



DMC

A Global Destination
for Health & Healing

Discovery Square Update





Discovery Square Update

Discovery Square Overview

Discovery Square Update

- Traci Downs
 - Conley Maass Building
- Xavier Frigola
 - Mayo Clinic Business Accelerator
- Clark Otley, M.D. Mayo Clinic Ventures
 - Mayo Clinic's Discovery Square Feasibility and Project Plan

Madison Site Visit



Highway 52

ST. MARYS PLACE
"THE GREAT ROOM"

CENTRAL STATION
"TRANSIT TERRACE"

'HEART OF THE CITY'

DOWNTOWN WATERFRONT
"THE GARDENS"

Saint Marys Hospital

Saint Marys Park

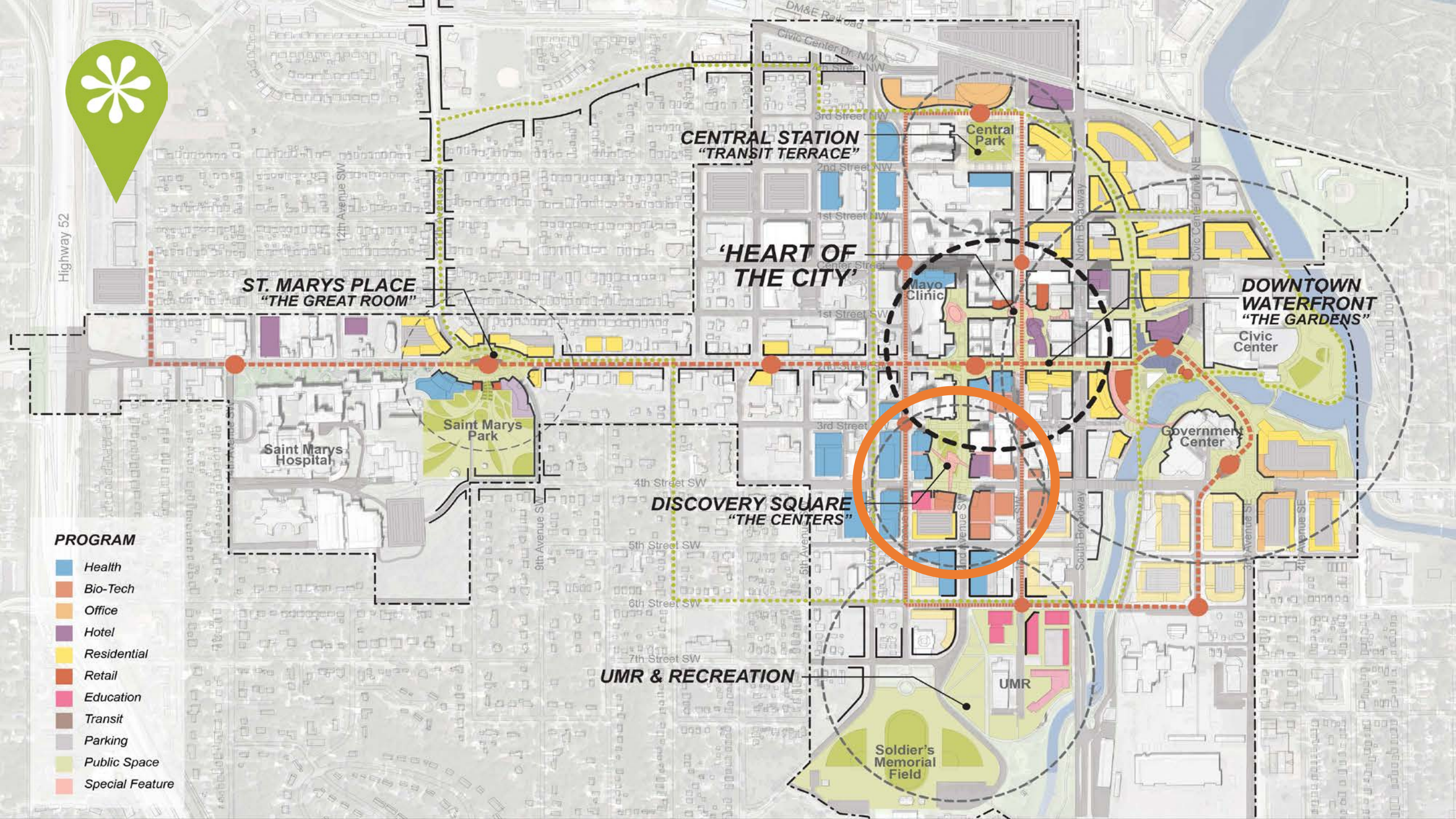
DISCOVERY SQUARE
"THE CENTERS"

UMR

Soldier's Memorial Field

PROGRAM

- Health
- Bio-Tech
- Office
- Hotel
- Residential
- Retail
- Education
- Transit
- Parking
- Public Space
- Special Feature





DMC **Priorities**



Priority #1: Create a Catalyst –
Heart of the City



Priority #2: Drive Investment in Bio-Medical-
Technology Sector – Discovery Square



Priority #3: Transportation





Eight Areas of Focus



Discovery Square



DMC Development Plan

COMMERCIAL RESEARCH & TECHNOLOGY SPACE

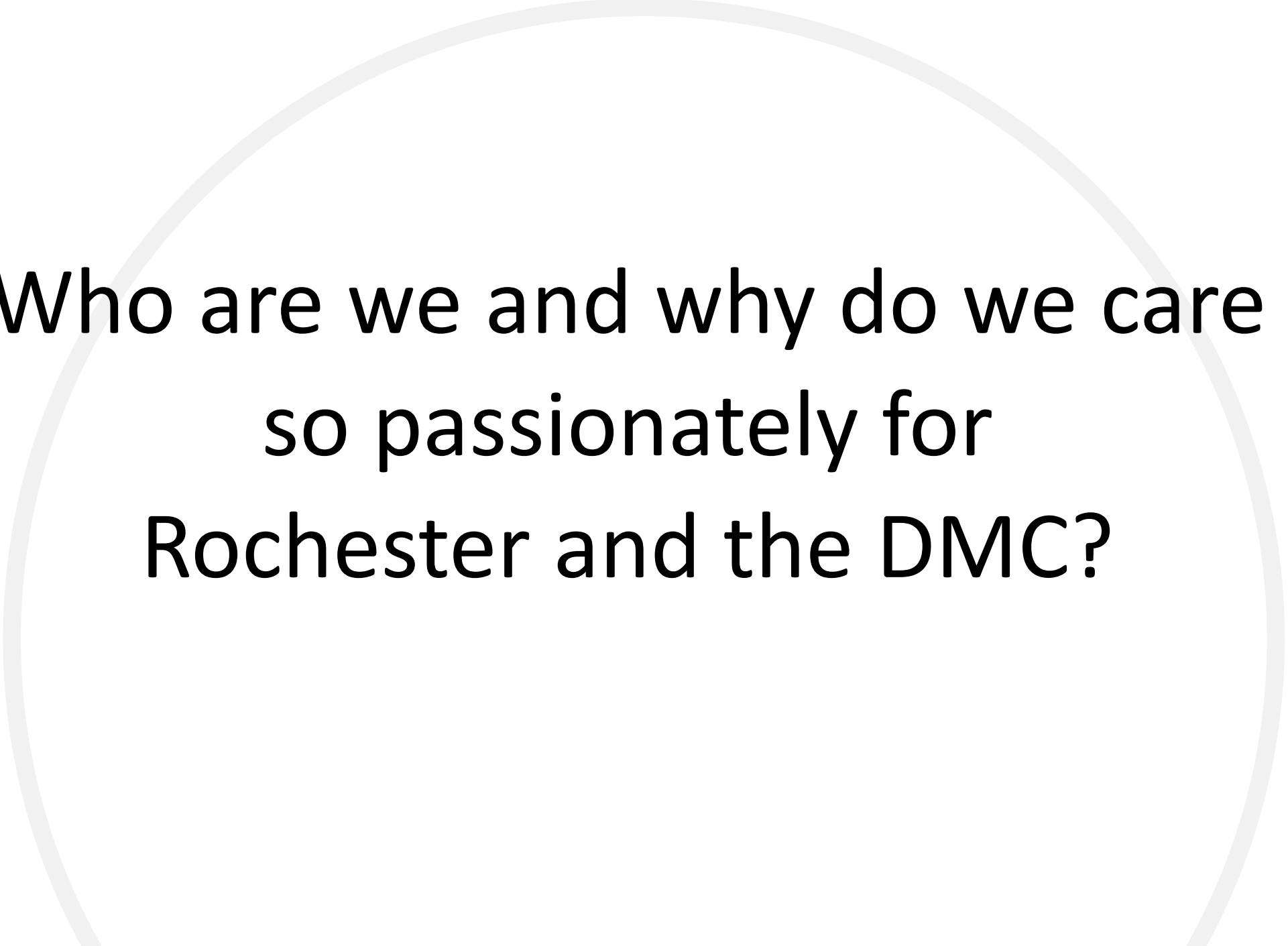
- Mixed-use research park would offer the best format to develop bio-med-tech in the DMC
- Approximately 650,000 – 1,000,000 sq. ft. of scaled development over the 20-year development horizon
- Research clusters should present a collaborative physical and program structure mixed-use environments encourage innovation and better attract high-skilled and entrepreneurial technology professionals

COMMERCIAL OFFICE SPACE

- 225,000 sq. ft. of office demand in downtown Rochester by 2034

Traci Downs
Conley Maass Project





Who are we and why do we care
so passionately for
Rochester and the DMC?

Today







Tomorrow: The Beginning









Community Benefits

- Public Private Partnership
- Both Preservation and Development
- Fostering Entrepreneurship
- Building off passions and progress

Developing a new sense of place as DMC and Discovery Square takes root

Xavier Frigola
Accelerator



A modern office interior featuring glass-walled meeting rooms, a lounge area with white sofas and a wooden coffee table, and a desk area with office chairs. The space is bright and open-plan.

Startups Growth as a Feeder to Discovery Square

Xavier Frigola

Coordinator to the Mayo Clinic Business Accelerator

Business Incubator

- Develop a business concept
- New small business
- Low rent space
- Services: mentorship and networking
- Path to funding



Business Accelerator

- Execute/grow a business concept
- Small business
- Acceptance criteria
- 3-month program
- Mentors
- Funding in exchange of equity
- Path to complementary funding
- Forced to “graduate”



Mayo Clinic Business Accelerator

- 3-way partnership:
 - City of Rochester, Mayo Clinic, Rochester Area Economic Development
- Inaugurated 2013. Expanded 2015
- Medical focus
- Entrepreneurial Ecosystem

MINNESOTA BIOBUSINESS CENTER





Mayo Clinic Business Accelerator: Hybrid Model

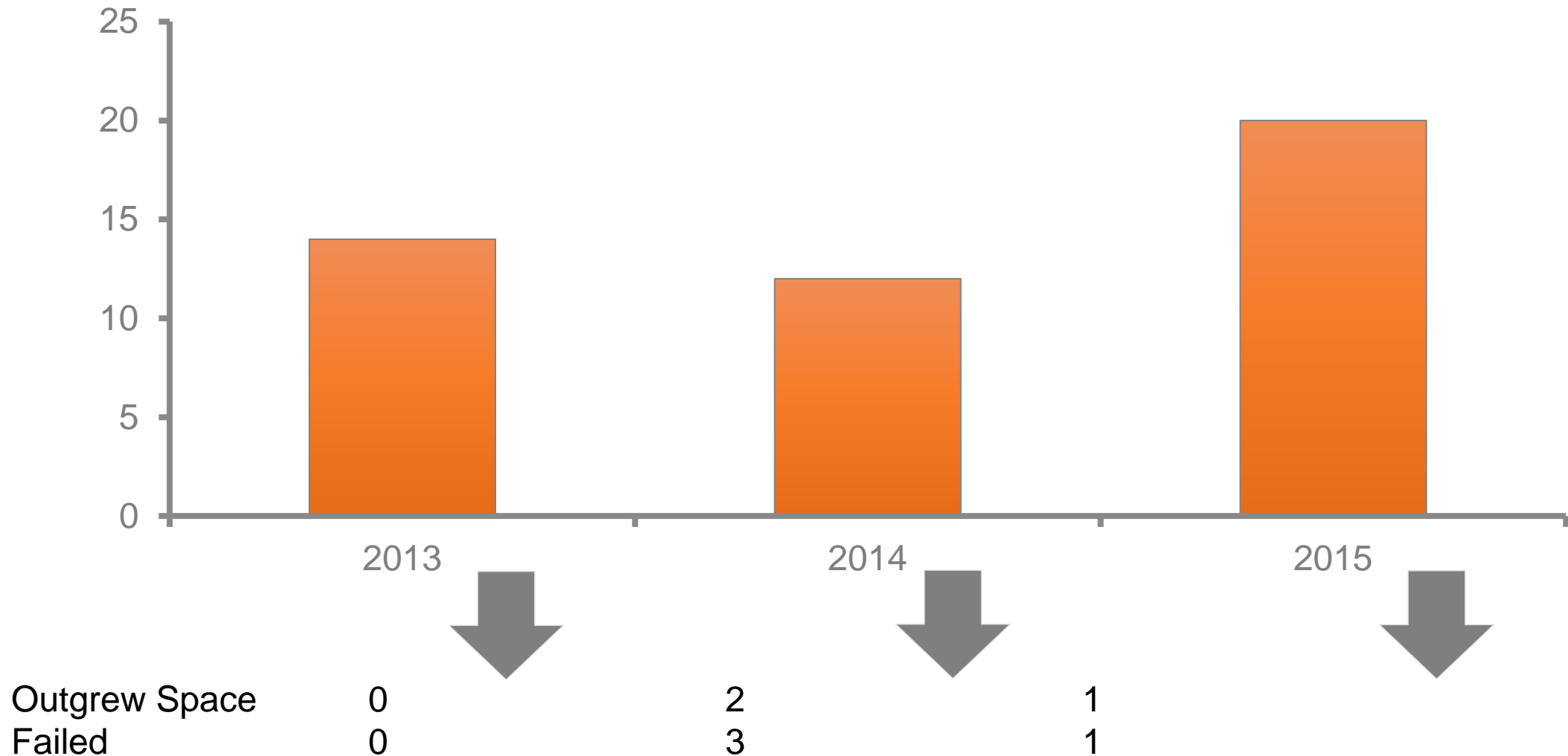


- 3,000+ sq ft office space
 - Desks, 2-3 people offices, 4-6 people offices
- Networking Events
- Host 2-week programs (Techstars++)
- Funding:
 - \$5M Economic Development Fund
 - Connections with other funding sources

Mayo Clinic Business Accelerator: 20 companies



Companies in the Accelerator



3 Graduates



Mayo Clinic Business Accelerator: Ecosystem

**Boston
Scientific**

Rally  **Ventures™**

 **VERSANT**
ventures

 **SANDERLING
VENTURES**

Mayo Clinic
Ventures

Mayo Clinic
Treasury Services


BioAM

techstars 
Accelerating medical innovation with Mayo Clinic

Mayo Clinic Business Accelerator: Statistics

Year	# Companies	Funds Raised	Jobs Created
2014	12	\$ 4.0 million	29
2015	20	\$ 3.6 million	49

17 Entrepreneurial Events

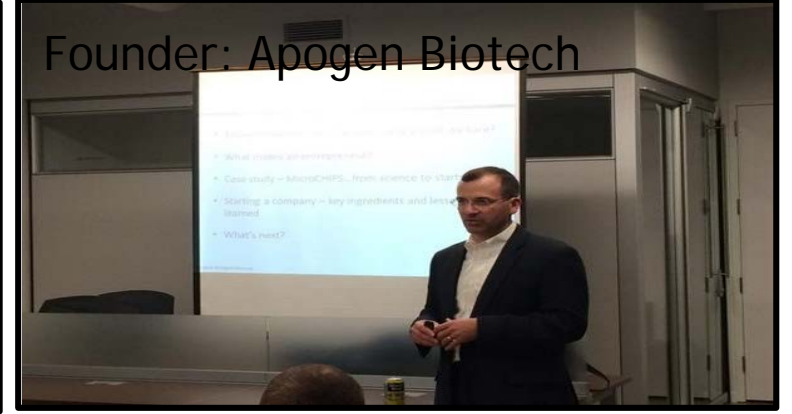
Founder: Pervasive Health



VC Event



Founder: Apogen Biotech



Lunch & Learn



VC Event



Entrepreneur Award



Entrepreneur Award



Space Open to the Community

techstars 

tech novation 

 launchpad
DISCOVER. VALIDATE. ACCELERATE.

 **BDPA**
ENABLING DIGITAL THOUGHT LEADERSHIP.

BIO nnovate
ireland

 Rochester Youth
**Startup
Weekend**
Powered by Google for Entrepreneurs

TED^x ZumbroRiver
x = independently organized TED event

Journey to >>
>> **GROWTH**

Final Remarks

- Helping entrepreneurs turn ideas into products
- Result in net job creation, \$ invested
- Slow, organic process



Clark Otley, M.D.
**Mayo Clinic Feasibility
& Project Plan**



JUNE
VISIONING

JUNE / JULY
RESEARCH

AUGUST
FEASIBILITY & DEMAND
ANALYSIS

SEPTEMBER / OCTOBER / NOVEMBER
PLANNING

DECEMBER
IMPLEMENTATION

VISION
STATEMENT

Key
Goals/Objectives

Key
Goals/Objectives

Key
Goals/Objectives

Key
Goals/Objectives

Key
Goals/Objectives

Assessment of Mayo Strategic
Priorities/Core Capabilities &
Industry Alliances/Evaluation
of Broader Industry Trends

TIER 1
Mayo Clinic
Analysis

TIER 2
Market Analysis

Research and Assessment of
Market Comparable Targets

Phasing (20 Years)

DEMAND
ESTIMATES

Industry Trends &
Tenants Targets

DESIGN

MASTER PLAN

PROGRAM

CONCEPT
DESIGNS

LAND USE, SITE
CONTROLS &
ENTITLEMENTS

IP, FINANCE,
OTHER

GOVERNANCE,
IP & LEGAL
STRUCTURES

FINANCE PLAN

MARKETING
STRATEGY

OPERATIONS
PLAN

DISCOVERY
SQUARE
PROJECT
PLAN

VISIONING (JUNE)

Mayo Clinic Discovery Square Vision Statement

DMC Discovery Square...

Will become the world's premier **destination** where practitioners, educators, researchers and businesses come together to **collaborate** and partner with **Mayo Clinic**, creating new opportunities to accelerate the advancement of **patient care**.

It will **catalyze development** and stimulate state, national and international interest and **investment** to **transform Rochester** and strengthen Mayo's status as a world-class destination for **health & wellness**.

VISIONING (JUNE)

SUMMARY OF KEY GOALS / OBJECTIVES

FOCUSED ON DESTINATION/PLACE-MAKING

Capitalize on the broader DMC Development Plan framework to tie Discovery Square to other DMC Subdistricts (particularly the Heart of the City), transforming Rochester and establishing Discovery Square as the world's premier address for bioscience innovations and advancements, with Mayo Clinic at its core.

GROUNDING IN A FINANCIALLY-VIABLE PLAN, WITH SIGNIFICANT FISCAL/ECONOMIC IMPACTS

Create a financially feasible plan that will maximize fiscal and economic impacts for the city, region and state by catalyzing development and attracting additional private investment.

BUILT ON HEALTH CARE INDUSTRY TRENDS

Capitalize on current health care industry market trends to create an urban innovation center that will accelerate collaboration, discovery and advancement of patient care.

CONSCIOUS OF LIFESTYLE

Create a dynamic live / work environment that will promote health and wellness.

TIED TO THE MAYO MISSION

Integrate Mayo Clinic's world-class medical campus with commercial businesses and other bioscience partners that synergize with Mayo's mission and integrated care model.

RESEARCH (JUNE/JULY)

Bioscience Research

Determining potential demand for Discovery Square – the economic driver of the DMC – has involved:

TIER 1 RESEARCH – Mayo Clinic's core competencies and priority scientific activities; Mayo's industry alliances, relationships and potential partners/tenants for Discovery Square

TIER 2 RESEARCH – National profiles of bioscience campuses and detailed analysis of markets with characteristics comparable to Rochester, MN, and Mayo Clinic



TIER 2 RESEARCH CONCLUSIONS

KEY TAKE AWAYS

- Growth Will Be Slow and “Organic”
- Trend Toward Urbanization & Mixed-Use Developments
- Corporate Relocations are Rare
- Primary Tenants (Startups & Early-Stage Bio/Med/Tech Companies) Require Lowest Possible Costs of Occupancy
- Significant Transportation, Transit and Other Public Utility Requirements Will Be Necessary, Consistent With DMC Development Plan
- Small Markets Create Additional Challenges Due to the Lack of Depth in the Market

Discovery Square Project Plan

Provides the basis for:

- A Catalytic Vision to Transform Rochester
- A Market Supportable Bio/Med/Tech Development Based on Demand Analysis
- Significant Private Investment in Phase 1 of the DMC Plan
- A New Scale of Urban Density
- Unique Civic Spaces That Set the Character for the Development District
- Fiscal Gain ... Meets the Promise to the State
- Building a World-Class Destination and “America’s City for Health”

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Madison Site Visit
Dec 10-11, 2015





- Why Madison?
 - *Strong, diverse bioscience cluster, anchored by the University of Wisconsin-Madison*
- Who attended?
 - *DMCC board members, EDA board members, Mayo Clinic leaders, City of Rochester administration and elected official, Chamber of Commerce, EDA staff and community members*
- What did we do?
 - *Speakers and tours*
 - *Best practices*

Who did we learn from?

- Michael Knetter – President & CEO, University of Wisconsin Foundation
- Aaron Olver – Managing Director, University Research Park
- Carl Gulbrandson – Managing Director, Wisconsin Alumni Research Foundation (WARF)
- George Austin – Building Project Manager, Wisconsin Institute for Discovery
- Pete Heaslett – Project Manager, UW-Madison Facilities Planning & Construction
- Laura Heisler – Programming Director, WARF





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Questions

