Wellness Center

PARTNERING FOR WELLNESS – BETTER TOGETHER

FROM THE IDEA OF A “GATHERING SPACE TO AN ACTUAL PLACE FOR COMMUNITY



Essentia Wellness Center

- Full-Service YMCA with a gym, pool, exercise studios, walking track, weight room, and cardio options
- YMCA-operated day care for 100+ children
- Essentia Health Clinic – Physical Therapy and more
- Community Space, Lounge, Café
- 78,000 square feet
- Total Project Costs - \$26 million
 - \$16 million Sales Tax
 - \$8 million State Bonding
 - \$2 million – Essentia Naming Rights

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TIMELINES & KEY STEPS

- This was a multi-year process with several big pieces & partners needing coordination and collaboration
- Community-led effort – with Community Steering Committee

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DESTINY DRIVER - 2011

- Identify and define a community gathering site and its master plan for development within two years
- April 28, 2021



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KEY COMPONENTS - 2012

- Operator Determination
 - Several 2012 meetings with the YMCA
 - They were looking to expand beyond downtown Duluth
 - We said we would love to have a facility in Hermantown
- Funding – Unrelated to project
 - Hermantown City Council supports/obtains legislative approval to increase sales tax from ½ to 1 percent in November 2012
 - It passes voter referendum ... by 12 votes!

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PLAN FORMULATION - 2013

- Citizen-led committee
- Significant efforts from the YMCA
- Identifying the “hook” of wellness and health outcomes
- Identifying the plan

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HEALTH OUTCOMES – SOUTH ST. LOUIS COUNTY 2014

- City Council adopts resolution supporting regional health and wellness center, and requests state bonding for the “Arrowhead Regional Health and Wellness Center
- City Council agreement with the YMCA for consulting services
- City obtains \$250,000 in pre-design grant in May of 2014
- City hires LHB for pre-design efforts

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CREATING PARTNERSHIPS - 2015

- Letters of Intent with Hermantown Schools – Donation of the land and aging (brownfield) school building
- Letters of Intent with Essentia Health – naming partner for “Essentia Regional Health and Wellness Center” – later shortened to today’s “Essentia Wellness Center”
- Legislative efforts to secure state bonding

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FUNDING - 2016

- Legislative Efforts
 - Use of Sales Tax for Essentia Wellness Center passes legislature
 - Hope to secure bonding ... bonding bill does not happen
- Referendum to allow the use of existing 1% sales tax
 - Does not increase the rate of the 2012 vote
 - No dollar limit on project (beyond collected tax)
 - Rules on sales tax have subsequently changed

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BONDING & DESIGN - 2017

- City awarded \$8 million in state bonding – May of 2017
- City hires LHB as architect, McGough as construction manager
- City begins negotiations with YMCA for use and operations agreement
 - Operation without ongoing subsidy from City

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CONSTRUCTION – 2018

Ground Breaking
July 10, 2018



First Tip Up Panel – October 8, 2018



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GRAND OPENING – OCTOBER 8, 2019



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COMMUNITY GATHERING PLACE

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- **RESIDENTS DID NOT PAY A SINGLE CENT MORE**

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OPERATIONS 2019 - 2024

- 2019 – Opened at membership and visitor levels expected at the five-year mark
- 2020 – Closed for four months due to pandemic
 - Top Project award winner of 2019 from Finance & Commerce
- 2024 – 10,000 members (equivalent to City population)
 - More than 1,000 daily visitors
 - More than 100 children on day care wait list

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BETTER TOGETHER

- “Better Together” became the informal motto
 - The community came together to make this happen
 - The great partnerships helped make it possible
- Gathering Place
 - Through process and creation of place; both served as an opportunity to serve and build community

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NEXT STEPS

- Possible expansion discussions are already underway!



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THANK YOU

