



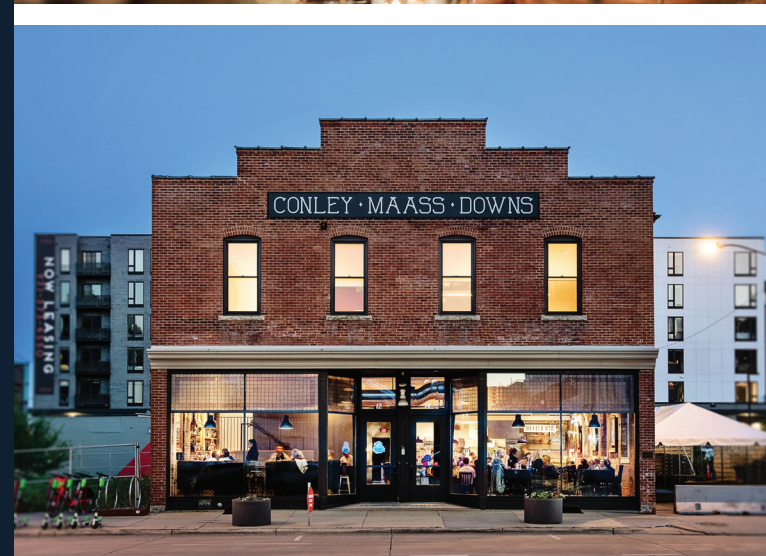
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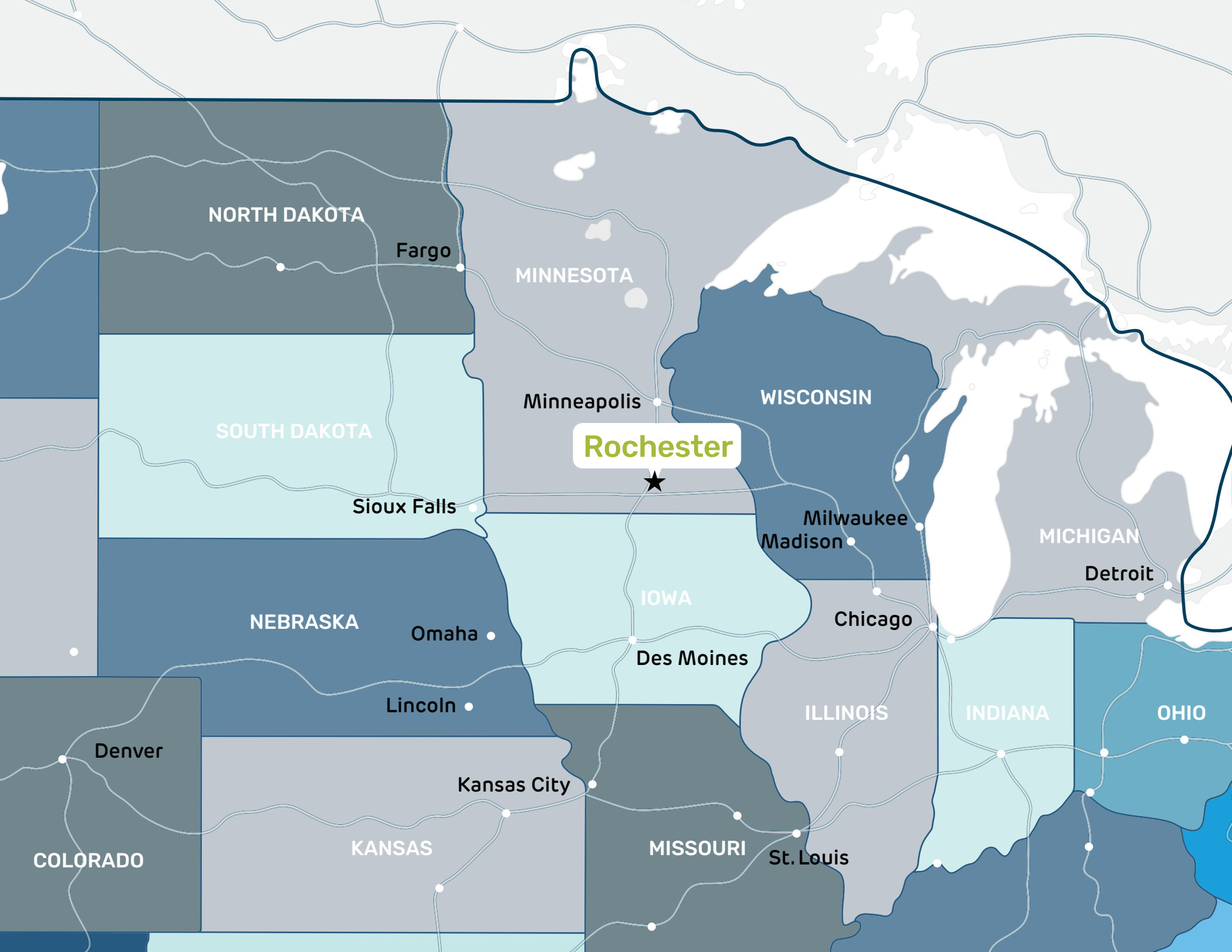


DESTINATION DOWNTOWN

RETAIL OPPORTUNITY

ROCHESTER, MINNESOTA



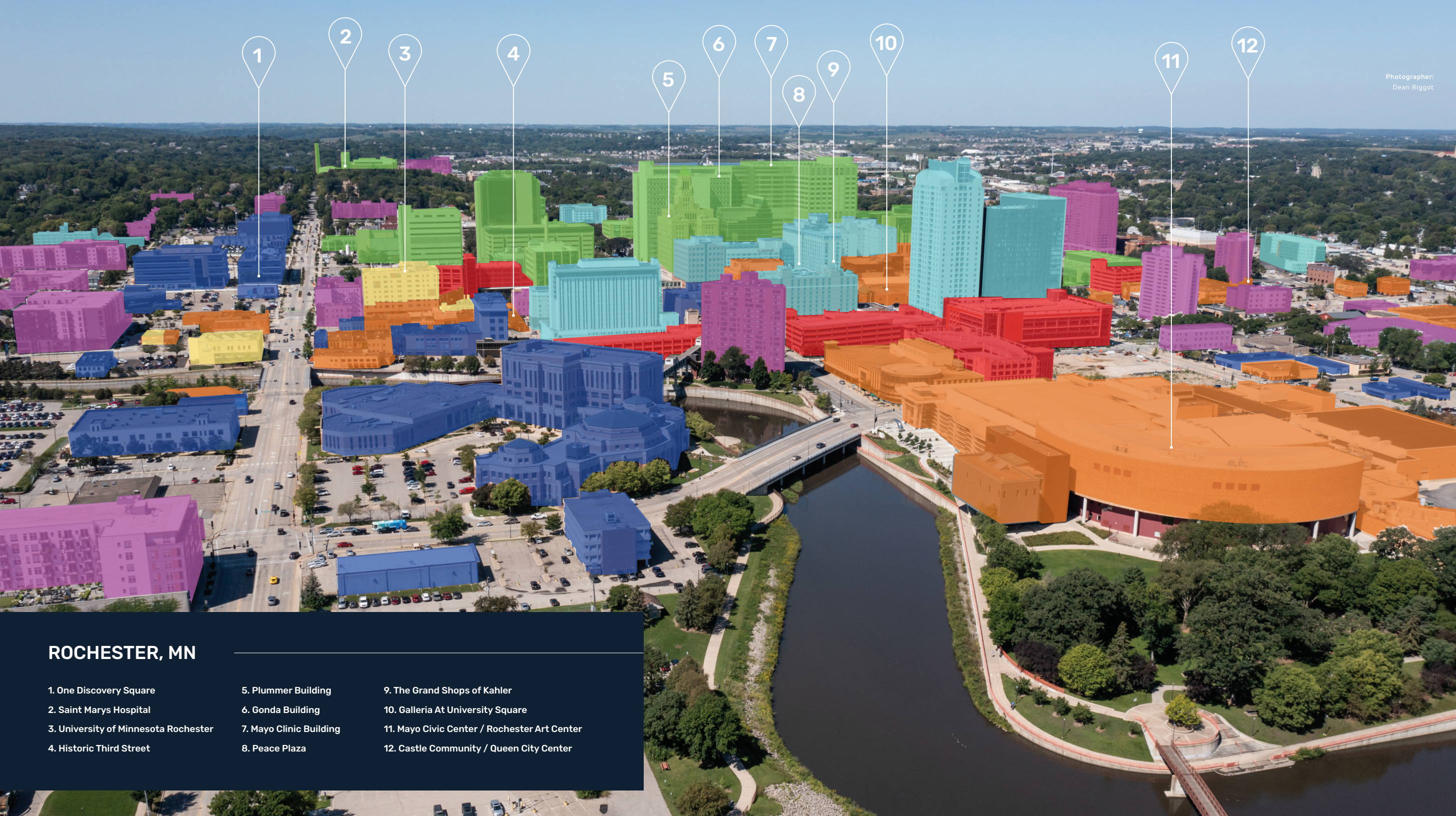


A CITY OF HEALTH, INNOVATION & HOSPITALITY

Rochester, Minnesota is city of health and wellness. Leading the nation in innovation, healthcare and hospitality. It is an international community located in the heart of the midwest.



Sources: ¹#1 'Top 100 Best Places to Live' 2017 - [Livability.com](#) | ²Top Hospital in the Nation US News & World Report 2021 Mayo Clinic in Rochester, MN US News Best Hospitals Rankings | ³3M Annual Visitors from all 50 states and 130 Countries - [experiencerochestermn.com](#) | ⁴478 Million in Retail, Restaurant, and Hotel Spending, [experiencerochestermn.com](#) | ⁵Top Three most innovative Cities in America – 24/7 Wallstreet. | ⁶#9 Top 50 Best Cities for Entrepreneurs' - [Livability.com](#) | ⁷2020 Most Recession-Resistant Cities - 2020 Edition - [SmartAsset](#) | ⁸Best Place in the US for Working Women. [SmartAsset](#). 2016.



Photographer:
Dean Riggot

ROCHESTER ON THE RISE

With a growing residential population, an ever-increasing presence of health care, technology and hospitality; the state’s largest indoor ballroom and diverse collection of entertainment, retail and businesses, Rochester, Minnesota is on the rise.

HOTEL

- Hilton Rochester
- Double Tree by Hilton Hotel
- Hotel Indigo
- Hyatt Extended Stay
- Centerstone Plaza
- Hotel Soldiers Field
- Even Hotel & Staybridge Suites
- Kahler Grand Hotel

OFFICE

- One Discovery Square
- Gonda Building
- Plummer Building
- Rosa Parks Pavilion
- Offices at China Hall
- Premier Bank
- Wells Fargo Bank
- Bremer Bank
- Conley Maass Downs Building
- Olmsted County Government Center

ENTERTAINMENT/RETAIL

- Mayo Civic Center / Rochester Art Center
- Rochester Civic Theatre
- Mayo Field
- Chateau Theatre
- Rochester Recreation Center
- Rochester Regional Sports Center
- Galleria at University Square
- The Grand Shops of Kahler
- Historic Third Street
- Rochester Public Library
- Castle Community / Queen City Center

HEALTHCARE

- Mayo Clinic
- Saint Marys Hospital
- Olmsted Medical Center

PARKING

RESIDENTIAL

- The Maven on Broadway
- The Berkman Apartments
- The Hue Apartments
- 501 on First
- Riverwalk Rochester
- Lofts at Mayo Park
- Avani Living Apartments
- Flats on 4th
- Charter House

EDUCATION

- UMR (University of Minnesota)
- Mayo Clinic College of Medicine and Science
- RCTC (Rochester Community and Technical College)
- Winona State University

ROCHESTER, MN

1. One Discovery Square

2. Saint Marys Hospital

3. University of Minnesota Rochester

4. Historic Third Street
5. Plummer Building

6. Gonda Building

7. Mayo Clinic Building

8. Peace Plaza
9. The Grand Shops of Kahler

10. Galleria At University Square

11. Mayo Civic Center / Rochester Art Center

12. Castle Community / Queen City Center

ROCHESTER DEMOGRAPHICS

Rochester’s thriving job market has strengths in healthcare and hospitality, resulting in higher-than-average household income and education levels.

MSA	2020 Population	Employed in Healthcare	Employed - Hotels & Motels	Thriving Boomers	Booming with Confidence	Per Capita Income	Median Household Income	Total College, Graduate, Professional
Rochester, MN	221,854	62,581	1,855	8,971	8,337	\$41,411	\$74,802	59,987
COMP MSA								
Lincoln, NE	339,614	27,726	1,741	6,820	9,758	\$34,834	\$60,254	85,378
Sioux Falls, SD	272,256	28,779	1,798	6,366	8,194	\$33,403	\$65,999	61,074
Iowa City, IA	177,061	33,547	1,231	5,785	6,097	\$35,907	\$63,337	54,331
Analog Average	252,696	38,158	1,656	6,986	8,097	46,389	65,999	66,927
Index	0.88	1.64	1.12	1.28	1.03	1.14	1.13	1.03

Source: Gerney Research

IN COMPARISON TO LIKE-CITIES

The strong foothold in the healthcare industry drives wealth, education, and tourism.

64%

Larger Healthcare Workforce

12%

Greater Hospitality Base

14%

Stronger Per Capita Income

28%

Greater Established Wealth - Thriving Boomers



A CITY OF HEALTH & INNOVATION

Rochester continues to be one of the most innovative cities in America, leading our nation in healthcare with its largest concentration of industry downtown.

HEALTHCARE IMPACT AT A GLANCE:

10M+

SF of Medical facilities

4,700

Physicians, Researchers and Clinical Residents

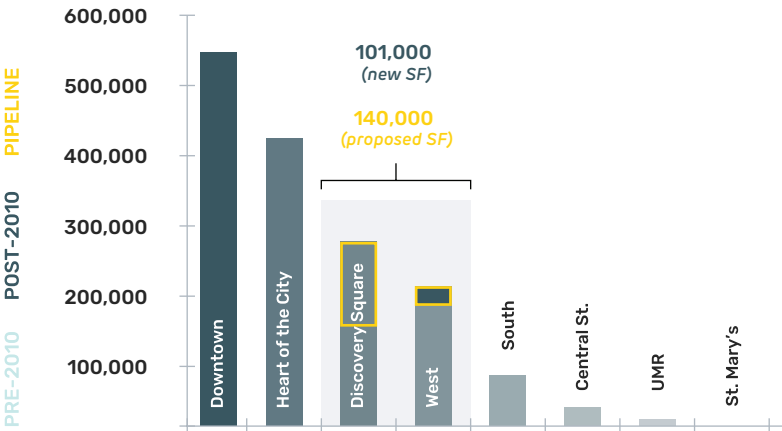
36,000

Administrative and Healthcare Staff

#1

Largest private employer in the state (Mayo Clinic)

Total Existing and Pipeline Rentable Building Area (SF) by Submarket



Source: DMC Transit Study

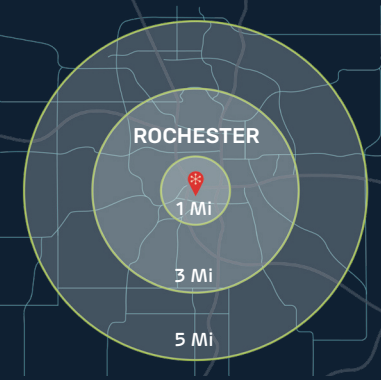


DAYTIME POPULATION:

1 Mile Radius - 77,573

3 Mile Radius - 121,691

5 Mile Radius - 150,996



SMALL CITY, BIG NAMES

Over 10 multinational companies have opened offices in Rochester core over the last 5 years.

3.1M

SF of Office in Olmsted County

1.4M

or 45% of total supply is located downtown/near downtown.



VEHICULAR TRAFFIC:

22,000

cars/day along Broadway Ave S

13,800

cars/day along Second St SW

Source: Site Source Retail Broker Network
sitesource.com

52%

of new office projects since 2000 have been located downtown/near downtown.

145,000

SF planned or under construction in downtown/near downtown.

Source: Transit Study

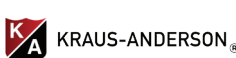


Rochester Innovations

- Vyriad; Virus Based Cancer Cures
- RION, Cell Therapy Technology
- Nanodropper, 2021 MN Cup Grand Champion
- Canomiks, 2021 MN Cup Division Champion
- The Yard, Specialized sports training facility
- Shrpa, 2021 MN Cup Division Champion

“Rochester, Minnesota is a top 20 “Creative Class,” job growth metros through 2020. Healthcare, science, technology, law, education, the arts and media.”

Richard Florida (The Atlantic).



A CITY OF EDUCATION

Rochester drives innovation through its education and research opportunities. By converging academia and industry, Rochester is seeding its future.

7,000
Total Students

1,517+
University Degrees Issued Annually

1M+
Touchpoints



HIGHER EDUCATION HIGHLIGHTS

Mayo Clinic

- 5000+ Students
- 612 Graduates
- 540 Courses
- 127 Countries



University of Minnesota Rochester

- Enrollment: 1000
- 40% Graduate Students
- 43% Students of Color



“University of MN and Google Cloud Announce NXT GEN MED: A ground breaking, innovative partnership to re-envision the EDU of future healthcare leaders with support from Mayo Clinic.”

Chancellor Lori J. Carrell, PhD
UMR (University of Minnesota Rochester)



A CITY OF HOSPITALITY

Rochester has a strong and global tourism base. Its midwest location is accessed by air via an international hub or direct flight.

TOURISM: MSP AIRPORT

90

Miles by car or Direct Service to RST

11th

Ranked for Busiest airport in the USA

35M+

Annual Passengers International Hub

1,100+

Incoming and outgoing flights daily

Source: mspairport.com

TOURISM: RST AIRPORT (PRIVATE, COMMERCIAL, NATIONAL & INTERNATIONAL AIRPORT)

370,000

Annual Passengers



DIRECT FLIGHTS (ANNUAL PASSENGERS)

46,000 from Chicago
29,000 from MSP
11,000 from Atlanta
Phoenix & Fort Meyers
(Coming in 2022)

TOURISM: HOTELS

56

Hotel Properties

6,175+

Rooms in Rochester, MN

11%

Room Growth from 2019

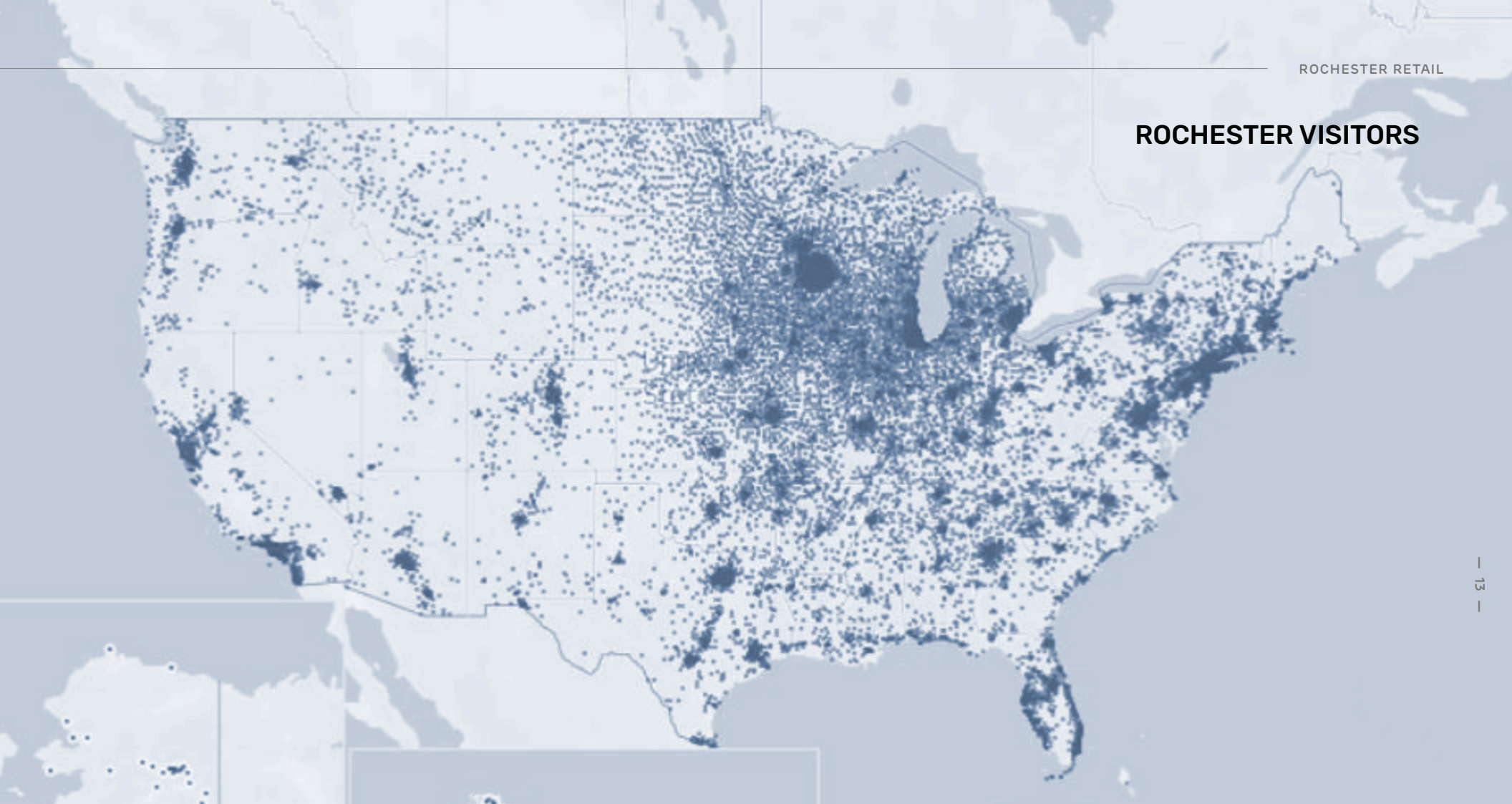
994

Keys in the development pipeline

Source: Transit Study



ROCHESTER VISITORS



INTERNATIONAL VISITORS:

1. Middle East / Arabian Peninsula
2. China
3. Latin America
4. Canada
5. Europe

Source: Transit Study

THE GLOBAL GUEST

3.4M

Visitors

130

Countries

50

States

5%

Annual Growth Rate

A CITY OF ATTRACTIONS

Rochester tourism is diverse; ranging from students and healthcare professionals to patients and caregivers, to leisure travelers and sports enthusiasts.

3.4M

Visitors in 2019 – 64% Mayo Clinic, 16% Convention Meetings and Sporting Events, 20% Business, Leisure or Other.

DOWNTOWN
Rochester, Minnesota

515

Earned Media Mentions

\$59M+

of Publicity

280,000

Event goers in 2019

10M

Estimated Economic Impact

Source: www.downtownrochestermn.com



200K

Total SF, including the largest indoor ballroom in Minnesota

\$45M

Approximate 2019 Economic Impact

224,708

2019 Estimated attendance at 85 events

Rochester Civic Theatre

- 7 Live Theatres and 1 International Symphony
- 300 Total seats in the Mainstage
- 200 Total seats in the Blackbox
- 20,000 Annual attendance



SPORTS TEAMS

130K+

Visitors & Attendance

100+

Home games/events

#1

Major Sporting Event Center in the state of Minnesota is The National Volleyball Center

4 Teams

Rochester Honkers Baseball Summer Colligate Baseball League

Rochester Grizzlies Jr. Ice Hockey Team NA3HL

Rochester Royals Minnesota Amateur Baseball Team

MED City Football National Premier Soccer League NPS

Source: Minnesota's Rochester Sports rochestermnssports.org

RECREATION



85+

Miles of Paved, Interconnected, Walking or Biking Trails



100+

City Parks in Rochester



37

Golf courses within a one hour drive of Rochester

Source: Minnesota's Rochester experiencerochestermn.com/things-to-do

A CITY OF LIVABILITY

Downtown Rochester is a walkable community that is home to a diverse, educated and rapidly growing population.

RESIDENTIAL DEMOGRAPHIC			
Radius	1 Mile	3 Mile	5 Mile
Population	14,652	75,332	112,686
Median Household Income	\$48,447	\$68,230	\$74,268
Average Household Income	\$69,639	\$92,936	\$97,248
Households	7,145	31,901	45,995
ESRI 2019	-	-	-

Source: Gerney Research

Since 2010

- 869 New Multi-Family Units in .5M
- 1,548 New Multi-Family Units in 1.5M

Educated Professionals

- 22.8% of Downtown Residence have a graduate or professional degree

DOWNTOWN ROCHESTER IS A SERIES OF WALKABLE NEIGHBORHOODS:



1,100

Market rate apartments added since 2010

3,200

Future Demand for Market Rate Apartment

2,400

Future Demand for Affordable Multi-Family Units

Source: Transit Study



FACES OF DOWNTOWN

Residential Profile 1:
Undergraduate Students / International Researchers / Post-docs / Medical Residents



About:

- Ages 18-35
- Income \$25-\$65k
- Single - Household Size 1
- Rent their apartment

Attributes:

- Career and academic focused and extremely social
- International students
- Get their information from social media
- Do not have cars. Captive audience downtown

Motivations:

Like to spend money on: coffee/tea, fitness, take-out, thrift stores, fast fashion, technology, cosmetics, nails/hair, athleisure. Like to utilize free events and outdoor spaces.

Residential Profile 2:
Young Professionals / Late stage Graduate Students (Fellows)



About:

- Ages 25-40
- Income \$60k-\$250k
- Singles or couples, childless - Household size 1-2
- Both rent or own residence

Attributes:

- Well traveled and experience driven. Have cars but prefer to walk
- Willing to spend more for "local", "authentic" etc.
- Very social, meet with friends 3-5 nights/week at happy hour or each other's homes

Motivations:

Like to spend money on: professional and athleisure clothes, organic foods, nice coffee, technology, house plants, pet accessories, cocktails, beer. Likes Facebook Marketplace and into personal finance/investing.

Residential Profile 3:
Young Urban Families



About:

- Ages 35-50
- Income \$75k-\$150k
- Household Size 2-3
- Own their home

Motivations:

Like to spend money on: home decor, kid equipment, athleisure, grocery, dry cleaning, and pet items. Use downtown for happy hour after work, meeting friends, library, and events with kids/ dogs. Would benefit from more childcare downtown.

Residential Profile 4:
Downsizing Empty Nesters



About:

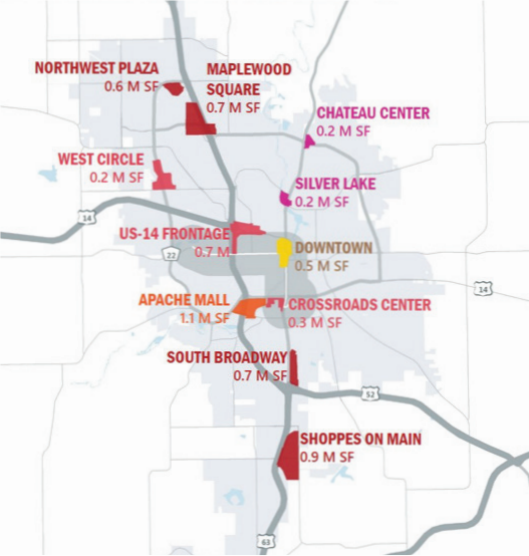
- Ages 60+
- Income \$50k-\$120k
- Household Size 1-2
- Mostly rent (some are in condos)

Motivations:

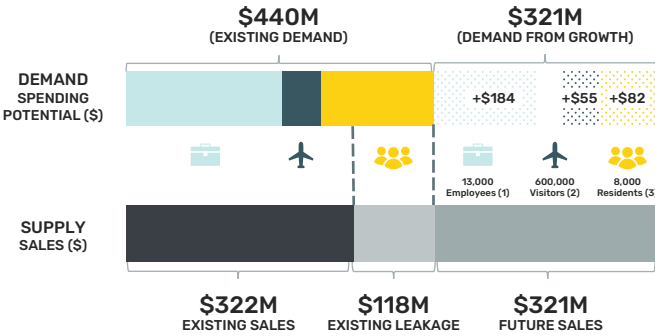
Like vacationing and traveling often, especially to see kids/grandkids and bucket list destinations. Enjoy experiences over objects but also value local/artisan. Very involved, sit on boards, attend festivals, farmers markets, and churches. Enjoy educational opportunities.

A CITY OF RETAIL

With three levels of retail, Rochester creates a unique, walkable shopping experience in a climate-controlled environment, providing year-round access and direct connection to resident, office, hotel, healthcare and retail.



RETAIL MSA FUTURE FOR 2040:



Source: Transit Study

ROCHESTER RETAIL:

Most Rochester retail is autocentric. Downtown offers the largest unique, walkable, shoppable experience.

3M

SF for Power Centers

1.2M

SF for Community Centers

1.1M

SF for the Regional Mall

500K

Downtown

21%

Greater sales per SF average for National Retailers in Downtown Rochester

Source: CoStar & Fridman

RETAIL TENANT BY CATEGORY DOWNTOWN/NEAR DOWNTOWN:

Anchored by Galleria at University Square and The Grand Shops of Kahler, Downtown retailers carry an array of international brands as well as locally made goods; many of which have been in business for over 20 years.

74

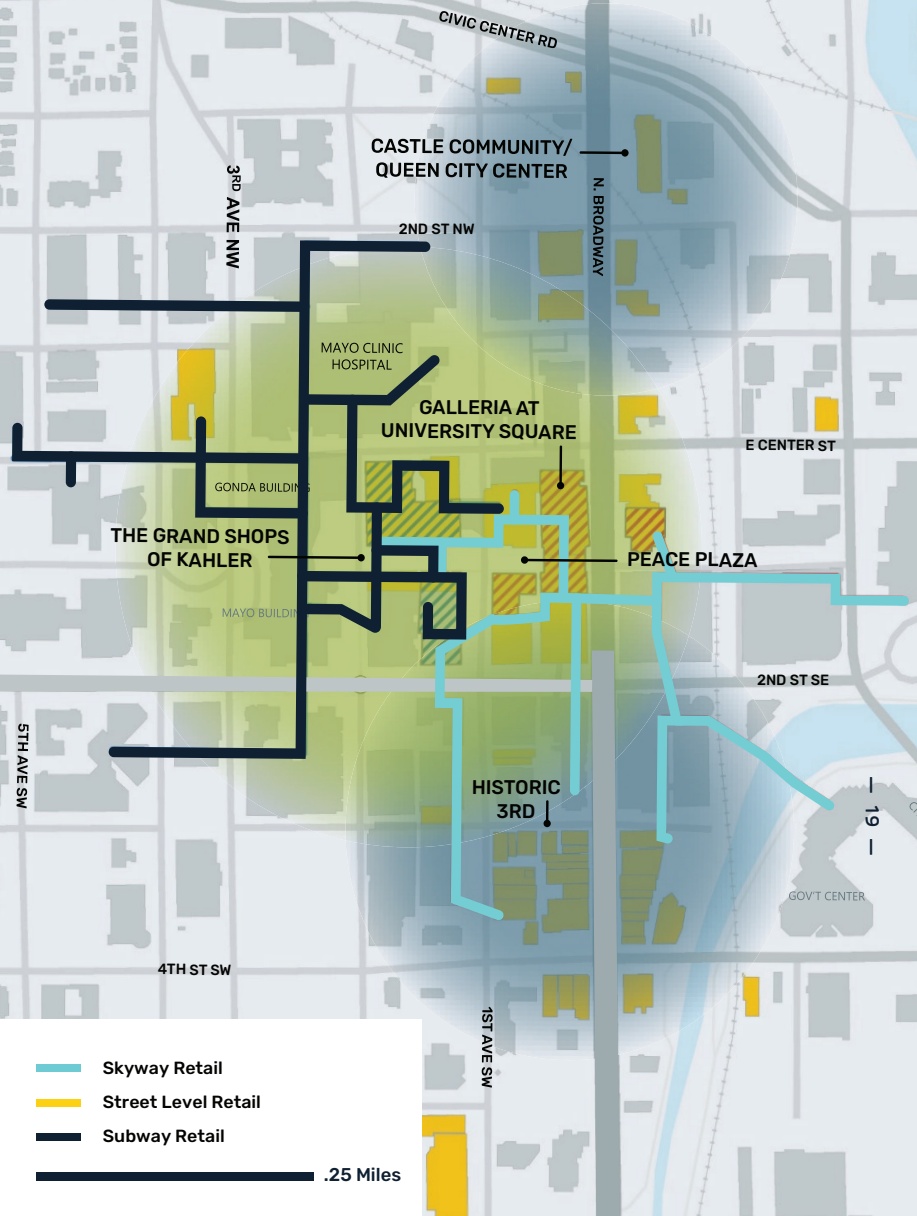
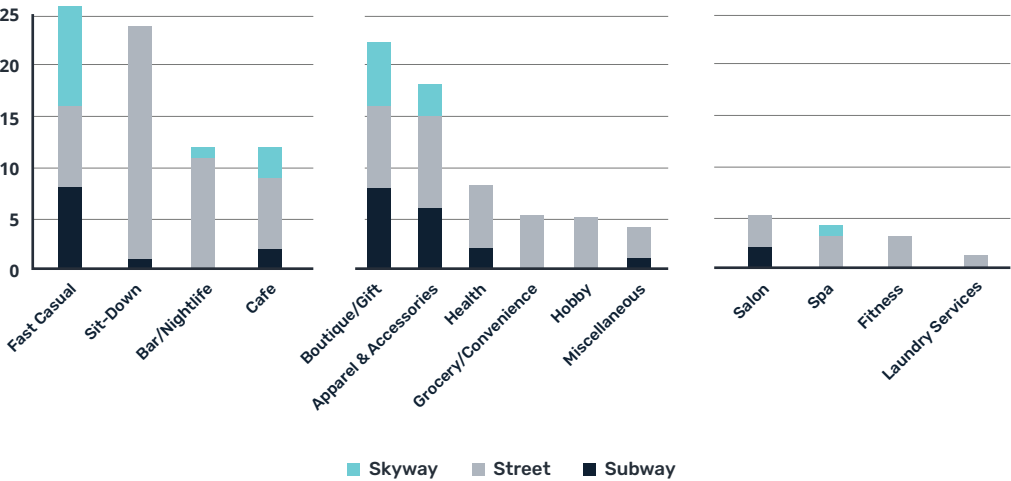
Restaurants

63

Retail & Shopping

13

Service Providers



Brands that can be found downtown:

St. Croix	Liverpool Jeans	Robert Graham	Brackish
Nic & Zoe	Tribal	Fresh	Desigual
Smartwool	Roseph Ribkoff	Papyrus	Tea Forte
Longchamp	Dale of Norway	Soma	Tumi
Kuhl	Fjallraven	Talbots	Apple
Eileen Fischer	Royal Copenhagen	Lenscrafter	Chico

There is no sales tax on clothing and shoes in the state of Minnesota.



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