



DMC
Destination
Medical Center

Destination Medical Center Corporation
Board of Directors Meeting

Thursday, September 25, 2025
9:30 A.M.

DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

Thursday, September 25, 2025
9:30 A.M.

Mayo Civic Center, 30 Civic Center Dr SE, Rochester, MN

To View the Meeting Remotely: <https://www.youtube.com/destinationmedicalcenter>

AGENDA

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	A.	Next Regular Meeting: December 10, 2025 at 9:30 A.M. at Mayo Civic Center
XV.	Adjournment	

DESTINATION MEDICAL CENTER CORPORATION (DMCC)

BOARD MEETING

Thursday, May 22, 2025
Mayo Civic Center, Rochester, MN

MINUTES

- I. **Call to Order.** Chair Pamela Wheelock called the meeting to order at 9:30 a.m.
- II. **Roll Call.** Doug Baker, Jim Campbell, Mayor Kim Norton, Council President Randy Schubring, Commissioner Mark Thein, Pamela Wheelock, and Paul Williams were present. All members attended in person.
- III. **Approval of Agenda.** Mayor Norton moved approval of the agenda. Commissioner Thein seconded the motion. Ayes (7), Nays (0). Motion approved.
- IV. **Approval of Minutes: February 6, 2025.** Mr. Williams moved to approve the February 6, 2025 meeting minutes. Council President Schubring seconded the motion. Ayes (7), Nays (0). Motion approved.
- V. **Public Comment.** Dr. Lori Carrell, Chancellor of the University of Minnesota Rochester (UMR), highlighted UMR's growth and potential industry collaborations.

Brenda Quaye, downtown property owner, described a proposed downtown housing development.
- VI. **Chair's Report.** Chair Wheelock highlighted 2024 private investment and acknowledged the departure of former board member R.T. Rybak. Chair Wheelock also noted the events scheduled to follow the regular board meeting, including the DMC 10-year milestone luncheon and joint session with the City of Rochester, Olmsted County, and DMC EDA.
- VII. **Election of Officers and Appointments.** Mr. Campbell moved to elect Pamela Wheelock as Chair, Mayor Kim Norton as Vice Chair, and Commissioner Mark Thein as Treasurer. Council President Schubring seconded. Upon re-election, Chair Wheelock reappointed Paul Williams as Secretary and Brian Anderson as Assistant Treasurer. Ayes (7), Nays (0). Motion approved.
- VIII. **Consent Agenda.** Mayor Norton moved to approve the consent agenda. Commissioner Thein seconded the motion. Ayes (7), Nays (0). Motion approved.

- IX. **DMCC Audit for Year Ending December 31, 2024.** Craig Popenhagen, Principal of CliftonLarsonAllen, presented the audited financial statement. The audit reported a clean opinion, no internal control findings, and compliance with Minnesota legal requirements. Mr. Williams moved to accept the audited financial statements. Council President Schubring seconded the motion. Ayes (7), Nays (0). Motion approved.

- X. **EDA Board President Comments.** Dr. Clark Otley, President of the DMC EDA Board of Directors, highlighted the 10-year update to the 20-year DMC Development Plan and the private development applications being considered by the DMCC board.

- XI. **Metrics.** Patrick Seeb, DMC EDA Executive Director, previewed the 10-year results of the DMC initiative and indicated that a more fulsome presentation and discussion was expected during the afternoon collaborative session.

- XII. **Private Development Applications for DMC Funding.**
 - A. **BioLabs Rochester (Rochester 2 Associates, LLC).** Presented by Patrick Seeb and Mike Flynn (DMC EDA), with supporting comments from Dr. Theresa Riesenauer (Mayo Clinic) and Susan Chase (BioLabs). Mr. Williams moved approval of the resolution. Mayor Norton seconded. Ayes (7), Nays (0). Motion approved.
 - B. **Civic Center North (Sherman Associates).** Presented by DMC EDA staff. Mayor Norton moved approval of the resolution. Mr. Campbell seconded. Ayes (7), Nays (0). Motion approved.
 - C. **Loom Apartments (Onward Investors).** Presented by DMC EDA staff. Council President Schubring moved approval of the resolution. Commissioner Thein seconded. Ayes (7), Nays (0). Motion approved.
 - D. **West Transit Village Liner Housing (Aeon).** Presented by DMC EDA staff. Mr. Campbell moved approval of the resolution. Mr. Williams seconded. Ayes (7), Nays (0). Motion approved.

- XIII. **Action Items.**
 - A. **Downtown Historic District Infrastructure Project Requests.** Jamie Rothe, DMC EDA Director of Communications and Public Relations, presented the historic district funding requests. Mr. Campbell moved approval of an amended resolution, separating the project at 324 S. Broadway for independent consideration. Mr. Williams seconded the amended motion. Ayes (6), Nays (0), Motion approved.

Chair Wheelock moved to approve the project funding request for 324 S. Broadway and direct staff to return to the board with a program evaluation report. Mr. Baker seconded the motion. Aye (4), Nays (2), Abstention (1-Schubring).

B. **Mobility / Link Bus Rapid Transit Contingency Funding.** Mr. Seeb and Cindy Steinhauser, City of Rochester Deputy Administrator, presented the proposed interim contingency funding criteria. Council President Schubring moved approval of the resolution. Mayor Norton seconded the motion. Ayes (7), Nays (0). Motion approved.

C. **Modification of DMC Development District (West Transit Corridor).** P. Seeb and Catherine Malmberg, Director of Public Infrastructure & Development Strategy, described the proposed modifications to the DMC development district. Mr. Campbell moved approval of the resolution. Mr. Williams seconded the motion. Ayes (7), Nays (0). Motion approved.

Discussion Items. The board discussed 2026 budget and work plan priorities, the 5-Year Update to the 20-Year Development Plan, and shared principles for upcoming infrastructure investments.

Commendation: R.T. Rybak. Mr. Williams moved approval of the commendation. Mayor Norton seconded. Ayes (7), Nays (0). Commendation adopted.

Meeting Schedule. The next regular meeting is scheduled for September 25, 2025, at 9:30 a.m. at the Mayo Civic Center.

Adjournment. Chair Wheelock adjourned the meeting.

DESTINATION MEDICAL CENTER (DMC) ANNUAL COLLABORATIVE SESSION

DMCC Board of Directors • Olmsted County Board of Commissioners
Rochester City Council • DMC EDA Board of Directors

May 22, 2025

Hilton Rochester — Rochester, Minnesota

MINUTES

- I. **Call to Order and Purpose.** Chair Pamela Wheelock (DMCC) convened the annual DMC collaborative session following a community luncheon recognizing the ten year anniversary of the adoption of the DMC Development Plan. Chair Wheelock noted the purpose of this gathering is for information and discussion only, with no formal actions being considered by any of the public entities present.
- II. **Participants.** DMCC Board of Directors participants included Doug Baker, Jim Campbell, Mayor Kim Norton, Council President Randy Schubring, Commissioner Mark Thein, Pam Wheelock, and Paul Williams.
- III. **Presentation and Discussion.** Chair Wheelock reflected on progress since the 2015 DMC Development Plan, the Mayo Clinic Bold. Forward. Unbound. in Rochester announcement, and visible transformation downtown. Chair Wheelock further emphasized shared responsibility for generational infrastructure alongside near-term improvements, and the importance of continued community engagement.

Beckie DeJoseph of EConsult Solutions, Inc. presented the preliminary results of an analysis of DMC's progress and impact through 2024. The analysis examined job growth, comparison to peer cities and economic markets, construction impacts, private investment, changes in tax revenues and capacity, and improvements in community experience.

Catherine Malmberg, DMC EDA Director of Public Infrastructure & Development Strategy, described the process and goals informing the ten-year update to the DMC Development Plan.

- IV. Thematic Highlights and Next Steps.** Participants expressed an interest in understanding more about the following:
- **Scope & Geography:** Analyzing impacts beyond the DMC development district to the city, county, and region; better storytelling of spillover benefits.
 - **Jobs & Diversification:** Sustain health-sector excellence while accelerating start-ups/scale-ups (e.g., BioLabs); track wage bands and inclusive job ladders.
 - **Housing Affordability:** Expand supply and affordability options (not only downtown) to support workforce mobility and stability.
 - **Mobility & Walkability:** Advance Link BRT and ‘first/last-mile’ options; emphasize street-level accessibility and pedestrian experience; consider integrated commuter management.
 - **Retail & Activation:** Encourage ground-floor activation and interactive experiences; adapt office/retail strategies to post-pandemic realities.
 - **Funding & Resilience:** Apple-trees vs. radishes—balance near-term wins with generational infrastructure; plan for federal/state shifts; track cash-flow and leverage.
 - **Measurement & Communication:** Establish qualitative baselines (patient/visitor/resident experience) and maintain transparent public reporting.
 - **Future Drivers:** AI/automation impacts on job types; climate and emissions goals; ‘City for Health’ as a decision lens across human, environmental, social, and economic health.
 - **Participants emphasized:**
 - staying closely connected with community stakeholders during the construction period;
 - centering health, equity, and walkability in design and investments;
 - quantifying benefits across the broader region;
 - aligning on priorities for the upcoming DMC 5-Year Update.
- V. Closing.** Chair Wheelock thanked participants and staff from all entities and the Hilton for hosting and adjourned the meeting.

DESTINATION MEDICAL CENTER CORPORATION (DMCC)

SPECIAL BOARD MEETING

Tuesday, July 22, 2025
Mayo Civic Center, Rochester, MN

MINUTES

- I. **Call to Order.** Chair Pamela Wheelock called the special meeting to order and noted that, because some members were participating remotely, all votes would be by roll call.
- II. **Roll Call.** Jim Campbell, Mayor Kim Norton, Council President Randy Schubring, Commissioner Mark Thein, Pamela Wheelock, and Paul Williams were present.
- III. **Approval of Agenda.** Mr. Williams moved approval of the agenda. Mr. Campbell seconded. Ayes (6), Nays (0). Motion approved.
- IV. **Link Bus Rapid Transit.** Patrick Seeb, DMC EDA Executive Director, and Cindy Steinhauser, City of Rochester Deputy Administrator, presented a staff recommendation to adjust funding support for the Link Bus Rapid Transit project following receipt of final bid packages, including the architectural package (Volume C). Presenters reviewed: (i) the need to restore an unallocated contingency consistent with FTA guidance; (ii) proposed guardrails for contingency use (emergency-only, with future criteria for optimization/efficiency and business support); (iii) a commitment to provide regular reporting on the full project budget and contingency; (iv) sources/uses and cash-flow timing for County Transit Aid and State Transit Aid; and (v) ongoing value-engineering that preserve station count and customer experience.

Council President Schubring moved to approve the resolution. Mr. Willaims seconded. Ayes (6), Nays (0). Motion approved.
- V. **Adjournment.** Mr. Campbell moved to adjourn the meeting. Mayor Norton seconded. Ayes (6), Nays (0). Meeting adjourned.



September 25, 2025

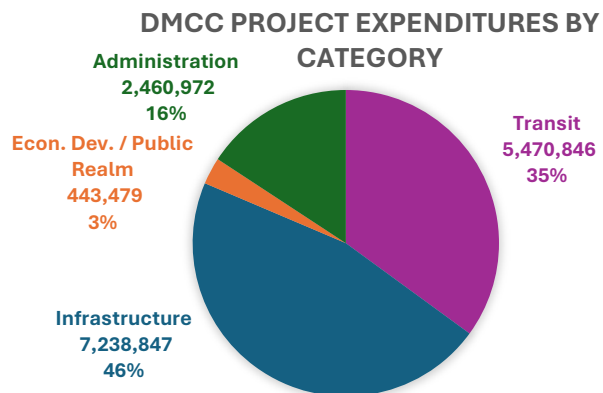
Re: September 2025 DMCC Budget Summary

Dear Mr. Mark Thein, DMC Treasurer,

The attached Financial Budget Summary through August 2025 reflects the DMCC operating expenditures totaling \$2,535,342 of its \$4,608,643 budget for 2025. Thus far, the remaining amount unspent is 45% of the total budget, which appears to be on track given usual timing issues for certain categories.

The second page provides an outline of the DMCC Projects by Category managed by the City of Rochester and categorized by program budgets. Approximately \$15,614,144 has been spent on these projects in 2025 while \$1,882,823, has been received in revenue. The remaining amount of \$13,731,321 is budgeted and accounted for but has yet to be received due to timing and receipt of grant funding. I would also like to inform the DMCC that the City Finance Team has hired a new Senior Financial Analyst to assist in the detailed accounting and monitoring of these projects as discussed at last year’s meeting.

The graph on the right outlines that 35% of the total expense this year has been spent on Transit while 3% has been spent on Economic Development/Public Realm, and 46% being spent on Infrastructure. Total Life-to-Date expenditures for all projects are approximately \$220,599,366.



Please note that we have removed the completed projects to consolidate and focus our attention on the current projects.

Please feel free to contact me with any questions or concerns.

Brian J. Anderson

Director of Finance
City of Rochester

Destination Medical Center Corporation
Financial Budget Summary
August 31, 2025

BUDGET ENTITY	APRIL EXPENSES	MAY EXPENSES	JUNE EXPENSES	JULY EXPENSES	AUGUST EXPENSES	2025 YTD	APPROVED BUDGET	AMOUNT REMAINING	PERCENT REMAINING
DMCC Corporation:									
Rents and Leases	\$ 9,171	\$ -	\$ 10,436	\$ 700	\$ 5,901	\$ 34,705	\$ 36,607	\$ 1,902	5%
Professional Services	12,286	20,000	780	27,285	10,386	91,923	166,000	74,077	45%
Travel/Training	-	401	-	-	-	557	6,000	5,443	91%
Insurance and Bonds	-	-	-	-	-	8,404	11,323	2,919	26%
Interest / Other Administrative	3	3	3	3	3	27	-	(27)	
Subtotal DMCC	21,461	20,404	11,219	27,988	16,290	135,617	219,930	84,313	38%
DMC EDA - Third Party Costs									
Employee Services	140,003	135,875	135,485	135,205	141,766	1,085,087	2,034,578	949,491	47%
Operating Expenses	22,759	19,743	11,091	20,875	35,043	161,414	82,312	(79,102)	-96%
Economic Development Outreach & Support	15,050	20,000	5,000	5,000	34,001	89,259	576,752	487,493	85%
Professional Services	19,495	57,731	22,425	19,021	17,228	179,856	234,008	54,152	23%
Miscellaneous Expenses	-	-	47,625	-	17,510	134,745	56,492	(78,253)	-139%
Subtotal DMC EDA	197,307	233,350	221,625	180,100	245,547	1,650,361	2,984,142	1,333,781	45%
City of Rochester Project Management Budget - Third Party Costs									
Employee Services	133,558	81,783	93,557	76,727	73,575	704,346	1,304,032	599,686	46%
Contractual Maint and Repair	300	-	-	-	-	300	38,760	38,460	99%
Expert and Professional Services	-	-	-	-	-	235	8,405	8,170	97%
Travel/Training/Memberships	49	270	70	733	652	2,396	18,277	15,881	87%
Operations Expenses	20	20	934	19,383	627	21,262	17,434	(3,828)	-22%
Miscellaneous/Other	361	138	13,670	87	4,718	20,824	17,663	(3,161)	-18%
Subtotal City Project Management	134,289	82,211	108,232	96,930	79,573	749,364	1,404,571	655,207	47%
Total DMCC Operations	\$ 353,057	\$ 335,965	\$ 341,077	\$ 305,019	\$ 341,410	\$ 2,535,342	\$ 4,608,643	\$ 2,073,301	45%

**City of Rochester, MN
DMCC Projects by Category
Through August 31, 2025**

PROJECT	APRIL		MAY		JUNE		JULY		AUGUST		YTD REVENUES	YTD EXPENSES	LTD EXPENSES
	REVENUE	EXPENSES	REVENUE	EXPENSES	REVENUE	EXPENSES	REVENUE	EXPENSES	REVENUE	EXPENSES			
Administration													
C.8601 - COR Administrative Costs-DMCC	36,809	220,185	28,453	-	26,429	-	17,396	393,523	4,066	-	193,477	613,708	\$ 5,169,397
C.8602 - Contributions to DMC Corporatn	-	214,452	-	339,913	-	233,169	-	208,033	-	229,372	-	1,729,793	33,572,125
C.8606 - City Staff Costs-DMCC	1,297	1,297	223	223	99	99	403	403	1,455	1,455	3,828	3,828	455,976
C.8629 - Development Plan Update	-	48,606	-	8,944	-	7,933	-	-	-	6,410	-	113,642	268,603
Total Administration	38,106	484,540	28,676	349,080	26,528	241,201	17,799	601,959	5,521	237,237	197,305	2,460,972	41,253,020
Econ Development/Public Realm													
C.8624 - Chateau Theatre Building Improvement Purchase	-	5,215	-	24,680	-	5,061	-	1,270	(745)	-	(745)	161,298	11,779,699
C.8625 - Heart of the City	-	5,066	-	1,895	-	-	-	395	-	1,209	35,585	108,558	21,851,006
C.8633 - Strategic Development	-	-	-	2,972	-	-	-	152	-	3,095	-	6,219	2,206,219
C.8634 - Riverfront Reimagined	-	-	-	-	-	-	-	-	-	656	-	49,156	1,099,425
C.8904 - Discovery Walk	-	-	-	18,548	-	-	-	3,860	-	3,000	-	118,247	18,451,093
C.8905 - CnstrctSnSwCpBys3AveSWfr2StSW	-	-	-	-	-	-	-	-	-	-	-	-	27,132
Total Econ Development/Public Realm	-	10,281	-	48,095	-	5,061	-	5,677	(745)	7,961	34,840	443,479	55,955,668
Infrastructure													
C.7318 - Reconstruct North Broadway	-	-	-	-	-	-	-	-	-	-	-	73	22,674,123
C.1037 - Steam Replace/District Energy	-	1,000,161	-	387,135	-	974,395	-	584,823	-	983,882	-	6,320,013	19,706,898
C.8711 - Private District Energy Pilot	-	9,630	-	-	-	-	-	-	-	-	-	9,630	92,246
C.7344 - Reconstruct 3rd Avenue NW Between 4th St. SW and 5th St SW	-	-	-	-	-	-	-	-	-	-	-	-	406,077
C.7919 - 6th Street Bridge over Zumbro River	-	111,461	-	134,967	-	30,120	-	440,099	-	275	-	909,131	2,391,294
Total Infrastructure	-	1,121,252	-	522,103	-	1,004,514	-	1,024,922	-	984,157	-	7,238,847	80,366,505
Transit													
C.8707 - Rapid Transit Projects	208,053	283,596	153,289	483,252	262,186	643,782	350,022	1,136,501	616,789	2,415,445	1,650,678	5,470,846	30,480,460
Total Transit	208,053	283,596	153,289	483,252	262,186	643,782	350,022	1,136,501	616,789	2,415,445	1,650,678	5,470,846	43,024,173
Total Project Costs	\$ 246,159	\$ 1,899,669	\$ 181,965	\$ 1,402,529	\$ 288,714	\$ 1,894,558	\$ 367,821	\$ 2,769,059	\$ 621,565	\$ 3,644,800	\$ 1,882,823	\$ 15,614,144	\$ 220,599,366

LIABILITY COVERAGE WAIVER FORM

Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before their effective date of coverage. [Email completed form to your city's underwriter, to pstech@lmc.org](mailto:pstech@lmc.org), or fax to 651.281.1298.

The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.*
- *If the member waives the statutory tort limits and does not purchase excess liability coverage, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.*
- *If the member waives the statutory tort limits and purchases excess liability coverage, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.*

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name: Destination Medical Center Corporation

Check one:

The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#).

The member **WAIVES** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#), to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member's governing body meeting: September 25, 2025

Signature: _____
Pamela A. Wheelock

Position: Chair

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. _____-2025

**A RESOLUTION APPROVING THE 2026-2027 DMCC BOARD
REGULAR MEETING SCHEDULE**

BACKGROUND RECITALS

The Minnesota Open Meeting Law provides that a schedule of the regular meetings of a public body shall be kept on file at its primary office. If a public body decides to hold a regular meeting at a time or place different from the time or place stated in its schedule of regular meetings, it shall give the same notice of the meeting that is provided for a special meeting.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Corporation (“**DMCC**”) Board of Directors that the schedule of regular meetings for 2026 is set forth below. The Secretary is directed to post the schedule on the website and to post notification by such other means as he determines necessary and appropriate. The schedule of regular meetings for 2027 is being providing for informational purposes only and is subject to further modification.

<u>Date</u>	<u>Time</u>	<u>Location</u>
<u>2026</u>		
Thursday, February 5, 2026	9:30 a.m.	Mayo Civic Center Suite 106 30 Civic Center Drive SE Rochester, MN 55902
Thursday, May 21, 2026	9:30 a.m.	Mayo Civic Center Suite 106 30 Civic Center Drive SE Rochester, MN 55902
Thursday, September 24, 2026	9:30 a.m.	Mayo Civic Center Suite 101 30 Civic Center Drive SE Rochester, MN 55902
Thursday, December 10, 2026	9:30 a.m.	Mayo Civic Center Suite 102 30 Civic Center Drive SE Rochester, MN 55902
<u>2027</u>		
Thursday, February 4, 2027	9:30 a.m.	To be determined.
Thursday, May 20, 2027	9:30 a.m.	To be determined.
Wednesday, September 22, 2027	9:30 a.m.	To be determined.
Thursday, December 9, 2027	9:30 a.m.	To be determined.

CLIFTONLARSONALLEN LLP
2689 COMMERCE DRIVE NW, SUITE 201
ROCHESTER, MN 55901

DESTINATION MEDICAL CENTER CORPORATION
201 4TH STREET SE, 204
ROCHESTER, MN 55904

|||||

DRAFT

Caution: Forms printed from within Adobe Acrobat products may not meet IRS or state taxing agency specifications. When using Acrobat, select the "Actual Size" in the Adobe "Print" dialog.

CLIENT'S COPY

DRAFT



September 17, 2025

Destination Medical Center Corporation
201 4th Street SE 204
Rochester, MN 55904

Destination Medical Center Corporation:

Enclosed is the organization's 2024 Exempt Organization return.

Specific filing instructions are as follows.

FORM 990 RETURN:

This return has qualified for electronic filing. After you have reviewed the return for completeness and accuracy, please sign, date and return Form 8879-TE to our office. We will transmit the return electronically to the IRS and no further action is required. Please return Form 8879-TE to us as soon as possible, but no later than by November 17, 2025 the filing deadline.

In addition, tax-exempt organizations must make available for public inspection a copy of their annual returns for the preceding three years and exemption application, if applicable. An organization generally must furnish filings to anyone who requests them in person or in writing. An exempt organization may meet this requirement by posting all the documents on its website or at another organizations site as part of a database of similar materials. Specific requirements must be met to meet this exception.

MINNESOTA ANNUAL REPORT:

The Minnesota Annual Report should be mailed on or before November 17, 2025 to:

Minnesota Attorney Generals Office
Charities Division
445 Minnesota Street, Suite 1200
St. Paul, MN 55101-2130

Enclose a check or money order for \$25, payable to State of Minnesota.

Include the organization's Federal Employer Identification Number and 2024 Annual Report on the remittance.

The report should be signed and dated by the authorized individual(s).

Please include the following items with your MN Charities Annual Report submission:

- Copy of the Form 990 plus all schedules
- Copy of the Audited Financial Statements
- Full listing of the board of directors including names, titles, addresses, and compensation paid to each
- Full listing of banks the organization's funds are deposited with
- \$25 registration fee

The documents can be mailed to the address listed above, or send via email to:

charity.registration@ag.state.mn.us. You may pay the \$25 registration fee via check, or credit card. If you would like to pay via credit card you may do so at: www.ag.state.mn.us/Charity/CharFees.aspx.

A few final reminders relating to your tax return filings:

- There are substantial penalties for failure to properly disclose and report foreign financial accounts and foreign activity. Please make sure you have informed us of any foreign financial accounts or foreign activity so that we have the necessary information to complete any required disclosures or filings.
- Be sure to review the returns prior to signing as you have final responsibility for all information included in the returns. Please contact us if you have any questions or concerns.
- We recommend you keep a paper or electronic copy of your tax returns permanently. Supporting documentation should be kept for a minimum of seven years based on IRS guidance.

CLA exists to create opportunities – for our clients, our people, and our communities. We value our relationship with you and thank you for your trust and confidence in allowing us to serve you. If we can assist you in making strategic, informed decisions in areas of tax or beyond, please contact us as questions arise throughout the year.

Sincerely,

CliftonLarsonAllen LLP

DRAFT



DESTINATION MEDICAL CENTER CORPORATION

FORM 990 INCOME TAX RETURN

FOR YEAR ENDED DECEMBER 31, 2024

DRAFT

IRS E-file Signature Authorization for a Tax Exempt Entity

Form 8879-TE

For calendar year 2024, or fiscal year beginning _____, 2024, and ending _____, 20_____

2024

Department of the Treasury Internal Revenue Service

Do not send to the IRS. Keep for your records. Go to www.irs.gov/Form8879TE for the latest information.

Name of filer

DESTINATION MEDICAL CENTER CORPORATION

EIN or SSN

46-4959371

Name and title of officer or person subject to tax MARK THEIN TREASURER

Part I Type of Return and Return Information

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only. If you check the box on line 1a, 2a, 3a, 4a, 5a, 6a, 7a, 8a, 9a, or 10a below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, 5b, 6b, 7b, 8b, 9b, or 10b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

Table with 4 columns: Line number, Form type, Check box, and Amount. Includes rows for Form 990, Form 990-EZ, Form 1120-POL, Form 990-PF, Form 8868, Form 990-T, Form 4720, Form 5227, Form 5330, and Form 8038-CP.

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that [X] I am an officer of the above entity or [] I am a person subject to tax with respect to (name of entity) _____, (EIN) _____ and that I have examined a copy of the 2024 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

PIN: check one box only

[X] I authorize CLIFTONLARSONALLEN LLP to enter my PIN 82924. Enter five numbers, but do not enter all zeros.

as my signature on the tax year 2024 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

[] As an officer or person subject to tax with respect to the entity, I will enter my PIN as my signature on the tax year 2024 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax

Date

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

41051913129

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2024 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature CRAIG POPENHAGEN Date 09/17/25

ERO Must Retain This Form - See Instructions

Do Not Submit This Form to the IRS Unless Requested To Do So

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form 8879-TE (2024)

**Application for Extension of Time To File an Exempt Organization
Return or Excise Taxes Related to Employee Benefit Plans**

Department of the Treasury
Internal Revenue Service

File a separate application for each return.
Go to www.irs.gov/Form8868 for the latest information.

Electronic filing (e-file). You can electronically file Form 8868 to request up to a 6-month extension of time to file any of the forms listed below except for Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts. An extension request for Form 8870 must be sent to the IRS in a paper format (see instructions). For more details on the electronic filing of Form 8868, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-TE and Form 8879-TE for payment instructions.

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Part I - Identification

Type or Print	Name of exempt organization, employer, or other filer, see instructions. DESTINATION MEDICAL CENTER CORPORATION	Taxpayer identification number (TIN) 46-4959371
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 201 4TH STREET SE, 204	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ROCHESTER, MN 55904	

Enter the Return Code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 4720 (other than individual)	09
Form 4720 (individual)	03	Form 5227	10
Form 990-PF	04	Form 6069	11
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 8870	12
Form 990-T (trust other than above)	06	Form 5330 (individual)	13
Form 990-T (corporation)	07	Form 5330 (other than individual)	14
Form 1041-A	08	Form 990-T (governmental entities)	15

• After you enter your Return Code, complete either Part II or Part III. Part III, including signature, is applicable only for an extension of time to file Form 5330.

• If this application is for an extension of time to file Form 5330, you must enter the following information.

Plan Name _____
 Plan Number _____
 Plan Year Ending (MM/DD/YYYY) _____

Part II - Automatic Extension of Time To File for Exempt Organizations (see instructions)

The books are in the care of **BRIAN ANDERSON**
201 4TH STREET SE, 204 - ROCHESTER, MN 55904

Telephone No. **507-328-2850** Fax No. _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four-digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **NOVEMBER 15**, 20 **25**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

calendar year 20 **24** or
 tax year beginning _____, 20 _____, and ending _____, 20 _____

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.

2024

Open to Public Inspection

A For the 2024 calendar year, or tax year beginning and ending
B Check if applicable:
C Name of organization: DESTINATION MEDICAL CENTER CORPORATION
D Employer identification number: 46-4959371
E Telephone number: 507-328-2850
G Gross receipts \$: 2,800,395.
H(a) Is this a group return for subordinates?
H(b) Are all subordinates included?
I Tax-exempt status: 501(c)(3)
J Website: WWW.DMC.MN
K Form of organization: Corporation
L Year of formation: 2013
M State of legal domicile: MN

Part I Summary

Table with 3 main columns: Description, Prior Year, Current Year. Rows include: 1-7a Activities & Governance, 8-12 Revenue, 13-19 Expenses, 20-22 Net Assets or Fund Balances.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here: Signature of officer MARK THEIN, TREASURER
Paid: Preparer's name CRAIG POPENHAGEN, signature CRAIG POPENHAGEN, Date 09/17/25, PTIN P01587689
Preparer Use Only: Firm's name CLIFTONLARSONALLEN LLP, Firm's EIN 41-0746749, Firm's address 2689 COMMERCE DRIVE NW, SUITE 201 ROCHESTER, MN 55901, Phone no. 507-280-2300

May the IRS discuss this return with the preparer shown above? See instructions [X] Yes [] No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: WITH MAYO CLINIC AT ITS HEART, THE DESTINATION MEDICAL CENTER (DMC) INITIATIVE WILL BE THE CATALYST TO POSITION ROCHESTER, MINNESOTA AS THE WORLD'S PREMIER DESTINATION CENTER FOR HEALTH AND WELLNESS; ATTRACTING PEOPLE, INVESTMENT, AND JOBS TO AMERICA'S CITY FOR HEALTH

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 2,640,611. including grants of \$ 0.) (Revenue \$ 0.) OVERSIGHT, PREPARATION AND IMPLEMENTATION OF THE DEVELOPMENT PLAN - AN IN DEPTH STUDY OF INFRASTRUCTURE, PLANNING, AND DEVELOPMENT OPPORTUNITIES, AND FRAMEWORK TO SUPPORT THE DEVELOPMENT OF ROCHESTER AS A DESTINATION MEDICAL CENTER.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 2,640,611.

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Yes, No. Rows include questions 1 through 21 regarding organizational requirements and schedules A through I.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 22 through 38 regarding grants, compensation, tax-exempt bonds, excess benefit transactions, and Schedule O completion.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1a, 1b, and 1c regarding Form 1096, Forms W-2G, and backup withholding rules.

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No columns. Includes questions 2a through 17 regarding employee counts, tax returns, gross income, foreign accounts, prohibited transactions, and charitable contributions.

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include 1a (7), 1b (7), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed MN
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection.
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's current officers, directors, trustees... List all of the organization's current key employees... List the organization's five current highest compensated employees... List all of the organization's former officers, key employees, and highest compensated employees... List all of the organization's former directors or trustees...

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

Table with 6 main columns: (A) Name and title, (B) Average hours per week, (C) Position, (D) Reportable compensation from the organization, (E) Reportable compensation from related organizations, (F) Estimated amount of other compensation. Includes entries for Pamela Wheelock, Kim Norton, Mark Thein, Paul Williams, James Campbell, Doug M. Baker, and Randy Schubring.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Subtotal							0.	0.	0.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							0.	0.	0.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 0

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
DESTINATION MEDICAL CENTER ECONOMIC DEVELOP 195 SOUTH BROADWAY, ROCHESTER, MN 55905	DEVELOPMENT PLAN PREPARATION	2,609,990.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 1

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A)	(B)	(C)	(D)
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a			
	b	Membership dues	1b			
	c	Fundraising events	1c			
	d	Related organizations	1d			
	e	Government grants (contributions)	1e	2,800,279.		
	f	All other contributions, gifts, grants, and similar amounts not included above	1f			
	g	Noncash contributions included in lines 1a-1f	1g	\$		
	h	Total. Add lines 1a-1f		2,800,279.		
Program Service Revenue	2 a		Business Code			
	b					
	c					
	d					
	e					
	f	All other program service revenue				
	g	Total. Add lines 2a-2f				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		116.		116.
	4	Income from investment of tax-exempt bond proceeds				
	5	Royalties				
	6 a	Gross rents	(i) Real			
			(ii) Personal			
	6 b	Less: rental expenses				
	6 c	Rental income or (loss)				
	d	Net rental income or (loss)				
	7 a	Gross amount from sales of assets other than inventory	(i) Securities			
			(ii) Other			
	7 b	Less: cost or other basis and sales expenses				
	7 c	Gain or (loss)				
d	Net gain or (loss)					
8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18					
8 b	Less: direct expenses					
c	Net income or (loss) from fundraising events					
9 a	Gross income from gaming activities. See Part IV, line 19					
9 b	Less: direct expenses					
c	Net income or (loss) from gaming activities					
10 a	Gross sales of inventory, less returns and allowances					
10 b	Less: cost of goods sold					
c	Net income or (loss) from sales of inventory					
Miscellaneous Revenue	11 a		Business Code			
	b					
	c					
	d	All other revenue				
	e	Total. Add lines 11a-11d				
12	Total revenue. See instructions		2,800,395.	0.	0.	116.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (nonemployees):				
a Management				
b Legal	41,672.		41,672.	
c Accounting	7,000.		7,000.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	61,975.		61,975.	
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	37,309.		37,309.	
17 Travel	1,019.		1,019.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	4,167.	4,167.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	10,809.		10,809.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a PROGRAM COSTS	2,636,444.	2,636,444.		
b _____				
c _____				
d _____				
e All other expenses _____				
25 Total functional expenses. Add lines 1 through 24e	2,800,395.	2,640,611.	159,784.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	879.	2	65,051.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	51,854.	9	25,700.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation	10b	10c	
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	423,682.	15	339,946.
16 Total assets. Add lines 1 through 15 (must equal line 33)	476,415.	16	430,697.	
Liabilities	17 Accounts payable and accrued expenses	323,561.	17	303,997.
	18 Grants payable		18	
	19 Deferred revenue	51,854.	19	25,700.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	101,000.	25	101,000.
	26 Total liabilities. Add lines 17 through 25	476,415.	26	430,697.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions		27	
	28 Net assets with donor restrictions		28	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	0.	32	0.
	33 Total liabilities and net assets/fund balances	476,415.	33	430,697.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,800,395.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,800,395.
3	Revenue less expenses. Subtract line 2 from line 1	3	0.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	0.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	0.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

- 1 Accounting method used to prepare the Form 990: Cash Accrual Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant?
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2024)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2349677.	2053572.	2009253.	2402468.	2800279.	11615249.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	2349677.	2053572.	2009253.	2402468.	2800279.	11615249.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						11615249.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2020	(b) 2021	(c) 2022	(d) 2023	(e) 2024	(f) Total
7 Amounts from line 4	2349677.	2053572.	2009253.	2402468.	2800279.	11615249.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources			13.	73.	116.	202.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						11615451.
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2024 (line 6, column (f), divided by line 11, column (f))	14	100.00	%
15 Public support percentage from 2023 Schedule A, Part II, line 14	15	100.00	%
16a 33 1/3% support test - 2024. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			<input checked="" type="checkbox"/>
b 33 1/3% support test - 2023. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2024. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization			<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2023. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization			<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions			<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: (a) 2020, (b) 2021, (c) 2022, (d) 2023, (e) 2024, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 8 Public support.

Section B. Total Support

Table with 7 columns: (a) 2020, (b) 2021, (c) 2022, (d) 2023, (e) 2024, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on; 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.); 13 Total support.

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

Table with 2 columns: Description, Percentage. Row 15: Public support percentage for 2024 (line 8, column (f), divided by line 13, column (f)) 15%. Row 16: Public support percentage from 2023 Schedule A, Part III, line 15 16%.

Section D. Computation of Investment Income Percentage

Table with 2 columns: Description, Percentage. Row 17: Investment income percentage for 2024 (line 10c, column (f), divided by line 13, column (f)) 17%. Row 18: Investment income percentage from 2023 Schedule A, Part III, line 17 18%.

19a 33 1/3% support tests - 2024. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2023. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

Table with 3 columns: Question, Yes, No. Row 11: Has the organization accepted a gift or contribution from any of the following persons? Sub-rows 11a, 11b, 11c.

Section B. Type I Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? Row 2: Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization?

Section C. Type II Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)?

Section D. All Type III Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? Row 2: Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? Row 3: By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year?

Section E. Type III Functionally Integrated Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions). Sub-rows a, b, c. Row 2: Activities Test. Answer lines 2a and 2b below. Sub-rows a, b. Row 3: Parent of Supported Organizations. Answer lines 3a and 3b below. Sub-rows a, b.

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions.
All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2024 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2024	(iii) Distributable Amount for 2024
1	Distributable amount for 2024 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2024 (reasonable cause required - explain in Part VI). See instructions.		
3	Excess distributions carryover, if any, to 2024		
a	From 2019		
b	From 2020		
c	From 2021		
d	From 2022		
e	From 2023		
f	Total of lines 3a through 3e		
g	Applied to under distributions of prior years		
h	Applied to 2024 distributable amount		
i	Carryover from 2019 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.		
4	Distributions for 2024 from Section D, line 7: \$		
a	Applied to underdistributions of prior years		
b	Applied to 2024 distributable amount		
c	Remainder. Subtract lines 4a and 4b from line 4.		
5	Remaining underdistributions for years prior to 2024, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.		
6	Remaining underdistributions for 2024. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.		
7	Excess distributions carryover to 2025. Add lines 3j and 4c.		
8	Breakdown of line 7:		
a	Excess from 2020		
b	Excess from 2021		
c	Excess from 2022		
d	Excess from 2023		
e	Excess from 2024		

Schedule A (Form 990) 2024

Part VI

Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

DRAFT

**Schedule B
(Form 990)**

(Rev. December 2024)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Attach to Form 990, 990-EZ, or 990-PF.
Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

Name of the organization

DESTINATION MEDICAL CENTER CORPORATION

Employer identification number

46-4959371

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

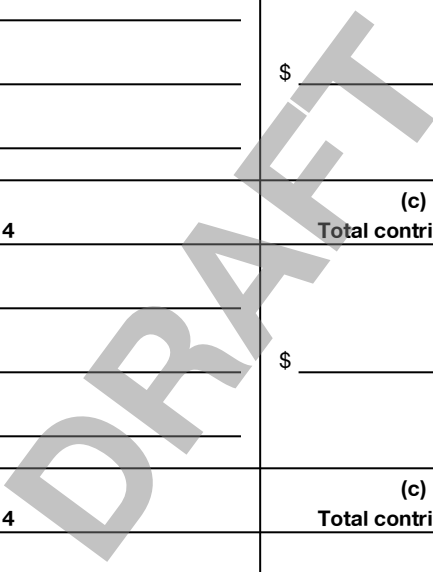
For Paperwork Reduction Act Notice, see the instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990) (Rev. 12-2024)

Name of organization DESTINATION MEDICAL CENTER CORPORATION	Employer identification number 46-4959371
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

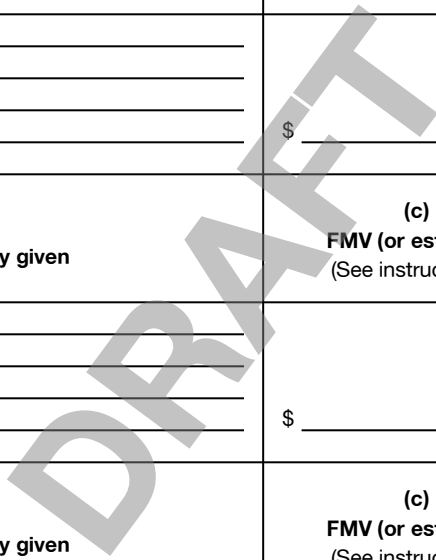
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CITY OF ROCHESTER 201 4TH STREET SE ROCHESTER, MN 55904	\$ 2,800,279.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
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		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



Name of organization DESTINATION MEDICAL CENTER CORPORATION	Employer identification number 46-4959371
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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

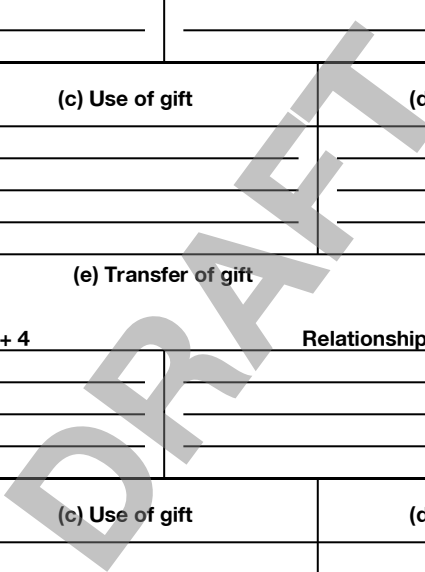
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____
		\$ _____	_____



Name of organization DESTINATION MEDICAL CENTER CORPORATION	Employer identification number 46-4959371
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Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	



SCHEDULE D
(Form 990)

(Rev. December 2024)
Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

**Open to Public
Inspection**

Name of the organization **DESTINATION MEDICAL CENTER CORPORATION** Employer identification number **46-4959371**

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (for example, recreation or education) Preservation of a historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included on line 2a	2c
d Number of conservation easements included on line 2c acquired after July 25, 2006, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year _____

4 Number of states where property subject to conservation easement is located _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year _____

8 Does each conservation easement reported on line 2d above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items.

(i) Revenue included on Form 990, Part VIII, line 1 \$ _____

(ii) Assets included in Form 990, Part X \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 \$ _____

b Assets included in Form 990, Part X \$ _____

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) (Rev. 12-2024)

LHA 432051 01-02-25

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply).
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange program
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment _____ %
 - c Term endowment _____ %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|--------|----|
| (i) Unrelated organizations? | 3a(i) | |
| (ii) Related organizations? | 3a(ii) | |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, line 10c, column (B)) 0.

Part VII Investments - Other Securities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, line 12, col. (B))		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, line 13, col. (B))		

Part IX Other Assets

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) ADVANCE TO DMC EDA	100,000.
(2) DUE FROM OTHER GOVERNMENTS	239,946.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 15, col. (B))	339,946.

Part X Other Liabilities

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO OTHER GOVERNMENTS	101,000.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, line 25, col. (B))	101,000.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ...

**SCHEDULE O
(Form 990)**

(Rev. December 2024)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

Open to Public
Inspection

Name of the organization DESTINATION MEDICAL CENTER CORPORATION	Employer identification number 46-4959371
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**FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:
AND SUPPORTING THE ECONOMIC GROWTH OF MINNESOTA AND ITS BIOSCIENCES
SECTOR.**

**FORM 990, PART VI, SECTION A, LINE 1A:
THE EXECUTIVE COMMITTEE IS COMPRISED OF THE CHAIR, TREASURER, AND SUCH
OTHER PERSONS, IF ANY, ELECTED BY THE BOARD OF DIRECTORS. THE MARJORITY OF
THE MEMBERS OF THE EXECUTIVE COMMITTEE SHALL BE DIRECTORS. THE EXECUTIVE
COMMITTEE SHALL ACT ONLY DURING INTERVALS BETWEEN MEETINGS OF THE BOARD OF
DIRECTORS AND SHALL AT ALL TIMES BE SUBJECT TO THE CONTROL AND DIRECTION OF
THE BOARD OF DIRECTIONS. DURING SUCH INTERVALS AND SUBJECT TO SUCH CONTROL
AND DIRECTION, THE EXECUTIVE COMMITTEE SHALL HAVE AND MAY EXERCISE ALL OF
THE AUTHORITY AND POWERS OF THE BOARD OF DIRECTORS IN THE MANAGEMENT OF THE
AFFAIRS OF THE ORGANIZATION.**

**FORM 990, PART VI, SECTION A, LINE 7A:
THE GOVERNING DOCUMENTS PROVIDE THAT THE FILING ORGANIZATION'S BOARD OF
DIRECTORS ARE APPOINTED AS FOLLOWS:
"THE MAYOR OF ROCHESTER, MN (OR DESIGNEE) SUBJECT TO APPROVAL BY THE CITY
COUNCIL.
"THE CITY COUNCIL PRESIDENT, (OR DESIGNEE) SUBJECT TO APPROVAL BY THE CITY
COUNCIL.
"THE CHAIR OR ANOTHER MEMBER OF THE COUNTY BOARD OF OLMSTED COUNTY,
APPOINTED BY THE COUNTY BOARD.
"A REPRESENTATIVE OF MAYO CLINIC APPOINTED BY MAYO CLINIC
"FOUR DIRECTORS APPOINTED BY THE GOVERNOR OF MINNESOTA, SUBJECT TO
CONFIRMATION BY THE MINNESOTA SENATE.**

**FORM 990, PART VI, SECTION A, LINE 7B:
THE GOVERNING DOCUMENTS PROVIDE THAT THE FILING ORGANIZATION CAN AMEND THE
ARTICLES OF INCORPORATION SUBJECT TO APPROVAL BY THE CITY OF ROCHESTER,
MINNESOTA. THE CITY OF ROCHESTER, MINNESOTA ALSO HAS RIGHTS AND POWERS OF
APPROVAL RELATED TO THE FILING ORGANIZATION'S ANNUAL BUDGET/FUNDING REQUEST
AND INCURRENCE OF LONG-TERM DEBT.**

**FORM 990, PART VI, SECTION B, LINE 11B:
THE 990 WILL BE PRESENTED AT A BOARD MEETING PRIOR TO FILING.**

**FORM 990, PART VI, SECTION B, LINE 12C:
THE DMCC HAS A WRITTEN CONFLICT OF INTEREST POLICY. IN ADDITION, THE DMCC
DIRECTORS ARE PUBLIC OFFICIALS UNDER MINNESOTA STATUTES SECTION 10A.01,
SUBD. 35. SEE MINN. STAT. SECTION 469.41, SUBD. 10. PUBLIC OFFICIALS ARE
SUBJECT TO STATUTORY CONFLICT OF INTEREST REQUIREMENTS. MINN. STAT. SECTION
10A.07.**

**FORM 990, PART VI, SECTION C, LINE 19:
THE DESTINATION MEDICAL CENTER CORPORATION IS SUBJECT TO THE MINNESOTA
GOVERNMENT DATA PRACTICES ACT AND OPEN MEETING LAW, AND THEREFORE MAKES ITS
GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS
AVAILABLE UPON REQUEST.**

FORM 990, PART XII, LINE 2C:

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule O (Form 990) (Rev. 12-2024)

Name of the organization DESTINATION MEDICAL CENTER CORPORATION	Employer identification number 46-4959371
--	--

THE CORPORATION'S BOARD OF DIRECTORS ASSUMES RESPONSIBILITY FOR
OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND THE SELECTION OF
ITS INDEPENDENT ACCOUNTANT.

DRAFT

**SCHEDULE R
(Form 990)**

(Rev. January 2025)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships
Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

**Open to Public
Inspection**

Name of the organization **DESTINATION MEDICAL CENTER CORPORATION** Employer identification number **46-4959371**

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY - 46-4893585, 201 1ST STREET SW, ROCHESTER, MN 55905	PROVIDE SERVICES TO THE DMCC	MINNESOTA	501(C)(3)	LINE 7	N/A		X

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)	X	
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)		X
p Reimbursement paid to related organization(s) for expenses	X	
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

DRAFT

Mail To:

Minnesota Attorney General's Office
Charities Division
445 Minnesota Street, Suite 1200
St. Paul, MN 55101-2130

**STATE OF MINNESOTA
CHARITABLE ORGANIZATION
ANNUAL REPORT FORM**

C2

(Pursuant to Minn. Stat. ch. 309)

Website Address:

www.ag.state.mn.us/charity

SECTION A: Organization Information

Legal Name of Organization DESTINATION MEDICAL CENTER CORPORATION

Federal EIN: 46-4959371

Fiscal Year-End: 12312024
mm/dd/yyyy

Did the organization's fiscal year-end change? Yes No

Mailing Address: <u>MARK THEIN</u> Contact Person <u>201 4TH STREET SE, NO. 204</u> Street Address <u>ROCHESTER, MN 55904</u> City, State, and ZIP Code <u>507-328-2850</u> Phone Number <u>MARK.THEIN@OLMSTEDCOUNTY.GOV</u> Email Address	Physical Address: <u>MARK THEIN</u> Contact Person <u>201 4TH STREET SE, NO. 204</u> Street Address <u>ROCHESTER, MN 55904</u> City, State, and ZIP Code <u>507-328-2850</u> Phone Number <u>MARK.THEIN@OLMSTEDCOUNTY.GOV</u> Email Address
---	--

1. Organization's website: WWW.DMC.MN

2. List all of the organization's alternate and former names (attach list if more space is needed).
 Alternate Former
 Alternate Former

3. List all names under which the organization solicits contributions (attach list if more space is needed).
DESTINATION MEDICAL CENTER CORPORATION

4. Is the organization incorporated pursuant to Minn. Stat. ch. 317A? Yes No

5. Total amount of contributions the organization received from Minnesota donors: \$ 2,800,279.

6. Has the organization's tax-exempt status with the IRS changed?
 Yes No If yes, attach explanation.

7. Has the organization significantly changed its purpose(s) or program(s)?
 Yes No If yes, attach explanation.

CHARITABLE ORGANIZATION ANNUAL REPORT FORM
(Continued)

8. Has the organization been denied the right to solicit contributions by any court or government agency?
 Yes No If yes, attach explanation.

9. Does the organization use the services of a professional fundraiser (outside solicitor or consultant) to solicit contributions in Minnesota? Yes No
If yes, provide the following information for each (attach list if more space is needed):

Name of Professional Fundraiser Compensation

Street Address City, State, and ZIP Code

10. Is the organization a food shelf? Yes No
If yes, is the organization required to file an audit? Yes, audit attached No

Note: An organization that has total revenue of more than \$750,000 is required to file an audit prepared in accordance with generally accepted accounting principles by an independent CPA or LPA. The value of donated food to a nonprofit food shelf may be excluded from the total revenue if the food is donated for subsequent distribution at no charge and is not resold.

11. Do any directors, officers, or employees of the organization or its related organization(s) receive total compensation* of more than \$100,000? Yes No
If yes, provide the following information for the five highest paid individuals:

Name and title	Compensation*	Other compensation

*Compensation is defined as the total amount reported on Form W-2 (Box 5) or Form 1099-MISC (Box 7) issued by the organization and its related organizations to the individual. See Minn. Stat. § 309.53, subd. 3(i) and Minn. Stat. § 317A.011 for definitions.

12. A full list of the organization's board of directors, including names, addresses, and total compensation paid to each (attach list if more space is needed).

SEE STATEMENT 1

CHARITABLE ORGANIZATION ANNUAL REPORT FORM
(Continued)

13. A full list of the names of all banks or other financial institutions in which the organization's funds are deposited. DO NOT include account numbers. (Attach list if more space is needed.)
WELLS FARGO

SECTION B: Financial Information

This section must be completed by organizations that file an IRS Form 990-EZ, 990-PF, or 990-N.
Organizations that file an IRS Form 990 may skip Section B and go directly to Section C.

INCOME

1. Contributions Received	\$ _____	1
2. Government Grants	\$ _____	2
3. Program Service Revenue	\$ _____	3
4. Other Revenue	\$ _____	4
5. TOTAL INCOME	\$ _____	5

EXPENSES

6. Program Expenses	\$ _____	6
7. Management & General Expenses	\$ _____	7
8. Fund-raising Expenses	\$ _____	8
9. TOTAL EXPENSES	\$ _____	9
10. EXCESS or DEFICIT	\$ _____	10
(Line 5 minus Line 9)		

ASSETS

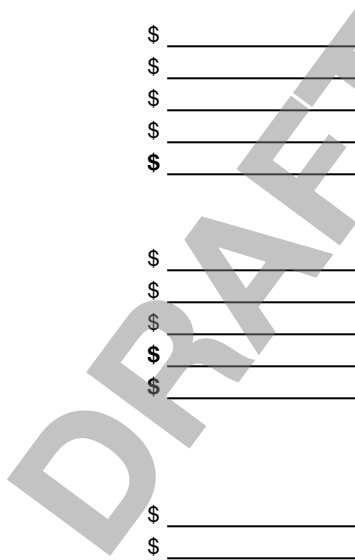
11. Cash	\$ _____	11
12. Land, Buildings & Equipment	\$ _____	12
13. Other Assets	\$ _____	13
14. TOTAL ASSETS	\$ _____	14

LIABILITIES

15. Accounts Payable	\$ _____	15
16. Grants Payable	\$ _____	16
17. Other Liabilities	\$ _____	17
18. TOTAL LIABILITIES	\$ _____	18

FUND BALANCE/NET WORTH

(Line 14 minus Line 18)
\$ _____



**CHARITABLE ORGANIZATION ANNUAL REPORT FORM
(Continued)**

Section B (continued): Statement of Functional Expenses

This expense statement must be prepared in accordance with generally accepted accounting principles. Each column must be completed, and Columns B, C, and D must equal Column A. The amount on Line 25, Column A must match Line 17 of IRS Form 990-EZ or Line 26 of IRS Form 990-PF.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1. Grants and other assistance to governments and organizations in the U.S.				
2. Grants and other assistance to individuals in the U.S.				
3. Grants and other assistance to governments, organizations, and individuals outside the U.S.				
4. Benefits paid to or for members				
5. Compensation of current officers, directors, trustees, and key employees				
6. Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B)				
7. Other salaries and wages				
8. Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9. Other employee benefits				
10. Payroll taxes				
11. Fees for services (non-employees):				
a. Management				
b. Legal				
c. Accounting				
d. Lobbying				
e. Professional fundraising services				
f. Investment management fees				
g. Other				
12. Advertising and promotion				
13. Office expenses				
14. Information technology				
15. Royalties				
16. Occupancy				
17. Travel				
18. Payments of travel or entertainment expenses for any federal, state, or local public officials				
19. Conferences, conventions, and meetings				
20. Interest				
21. Payments to affiliates				
22. Depreciation, depletion, and amortization				
23. Insurance				
24. Other expenses. Itemize expenses not covered above. Expenses labeled miscellaneous may not exceed 5% of total expenses (Line 25).				
a.				
b.				
c.				
d.				
25. Total functional expenses. Add lines 1 through 24d				
26. Joint costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in Column B joint costs from a combined educational campaign and fundraising solicitation				

DRAFT

CHARITABLE ORGANIZATION ANNUAL REPORT FORM
(Continued)

Section C: Board of Directors Signatures and Acknowledgment

The form must be executed pursuant to a resolution of the board of directors, trustees, or managing group and must be signed by two officers of the organization. See Minn. Stat. § 309.52, subd. 3.

We, the undersigned, state and acknowledge that we are duly constituted officers of this organization, being the

TREASURER (Title) and CHAIR (Title) respectively, and

that we execute this document on behalf of the organization pursuant to the resolution of the

BOARD OF DIRECTORS (Board of Directors, Trustees, or Managing Group) adopted on the _____

day of _____, 20 ____, approving the contents of the document, and do hereby certify that the

BOARD OF DIRECTORS (Board of Directors, Trustees, or Managing Group) has assumed, and will continue

to assume, responsibility for determining matters of policy, and have supervised, and will continue to supervise, the operations and finances of the organization. We further state that the information supplied is true, correct and complete to the best of our knowledge.

MARK THEIN

Name (Print)

Signature

TREASURER

Title

Date

PAMELA WHEELOCK

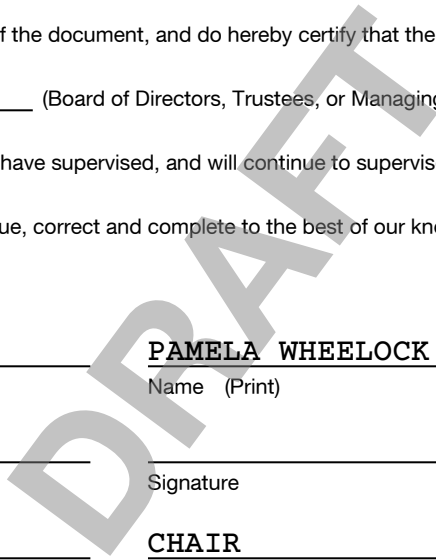
Name (Print)

Signature

CHAIR

Title

Date



ANNUAL REPORT
INITIAL REGISTRATION

BOARD OF DIRECTORS

STATEMENT 1

<u>NAME AND ADDRESS</u>	<u>COMPENSATION</u>
PAMELA WHEELLOCK	0.
KIM NORTON	0.
MARK THEIN	0.
PAUL WILLIAMS	0.
JAMES CAMPBELL	0.
DOUG M. BAKER	0.
RANDY SCHUBRING	0.

DRAFT

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ____-2025

A RESOLUTION APPROVING THE 2025 STATE OF MINNESOTA CHARITABLE ORGANIZATION ANNUAL REPORT AND 2024 FORM 990

BACKGROUND RECITALS

A. On behalf of the Destination Medical Center Corporation (“**DMCC**”), CliftonLarsonAllen (“**CLA**”) prepared the 2025 State of Minnesota Charitable Organization Annual Report (the “**Annual Report**”) and 2024 Form 990 (the “**Form 990**”) and is recommending that the DMCC approve both items.

B. The Annual Report and Form 990 were presented to the DMCC on September 25, 2025, and are on file with the DMCC.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the DMCC Board of Directors, that the 2025 State of Minnesota Charitable Organization Annual Report and 2024 Form 990 are approved.

BE IT FURTHER RESOLVED, that the Board authorizes the Chair or Treasurer to take any action or make any amendments necessary and to file the Annual Report and Form 990.

40390152v1

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ____-2025

**A RESOLUTION APPROVING ADOPTION OF A MODIFICATION TO THE
DEVELOPMENT PLAN**

BACKGROUND RECITALS

A. Pursuant to Minnesota Statutes Section 469.43, the Destination Medical Center Corporation (“**DMCC**”), working with the City of Rochester (the “**City**”) and the Destination Medical Center Economic Development Agency (the “**EDA**”), adopted the Development Plan on April 23, 2015, as amended (the “**Development Plan**”).

B. The DMCC also adopted a geographic area in the City identified in the Development Plan, in which public infrastructure projects are implemented as the Destination Medical Center development district (the “**Development District**”).

C. The DMCC may modify the Development District through a modification of the Development Plan at any time. Pursuant to Minnesota Statutes Section 469.43, subdivision 4, a modification or update must be adopted by the DMCC upon the notice and after the public hearing and findings required for the original adoption of the Development Plan, including submission of the modified Development Plan to the City for approval. The City must act on the proposed modification to the Development Plan within sixty (60) days following its submission by the DMCC.

D. The City and EDA staff recommended a modification to the Development District, set forth in **Exhibit A** attached hereto (the “**Development District Modification**”).

E. Pursuant to Resolution 172-2025, the DMCC submitted the Development District Modification to the City for its consideration and action.

F. The City of Rochester Common Council approved the modification to the Development District by Resolution passed and adopted on June 2, 2025, a copy of which is attached hereto as **Exhibit B**.

G. Through prior Resolutions, the DMCC has approved the public infrastructure project associated with the Development District Modification as consistent with the Development Plan.

H. With the benefit of input from the public, including the opportunity for written comments and public testimony, and comments from the City and EDA, the DMCC makes the following findings of fact and resolution.

RESOLUTION

NOW THEREFORE, BE IT RESOLVED, by the DMCC Board of Directors, that the DMCC adopts the Development District Modification based on the following findings of fact:

1. The Development District Modification relates only to the geographic boundary of the Development District and does not otherwise amend the Development Plan. Accordingly, findings 2, 3, and 6 of the DMCC Resolution 109-2020, dated November 19, 2020 concerning the Five-Year Update to the Development Plan, are hereby incorporated by reference.
2. The Development District Modification is consistent with the Development Plan, advancing the goals and development to support the destination medical center framework.
3. The Development District Modification affords maximum opportunity, consistent with the needs of the City, Olmsted County, and the State of Minnesota, for the development of the City by private enterprise as a destination medical center.
4. The Development District Modification conforms to the general plan for the development of the City and is consistent with the City Comprehensive Plan.
5. In the Resolution passed and adopted on June 2, 2025, the City approved the Development District Modification.
6. On September 25, 2025, the DMCC held a public hearing pursuant to Minnesota Statutes Section 469.43, subdivision 1.

BE IT FURTHER RESOLVED, that the Chair or the Treasurer of the DMCC is hereby authorized and directed to transmit this Resolution to the City and to take such actions as are necessary or convenient to effectuate the approvals of this Resolution.

40537767v1

EXHIBIT A

Modifications to the DMC Development District

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025



Request of the board of directors:

Consider modifications to the DMC development district, including: modifying the current district boundary to incorporate required permanent and temporary easements for the construction of LINK Bus Rapid Transit (BRT) infrastructure; modifying the current district to incorporate public infrastructure improvements supporting the development of the West Transit Village; and establishing a non-contiguous district at the City of Rochester's Public Works Transit Operation Center to allow for the construction of a BRT vehicle maintenance facility.

The Rochester City Council approved the boundary modification on June 2, 2025.

Background:

The DMC Act states that, as a part of the DMC development plan, the DMCC and City of Rochester may "create and define the boundaries of medical center development districts and subdistricts at any place or places within the city. Projects may be undertaken within defined medical center development districts consistent with the development plan." This authority has been used three times:

- 1) To establish the original district in 2015.
- 2) To modify the district to fully include the parcels redeveloped as the Berkman apartments
- 3) To modify the district to include the 2nd Street SW right-of-way and Mayo West Lot as a requirement for BRT and West Transit Village development.

Modifying the DMC development district requires following a process prescribed in state law:

- 1) The DMCC must formally submit the proposed modification to the City
- 2) The City must act on the modification within 60 days following its submission by the DMCC.
- 3) Following that, the DMCC must hold a public hearing on the modification.
- 4) At least 60 days before the hearing, copies of the modification must be made available to the public at the DMCC and City offices, on the DMCC's and City's websites and as otherwise determined appropriate by DMCC.
- 5) At least 10 days before the hearing, the DMCC must publish notice of the hearing.
- 6) Finally, the DMCC must hold the public hearing and adopt an approval resolution.

Three modifications are recommended by City staff and the DMC EDA:

- 1) Incorporate a set of temporary and public easements required to facilitate the development of LINK BRT infrastructure.
- 2) Incorporate property adjacent to the Mayo West Lot to allow for public infrastructure improvements necessary to support the development of the West Transit Village.
- 3) Establish a non-contiguous district at the City of Rochester's Public Works Transit Operation Center to allow for the construction of a BRT vehicle maintenance facility.

All costs associated with these modifications and capital improvements are funded through the approved Link BRT project budget.

Each proposed modification is explained in greater detail below:

- 1) Incorporate a set of temporary and public easements required to facilitate the development of LINK BRT infrastructure.
 - a. A temporary easement for the grading and installation of sidewalk, bike trail improvements and local bus route station installation at 130 23rd Avenue SW as described:

A temporary easement for construction purposes over, under, across and through part of the following described property in the amount of \$1003.2 in DMC Funds: *Lot 2, Block 1, SHOREWOOD RETAIL REPLAT, in the City of Rochester, Olmsted County, Minnesota.*

Said temporary easement being the North 2.00 feet of the South 12.00 feet of said Lot 2.



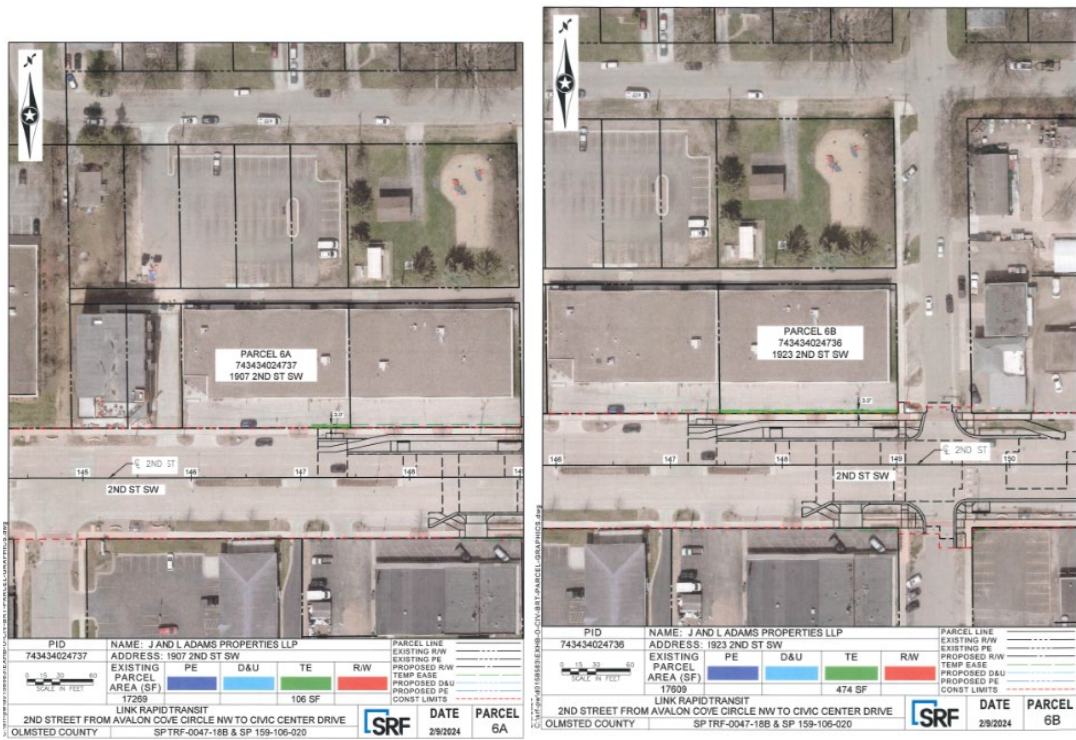
- b. A temporary easement for the grading and installation of sidewalk, bike trail improvements and bus route station installation at 1907 and 1923 2nd Street SW as described:

A temporary easement for construction purposes over, under, across and through part of property in the amount of \$8,572.80 in DMC Funds as described:

A temporary easement for construction purposes over, under, across and through part of the following described property: *Lots 12, 13 and 14, Block 12 WEST ZUMBRO ADDITION, in the City of Rochester, Olmsted County, Minnesota, said temporary easement being the South 3.00 feet of the East 35.00 feet of said Lot 12*

A temporary easement for construction purposes over, under, across and through part of the following described property: *Lots 9, 10 and 11, Block 12 WEST ZUMBRO ADDITION, in the City of Rochester, Olmsted County, Minnesota.*

Said temporary easement being the South 3.00 feet of said Lots 9, 10 and 11.

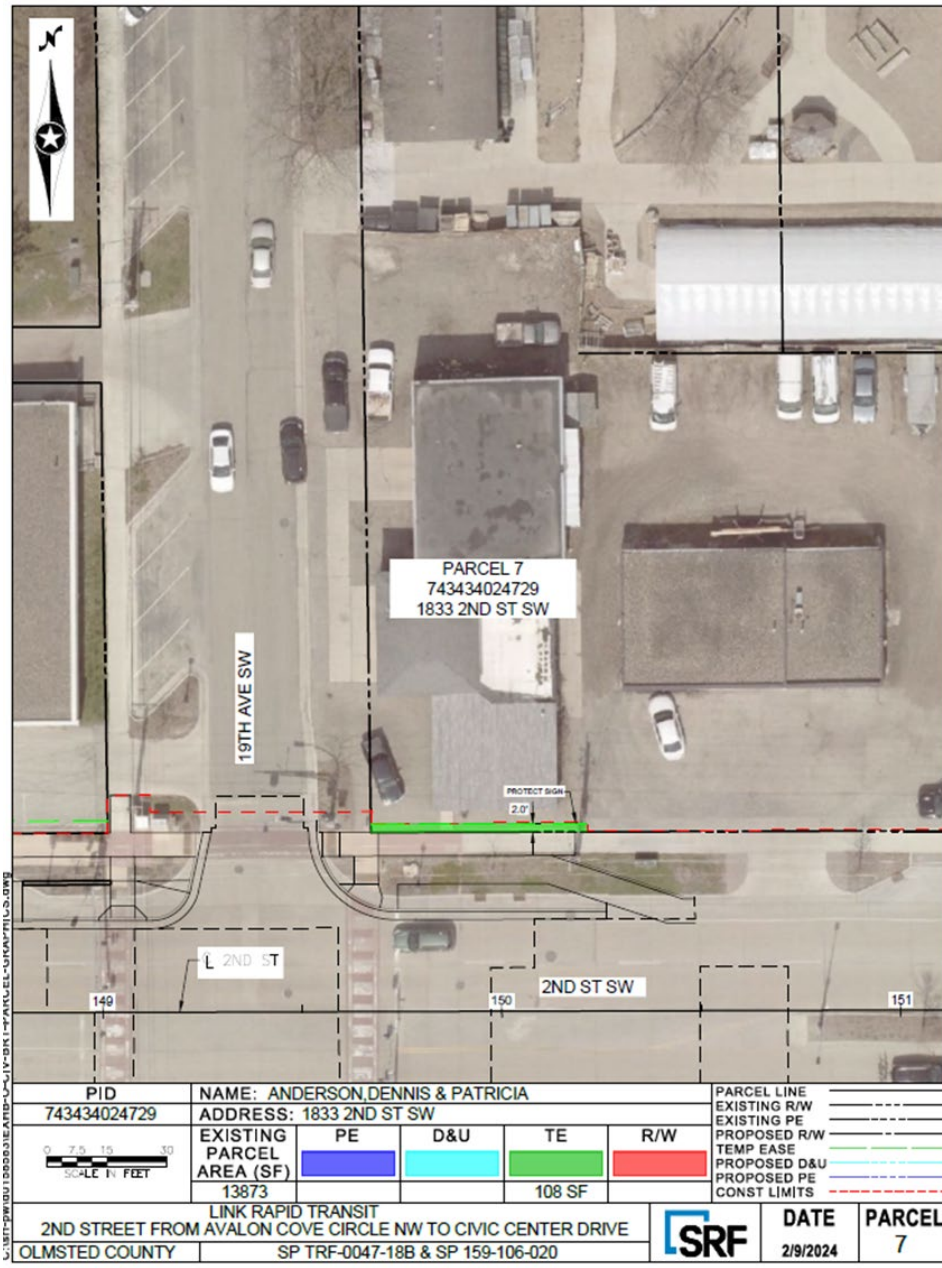


- c. A temporary easement for the grading and installation of sidewalk, bike trail improvements and local bus route station installation at 1833 2nd St SW as described:

A temporary easement for construction purposes over, under, across and through part of the property in the amount of \$775.2 in DMC Funds as described:

A temporary easement for construction purposes over, under, across and through part of the following described property: *Lot 14, Block 11, WEST ZUMBRO ADDITION, in the City of Rochester, Olmsted County, Minnesota, and that part of the South Half of vacated alley adjacent thereto.*

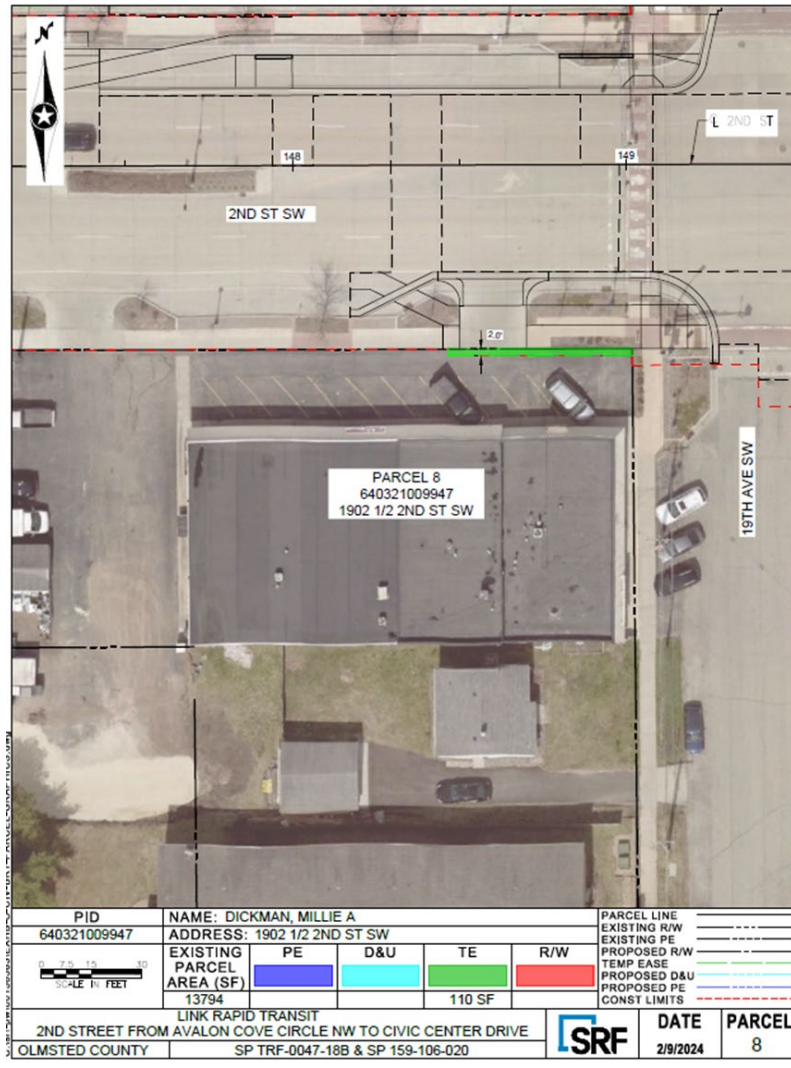
Said temporary easement being the South 2.00 feet of said Lot 14.



- d. A temporary easement for the grading and installation of sidewalk, bike trail improvements, road guideway improvements at 1902 2nd St SW as described in the easement document.
- e. A temporary easement for construction purposes over, under, across and through part of the property in the amount of \$4,423.2 in DMC Fund as described:

A temporary easement for construction purposes over, under, across and through part of the following described property: *Lots 1 and 2, Block 2, HIGHLAND ADDITION, in the City of Rochester, Olmsted County, Minnesota.*

Said temporary easement being the North 2.00 feet of the East 55.00 feet of said Lot 1.



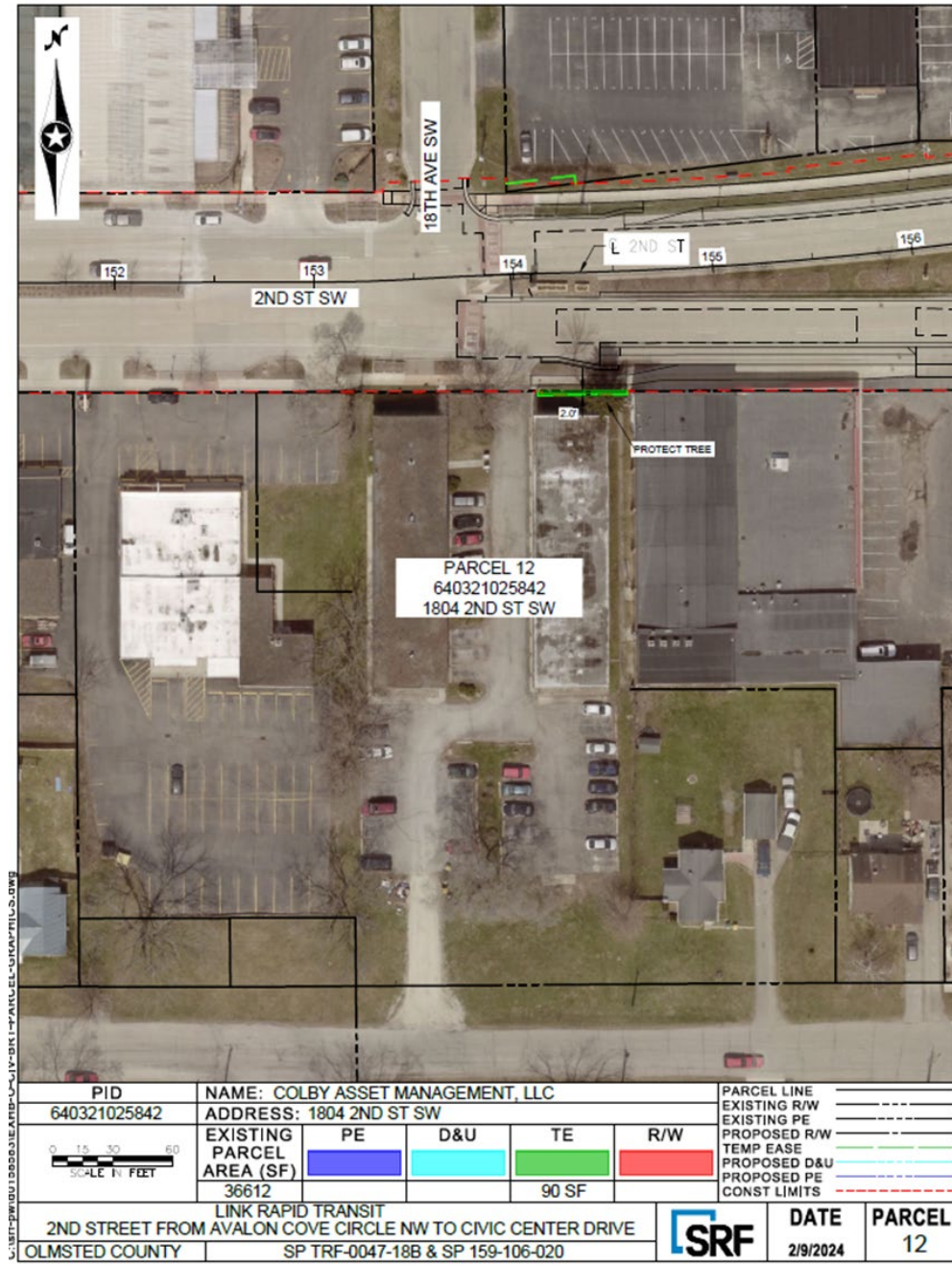
- f. A temporary easement at 1741 2nd St SW for construction purposes over, under, across and through part of the following described property in the amount of \$4,332 in DMC Funds: *Lots 11 and 12, Block 10, WEST ZUMBRO ADDITION, in the City of Rochester, Olmsted County, Minnesota, except that part thereof which lies southerly of Line 1 described here: Commencing at the south quarter corner of said Section 34; thence run westerly on an assumed azimuth of 269 degrees 50 minutes 38 seconds along the south line of said section for 425.00 feet to the point of beginning of Line 1 to be described; thence on an azimuth of 359 degrees 50 minutes 38 seconds for 50.00 feet; thence on an azimuth of 89 degrees 50 minutes 38 seconds for 10.41 feet; thence on an azimuth of 82 degrees 56 minutes 50 seconds for 208.20 feet; thence on an azimuth of 89 degrees 50 minutes 38 seconds for 101.99 feet; thence on an azimuth of 359 degrees 09 minutes 02 seconds for 88.51 feet and there terminating.*

Said temporary easement being the South 6.00 feet of the East 40.00 feet of said described property.



- g. A temporary easement at 1804 2nd Street SW for construction purposes over, under, across and through part of the following described property in the amount of \$1,459.2 in DMC Funds:
 - i. A part of the Northwest Quarter of Section 3, Township 106 North, Range 14 West described as follows: Commencing at a point on the north line of the Northwest Quarter of Section 2, Township 106 North, Range 14 West, Olmsted County, Minnesota, 21 rods West of the northeast corner of said Northwest Quarter; thence South parallel with the east line of said Northwest Quarter, 19 rods; thence West parallel with the north line of said Northwest Quarter, 8 8/19 rods; thence North parallel with the east line of said Northwest Quarter, 19 rods to the north line of said Northwest Quarter; thence East along the north line of said Northwest Quarter 8 8/19 rods to the place of beginning.
 - ii. Said tract also described as that part of the Northwest Quarter of Section 3, Township 106 North, Range 14 West, Olmsted County, Minnesota described as follows: Commencing at the northeast corner of said Northwest Quarter; thence westerly on an assumed azimuth from north 270 degrees 00 minutes 00 seconds along the north line of said Northwest Quarter 354 .50 feet to the point of beginning; thence southerly 179 degrees 34 minutes 53 seconds azimuth parallel with the east line of the Northwest Quarter 313.50 feet; thence westerly 270 degrees 00 minutes 00 seconds azimuth parallel with the east line of the Northwest Quarter 313 .50 feet; thence westerly 270 degrees 00 minutes 00 seconds azimuth parallel with the north line of said Northwest Quarter 138.95 feet; thence northerly 359 degrees 34 minutes 53 seconds azimuth parallel with said east line of the Northwest Quarter 313.50 feet to the north line of the Northwest Quarter; thence easterly 90 degrees 00 minutes 00 seconds azimuth along said north line 138.95 feet to the point of beginning.

Said temporary easement being the East 45.00 feet of the South 2.00 feet of the North 52.00 feet of said described property.



- h. A temporary easement to 1807 2nd Street SW for construction purposes over, under, across and through part of the following described property in the amount of \$22,800 in DMC Funds: *The East 99 feet of the North 199.5 feet of the Northwest Quarter of Section 3, Township 106, Range 14, Olmsted County, Minnesota.*

Said temporary easement being the South 10.00 feet of the North 60.00 feet of said described property.



- i. A temporary, permanent and drainage utility easement rough part of the following described property in the amount of \$22,800 in DMC Funds:

Permanent Easement of part of the following described property: Lots 1, 4, 5, 6, 7, 8, 9 and 10 all in Block 3, EAST ROCHESTER ADDITION, according to the plat thereof on file at the County Recorder's Office, Olmsted County, Minnesota, Except the East 51.00 feet of said Lot 1 and also Except the East 51.00 feet of the South Half of said Lot 4. Being that part of said Lot 1 lying southwesterly of a line run from a point on the west line of said Lot 1 distant 10.00 feet north of the southwest corner of said Lot 1 to a point on the south line of said Lot 1 distant 10.00 feet east of said southwest corner. Except the West 3.00 feet of said Lot 1.

That part of the Southeast Quarter of Section 33, Township 107, Range 14, Olmsted County, Minnesota described as follows:
 Commencing at the northeast corner of said Southeast Quarter; thence North 89 degrees 52 minutes 42 seconds West, assumed bearing along the north line of said Southeast Quarter, 1257.50 feet; thence South 00 degrees 53 minutes 11 seconds East, parallel with the east line of said Southeast Quarter, 1206.25 feet to the point of beginning; thence North 89 degrees 52 minutes 42 seconds West, parallel with said north line, 1306.68 feet to a point 66.00 feet east of the west line of said Southeast Quarter as measured at right angles; thence South 01 degrees 39 minutes 14 seconds East, parallel with said west line, 160.06 feet; thence South 89 degrees 52 minutes 42 seconds East, parallel with said north line, 1304.54 feet to the intersection with a line which bears South 00 degrees 53 minutes 11 seconds East, parallel with said east line, from the point of beginning; thence North 00 degrees 53 minutes 11 seconds West, parallel with said east line, 160.01 feet to the point of beginning.

Said parcel contains ±208,898 square feet (±4.80 acres).

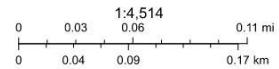
~~REVISED MAY 12, 2014~~

City Property Adjacent to West Transit Village



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- Centerlines
- <all other values>
- City Street
- County Road



Olmsted County, MN GIS Division and Olmsted County, MN Property Records and Licensing. Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeBCast, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap

Web AppBuilder for ArcGIS

Olmsted County, MN is not responsible for omissions or errors contained herein. If discrepancies are found within this application, please notify the Olmsted County GIS Division at 507-328-7100.

Private Road Parcel 743343052200

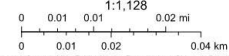
Owner: MAYO FOUNDATION

Description: 1.16 Ac SECT-33 TWP 107 Range 014 City Lands 107-14-33 TH PT SE ¼ DES AS Follows at NECOR SD SE1/4 Thence W Al North Line SD SE 14 1257.50FT, Thence SWLY parallel with E line SD SE ¼ 1206.25FT, Thence 1206.60FT to a pt 66ft East of West Line SD SE1/4, Thence S parallel with SD W line 244.03 to pt of beginning. Then continuing S parallel with SD west line 373.69ft to centerline of CSAH No 34 as dedicated in Wimbledon Hills, Thence Westerly 68.18ft Al A curve to W Line SD SE1/4, Then North Al SD West Line 390.77ft, Thence East 66ft to PT of Beg Section 33-107-14, as recorded in the County of Olmsted records office.

Property Adjacent to West Transit Village



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 Centerlines
 <all other values>
 City Street
 County Road



Olmsted County, MN, Public Works Department, Olmsted County, MN GIS Division and Olmsted County, MN Property Records and Licensing. Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeBCast, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri

Olmsted County, MN is not responsible for errors or omissions contained herein. If errors or discrepancies are found, please contact Olmsted County Planning Dept. at 507-328-7100.

- 5) Establish a non-contiguous district at the City of Rochester's Public Works Transit Operation Center to allow for the construction of a BRT vehicle maintenance facility for estimated \$5,452,000 of which \$2,486,112 will be DMC Funds.

OFFICIAL PLAT

PUBLIC WORKS AND TRANSIT OPERATIONS CENTER

SURVEYOR'S CERTIFICATE

I hereby certify that I am duly licensed and qualified to practice as a surveyor in the State of Minnesota and that I have personally supervised the survey shown on this plat and that the same is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat.

James P. DeLoe
 James P. DeLoe
 State of Minnesota
 License Number: 10007

GRANT SUBJECTS

I hereby certify that the grant subjects named herein are the same as those named in the plat and that the same are the same as those named in the plat and that the same are the same as those named in the plat and that the same are the same as those named in the plat.

Paul J. Johnson
 Paul J. Johnson
 County Surveyor

CITY APPROVAL

I, City of Rochester, City Clerk, do hereby certify that the City of Rochester, Minnesota, has approved this plat and that the same is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat.

Michelle Olson
 Michelle Olson
 City Clerk

PROPERTY RECORDS AND LICENSING

I hereby certify that the property records and licensing information shown on this plat is correct and that the same is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat.

Paul J. Johnson
 Paul J. Johnson
 County Surveyor

PROPERTY LOCATION MAP

Section 13

INSTRUMENT OF RECORDATION

I hereby certify that the instrument of recordation shown on this plat is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat.

James P. DeLoe
 James P. DeLoe
 State of Minnesota
 License Number: 10007

NOTES

ALL DIMENSIONS SHOWN TO THE CENTER OF THE CURVE UNLESS OTHERWISE NOTED.

ALL DIMENSIONS TO BE FIELD MEASURED EXACTLY AS NOTED.

UTILITY EXISTENCE SHALL BE DETERMINED BY THE ENGINEER PRIOR TO CONSTRUCTION AND THE ENGINEER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND LICENSES FOR THE CONSTRUCTION OF THE PROJECT.

CONVEYED ACCESS RIGHTS

I hereby certify that the conveyance of access rights shown on this plat is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat and that the same is a correct representation of the survey shown on the plat.

James P. DeLoe
 James P. DeLoe
 State of Minnesota
 License Number: 10007

1204A

McGhee & Bellin, Inc.
 Land Surveying
 Civil Engineering
 Land Planning
 Construction Management
 Construction Management
 Landscape Architecture

Approvals, milestones, and decision points:

- 1) March 2015: Rochester City Council approves establishment of DMC development district.
- 2) April 2015: DMCC board of directors approves establishment of DMC development district.
- 3) December 2016: Rochester City Council approves first DMC development district modification, incorporating the entirety of the site redeveloped as the Berkman apartments.
- 4) February 2017: DMCC board of directors approves first DMC development district modification, incorporating the entirety of the site redeveloped as the Berkman apartments.
- 5) July 2020: Rochester City Council approves second DMC development district modification, incorporating the 2nd Street SW right-of-way and Mayo West Lot as a requirement for BRT and West Transit Village development.
- 6) August 2020: DMCC board of directors approves second DMC development district modification, incorporating the 2nd Street SW right-of-way and Mayo West Lot as a requirement for BRT and West Transit Village development.
- 7) **May 2025: DMCC board of directors presented with third DMC development district modification(s) as described above, submits proposed modifications to City for consideration.**
- 8) By July 21, 2025: Rochester City Council considers DMC development district boundary modification.
- 9) September 25, 2025: Modifications approved by the Rochester City Council may be considered by the DMCC board of directors at a public hearing.

EXHIBIT B

[city resolution]

RESOLUTION

Authorizing Approval of the Destination Medical Center (DMC) Development District Boundary Modification.

WHEREAS, on May 22, 2025 the Destination Medical Center Corporation (DMCC) Board of Directors adopted Resolution No. 172-2025 which authorized the submission to the City of a modification to the DMC Development District to support the Link Bus Rapid Transit (Link) project; and,

WHEREAS, the City has 60 days to review and take action on the proposed DMC Development District modification pursuant to Minnesota Statutes 469.43; and,

WHEREAS, the Council previously approved Link Bus Rapid Transit (Link), a proposed 2.8 mile route along 2nd Street that will be free for all users; and,

WHEREAS, the area included in the proposed DMC Development District boundary incorporates a set of temporary and public easements required to facilitate the development of Link infrastructure; property adjacent to the Mayo West Lot to allow for public infrastructure improvements necessary to support the development of the West Transit Village; and establishes a non-contiguous district at the City of Rochester's Public Works Transit Operation Center to allow for the construction of a bus rapid transit vehicle maintenance facility.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Rochester that, pursuant to Minnesota Statutes 469.43, the City approve of the modification of the Destination Medical Center Development District Boundary as shown on the attached Exhibit A.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF
ROCHESTER, MINNESOTA, THIS 2nd DAY OF June, 2025.

ATTEST: *Anne M. Kase*
CITY CLERK

Randy Schumway
PRESIDENT OF SAID COMMON COUNCIL

APPROVED THIS 6th DAY OF June, 2025.



Kim Norton
MAYOR OF SAID CITY

5-Year Update to the 20-Year DMC Development Plan



To: DMCC Board of Directors

From: DMC EDA

Date: September 19, 2025

Request of the board of directors:

Direct staff to proceed to a full draft of the DMC Development Plan update with the proposed framework.

Overview:

- DMC began with a bold vision: to position Rochester as the global center for health and innovation, while enhancing quality of life for everyone who lives, works, or visits here. The 2025 Development Plan Update is a key part of the DMC legislation that ensures this work stays transparent and accountable.
- This is the moment to sharpen our focus as we look to the future.
- The path forward is not about starting from scratch; it's about deepening our collective understanding of what guides our decisions and how our values show up in the built environment, economy, and daily life.

An external consulting team was engaged to assist in this work, and the overall scope was split into two main components:

1. A “look backward” that gathers information about the past 10 years and measures what has happened against what was initially projected
2. A “look ahead” that affirms the overall vision for DMC and projects with greater detail the work that lies head to realizes the DMC goals

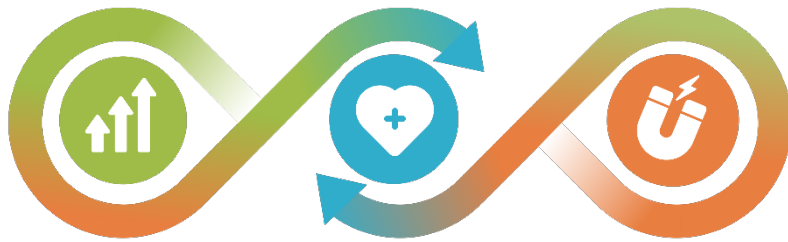
Part 1: Measuring the first 10 years of the DMC

At the 2Q2025 DMCC Meeting the preliminary results from the 10-year lookback were presented, followed by a milestone celebration and the Annual Joint Meeting of the DMC EDA Board, DMCC Board, City Council and County. The joint meeting was an opportunity to dive deeper into the data from the 10-year lookback and hear about priorities from these Board members as we turn toward projecting strategy for the next 10 years.

Part 2: Looking Ahead

Consultants Smithgroup and James Lima Planning + Design (JLP+D) have been working with DMC EDA staff, City staff, and stakeholders on the framework for the updated DMC Development Plan. This is not about picking the next project or deciding which building gets built where, as many infrastructure projects are already in motion or may be driven by the private sector. This is about helping shape the **why** behind the decisions we and our partners make over the next five years. The overarching goal is utilize America's

City for Health as a strategic approach to hone and refine DMC work and investments. The framework is shaped around three main drivers:



Health Innovation as an Economic Engine:

We will leverage our unique scale and Mayo Clinic adjacencies and lean-in on health tech to **drive innovation and economic growth**— by supporting new ideas, businesses, and careers that improve lives and strengthen our economy.

Health Excellence as an Attractor:

We will emphasize proximity to health excellence as a **reason people choose to live in, work in, and visit** Rochester by strengthening our reputation as America’s City for Health, wellness, community, and quality of life.

Health in the Built Environment:

We will invest in infrastructure projects that **inventively** center physical and mental well-being and create safe, healthy, and sustainable places for all people.

In addition, economic analysis of the size, growth trends and Rochester-specific capture rate and differentiating factors is underway on the following high priority sectors:

- Research & Technology
- Health and Wellness
- Hospitality

Milestones and Next Steps:

September 18, 2025: DMC Annual Meeting / Development Plan Update & Community Conversation

September 25, 2025: Review draft framework; support for next steps for continued public engagement

October 2025: Additional community engagement

November 17, 2025: Publish draft of DMC Development Plan Update

November 24, 2025: Rochester City Council Study Session Discussion

December 10, 2025: DMCC Board Review of Development Plan Update draft

TBD January 2026: City Council action on DMC Development Plan

February 5, 2026: DMCC Development Plan Adoption

###

2026-2027 DMC Capital and Operating Budget and Work Plans

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025

Request of the board of directors:

- Advance recommended 2026-2027 Capital and Operating Budgets and Work Plan to the Rochester City Council.
 - Direct staff to prepare for the transition to a biennial (two-year) DMC capital and operating budget and work plan process.
-

Background:

Each year, the DMCC must prepare and submit a Capital and Operating Budget and Work Plan to the City of Rochester. The September 2025 submission includes a proposed:

- Capital Improvement Program
- Work plan and operating budget
- Request for the extension of a working capital loan (the loan is the mechanism through which the City provides funds to the DMCC and DMC EDA for routine operating expenses)

This year, City staff and the DMC EDA, following consultation with members of the DMC EDA and DMCC boards, are recommending that the DMCC and Rochester City Council also adopt a two-year budgeting process. This recommendation is being made for several reasons, including:

- Increased proactivity in capital planning
- Improved alignment with City budget cycles
- Support multi-year planning and execution

Adoption of a two-year budget process will likely require amending various documents and procedures, which are being reviewed by DMCC legal counsel. Recommended changes to these documents and procedures will be presented at a future board meeting.

Next Steps:

- September 25, 2025: DMCC board reviews the 2026-2027 DMC CIP, Work Plan, and Operating Budget.
- October 6, 2025: Rochester City Council considers 2026-2027 DMC CIP, Work Plan, and Operating Budget.

DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY

Approving the 2026-2027 DMC Capital Improvement Program, DMC EDA Work Plan and Operating Budget, and the Extension and Increase of the Working Capital Loan and Authorizing Transmittal to the DMCC

BACKGROUND RECITALS

WHEREAS, the Destination Medical Center Corporation (“DMCC”) must adopt an annual Funding Request and Five Year Capital Plan. The DMCC Funding Request includes the DMCC annual budget, the Destination Medical Center Economic Development Agency (“EDA”) annual work plan and operating budget, support costs incurred by the City of Rochester, and the annual capital improvement program; and

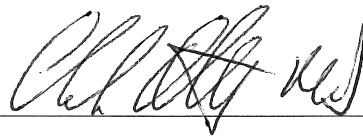
WHEREAS, the EDA prepares and submits elements of the Funding Request, including a recommended annual work plan, operating budget, and capital improvement program.

WHEREAS, the EDA also submits a Request the Working Capital Loan, that the Loan Documents be extended and increased for 2026 in the amount of \$150,000, as such amount may be adjusted by the City pursuant to Section 2.8(c) of the Agreement for Destination Medical Center Services and has provided the required annual reconciliation of advances and eligible expenses paid from such advances.

WHEREAS, in addition to these required submissions, the DMC EDA seeks to recommend a preliminary 2027 capital plan, which is included as a part of this funding request.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Destination Medical Center Economic Development Agency Board of Directors that the 2026 Funding Request, preliminary 2027 capital plan, and the EDA Request for Extension and Increase of the Working Capital Loan for 2026, are approved.



Clark Otley, M.D.
President

Dated: September 11, 2025

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ____-2025

**A RESOLUTION APPROVING THE 2026-2027 DMCC FUNDING REQUEST, THE
EXTENSION OF WORKING CAPITAL LOAN, AND AUTHORIZING TRANSMITTAL
TO THE CITY OF ROCHESTER**

BACKGROUND RECITALS

A. The Destination Medical Center Corporation (“**DMCC**”) must adopt an annual Funding Request and Five Year Capital Plan. The DMCC Funding Request has historically included the DMCC annual budget, the Destination Medical Center Economic Development Agency (“**EDA**”) annual budget and work plan, and supported costs incurred by the City of Rochester.

B. On February 26, 2015, the DMCC adopted Resolution No. 26-2015, approving the form of and authorizing the Chair and Treasurer to execute, amend, and take other actions to implement the working capital loan documents to provide for advanced funding of DMCC and EDA operations (collectively, the “**Loan Documents**”).

C. The DMCC is interested in transitioning to a biennial budgeting process and, to that end, will review and, as necessary, contemplate future amendments to its governing documents and the Loan Documents, to facilitate and formalize this transition (“**Modification Approval Process**”).

D. The DMCC has completed the required annual reconciliation of the advances to the DMCC and the DMCC eligible expenses for 2025.

E. While current DMCC governing documents, and the Loan Documents, contemplate an annual extension of the Working Capital Loan, the DMCC has prepared a DMCC Request for Extension of the Working Capital Loan for 2026 and also for 2027, both in the amount of \$1,000.00 per year, as such amount may be adjusted by the City pursuant to Section 2.8(c) of the Working Capital Loan Agreement (DMCC-City) effective April 1, 2014, as amended.

F. The EDA has submitted an EDA Request for Extension of the Working Capital Loan for 2026 and also for 2027, requesting that the Loan Documents be extended for 2026 and 2027 in the amount of \$150,000.00 per year, as such amount may be adjusted by the City pursuant to Section 2.8(c) of the Working Capital Loan Agreement (DMCC-EDA), effective April 1, 2014, as amended, and has provided the required annual reconciliation of advances and eligible expenses paid from such advances.

G. The DMCC and EDA Requests for Extension of the Working Capital Loan for 2026 and 2027 are attached as **Exhibit A**.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the DMCC Board of Directors that the 2026-2027 DMCC Funding Request and the Five Year Capital Plan, each on file with the DMCC, are approved, with the 2027 Funding Request conditioned upon adoption and implementation of the Modification Approval Process on or before the end of 2026, as evidenced by a duly adopted resolution of the DMCC Board of Directors. Further, the DMCC hereby approves the projects set forth in the first two years of the Five Year Capital Plan as public infrastructure projects within the meaning of Minnesota Statutes Section 469.40, Subdivision 11, and consistent with the Development Plan, adopted on April 23, 2015, as amended (each, an “**Approved Capital Project**” and collectively, the “**Approved Capital Projects**”), provided that:

1. The scope of approval for each Approved Capital Project is set forth in the 2026-2027 DMC Capital Improvement Program Summary attached as **Exhibit B**;

2. Final approval of funding for each Approved Capital Project may be subject to subsequent approval by the DMCC, when such approval is necessary to affirm project scope, costs, and availability of funds;

3. For the Downtown Public-Private Infrastructure Investment Alignment project, recognizing that planning efforts are at a preliminary stage and will shape the project scope and funding needs, further detail and information as to public realm and infrastructure plans and proposed funding shall be presented to the DMCC for specific approval of the project plan and costs; and, to prepare this additional detail and information, the City is authorized, in its reasonable discretion, to expend a portion of these project funds on necessary design and planning; and

4. Staff is directed to provide the Board with an annual reconciliation of budget amounts and expenditures for each of the Approved Capital Projects.

BE IT FURTHER RESOLVED, that the EDA Request for Extension of the Working Capital Loan for 2026 and 2027, and the DMCC Request for Extension of the Working Capital Loan for 2026 and 2027, attached as **Exhibit A** and on file with the DMCC, are approved, with the EDA and DMCC 2027 Request for Extension of the Working Capital Loan conditioned upon adoption and implementation of the Modification Approval Process on or before the end of 2026, as evidenced by a duly adopted resolution of the DMCC Board of Directors.

BE IT FURTHER RESOLVED, that the Chair and Treasurer are hereby authorized and directed to transmit this Resolution to the City of Rochester and to take such actions as are necessary or convenient to effectuate the 2026-2027 DMCC Funding Request, the Five Year Capital Plan, and the extension of the Loan Documents, including, but not limited to, the authority to execute, deliver, and perform, in the name of and on behalf of the DMCC, the DMCC Request for Extension of the Working Capital Loan for 2026 and 2027 and the Loan Documents to which the DMCC is a party, with such modifications, additions, deletions, or other changes as the Chair and Treasurer may deem necessary or appropriate to accomplish the requested extension, all which may be performed without further action of this Board.

EXHIBIT A

**DMCC REQUEST FOR EXTENSION OF WORKING CAPITAL LOAN
FOR 2026 AND 2027**

To: City of Rochester, Minnesota (the “City”)

1. The undersigned authorized representative (the “Representative”) of the Destination Medical Center Corporation (“DMCC”) hereby authorizes and requests an extension of the Term of the Working Capital Loan Agreement (DMCC-City), dated April 30, 2015, as amended, by and between the City and the DMCC (the “Agreement”) and renewals of the DMCC Note and the EDA Note, in the amount and on the date specified below, in order to pay certain DMCC Eligible Expenses and to provide the EDA Tranche to pay certain EDA Eligible Expenses, pursuant to the terms and conditions of the Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Agreement.
2. The Representative certifies that (i) attached as Attachment 1 is a true and correct annual reconciliation of the DMCC Tranche Advances made through August 31, 2025 and the DMCC Eligible Expenses paid from such Advances, as required by Section 2.6 of the Agreement; (ii) each item for which the DMCC sought payment in Attachment 1 was a DMCC Eligible Expense; and (iii) the Advances received by the DMCC have not exceeded the limitations set out in Section 2.4(a) of the Agreement.
3. The Representative further certifies that attached as Attachment 2 is a true and correct copy of the EDA Request for Extension of the Working Capital Loan for 2026 and 2027.
4. The DMCC hereby requests an extension of the Agreement Term and renewals of the DMCC Note and the EDA Note, in the amount of \$1,000.00 as the DMCC Tranche Advance and in the amount of \$150,000.00 as the EDA Tranche Advance, as such amounts may be adjusted by the City pursuant to Section 2.8(c) of the Agreement, for payment of DMCC Eligible Expenses and, as to the EDA Tranche, for payment of EDA Eligible Expenses.
5. The Representative further certifies that no portion of the amount requested in paragraph 4 above constitutes a DMCC Excess Request under Section 2.3 of the Agreement.
6. The Representative further certifies that this statement and all exhibits and attachments hereto, and documents furnished in connection herewith, shall be conclusive evidence of the facts and statements set forth herein and shall constitute full warrant, protection, and authority to the City for its actions taken pursuant hereto.

Dated: _____, 2025

Authorized DMCC Representative

ATTACHMENT 1

**DMCC Working Capital Loan
Account Reconciliation
2025 Year-to-Date**

DMCC Bank Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Beginning Bank Balance	65,187	1,352	1,440	1,437	1,413	627	618	236	10,234	10,234	10,234	10,234
DMCC Bank Charges	137	386	386	389	391	385	386	387				
Adjustments - bank fees												
Adjustments - change in												
Interest Earnings	3	5	2	3	3	3	5	2				
EDA Funding Requested	296,749	250,006	229,148	192,968	318,074	221,625	180,100	212,771				
Actual Funded	233,047	259,857	250,824	214,123	339,574	232,836	207,700	229,053				
Checks		9,381	21,295	20,792	21,900	10,837	27,600	5,901				
Difference	(63,702)	469	381	363	(399)	373	-	10,382	-	-	-	-
Ending Bank Balance	\$ 1,352	\$ 1,440	\$ 1,437	\$ 1,413	\$ 627	\$ 618	\$ 236	\$ 10,234	\$ 10,234	\$ 10,234	\$ 10,234	\$ 10,234
Reconciling Items												
Interest												
Bank Fees												
Net	1,352	1,440	1,437	1,413	627	618	236	10,234	10,234	10,234	10,234	10,234
Ending Bank Balance	\$ 1,352	\$ 1,440	\$ 1,437	\$ 1,413	\$ 627	\$ 618	\$ 236	\$ 10,234	\$ -	\$ -	\$ -	\$ -

**DMCC Working Capital Loan
Account Reconciliation
2024 Year End**

DMCC Bank Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Beginning Bank Balance	1,005	1,026	2,375	1,003	888	890	13,818	893	885	887	2,594	889
DMCC Bank Charges	126	119	118	117	120	119	125	120	118	113	121	121
Adjustments - bank fees												
Adjustments - change in												485
Interest Earnings	27	11	5	5	10	9	18	6	5	7	10	3
EDA Funding Requested	316,576	254,503	196,579	151,320	272,122	140,917	305,006	187,782	175,267	216,893	290,141	150,079
Actual Funded	323,994	255,959	196,694	158,992	273,734	172,531	318,099	191,158	175,382	260,473	302,670	224,009
Checks	7,298	-	1,373	7,675	1,500	18,575	25,910	3,269	-	41,766	14,123	10,000
Difference	121	1,456	(1,258)	(3)	112	13,038	(12,818)	107	115	1,813	(1,594)	63,930
Ending Bank Balance	\$ 1,026	\$ 2,375	\$ 1,003	\$ 888	\$ 890	\$ 13,818	\$ 893	\$ 885	\$ 887	\$ 2,594	\$ 889	\$ 65,187
Reconciling Items												
Interest												
Bank Fees												
Net	1,026	2,375	1,003	888	890	13,818	893	885	887	2,594	889	65,187
Ending Bank Balance	\$ 1,026	\$ 2,375	\$ 1,003	\$ 888	\$ 890	\$ 13,818	\$ 893	\$ 885	\$ 887	\$ 2,594	\$ 889	\$ 65,187

ATTACHMENT 2

**EDA REQUEST FOR EXTENSION AND INCREASE OF THE
WORKING CAPITAL LOAN FOR 2026**

To: Destination Medical Center Corporation
City of Rochester, Minnesota

1. The undersigned authorized representative (the “Representative”) of the Destination Medical Center Economic Development Agency (“EDA”) hereby authorizes and requests an extension of the Term of the Working Capital Loan Agreement (DMCC-EDA), dated April 30, 2015, by and between the Destination Medical Center Corporation (“DMCC”) and the EDA (the “Agreement”), and a renewal of the EDA Note, in the amount and on the date specified below, in order to pay certain EDA Eligible Expenses pursuant to the terms and conditions of the Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Agreement.
2. The Representative certifies that (i) attached as Exhibit A is a true and correct annual reconciliation of the Advances made through July 31, 2025 and EDA Eligible Expenses paid from such Advances, as required by Section 2.6 of the Agreement; (ii) each item for which the EDA sought payment in Exhibit A was an EDA Eligible Expense; and (iii) the Advances received by the EDA have not exceeded the limitations set out in Section 2.4(b) of the Agreement.
3. The Representative hereby requests an extension of the Agreement Term and a renewal and increase of the EDA Note through the period December 31, 2026, in the Maximum Aggregate EDA Advances amount of \$150,000, as such amount may be adjusted by the City as provided in Section 2.8(c) of the Agreement, for payment of EDA Eligible Expenses pursuant to the terms and conditions of the Agreement.
4. The Representative further certifies that no portion of the amount requested in paragraph 3 above constitutes an EDA Excess Request under Section 2.3 of the Agreement.
5. The Representative further certifies that this statement and all exhibits and attachments hereto, and documents furnished in connection herewith, shall be conclusive evidence of the facts and statements set forth herein and shall constitute full warrant, protection, and authority to the DMCC for its actions taken pursuant hereto.

Dated: September 11, 2025



Authorized EDA Representative

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 8/31/2024

Balance per Bank:		\$ 100,221.77	
Add:			
	Advance in transit for expense cleared bank or expenses not yet requested-		
	Payroll	\$ (1,000.00)	Luther Interns 8/28
	Payroll 8/30	\$ 255.06	
		\$ 256.15	
		\$ 17,099.22	
		\$ 38,919.53	
	Checks cleared	\$ 56,529.96	
		\$ 96.11	Amazon 8/8
Less:			
	Advance for expenses not cleared:		
	CCC	\$ 124.00	CC Min. payment
	Outstanding checks	\$ (4,013.69)	Catherine ER
	Outstanding checks	\$ (1,958.15)	Data Smart 8/1
	Cash Flow	\$ (50,000.00)	Cash Flow
Advance Total reconciled		\$ 100,000.00	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 9/30/2024

Balance per Bank:		\$ 75,768.48	
Add:			
	Advance in transit for expense cleared bank or expenses not yet requested-		
	Payroll	\$ (1,000.00)	Luther Interns
	Payroll 9/27	\$ 235.44	
		\$ 369.15	
		\$ 15,382.11	
		\$ 38,391.30	
		\$ 8,319.06	
	Expense cleared	\$ 62,697.06	
		\$ 96.11	Amazon
	Expense cleared	\$ 12,389.15	BCBS 9/23
	Expense cleared	\$ 850.00	Big Bang
Less:			
	Advance for expenses not cleared:		
	CCC	\$ 124.00	CC Min. payment
	Outstanding checks	\$ (564.42)	Squeegie Squad
	Outstanding checks	\$ (297.34)	C to Shining C
	Outstanding checks	\$ (63.04)	ER
	Cash Flow	\$ (50,000.00)	Cash Flow
Advance Total reconciled		\$ 100,000.00	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 10/31/2024

Balance per Bank:		\$ 74,648.95	
Add:			
Advance in transit for expense cleared bank or expenses not yet requested-			
Payroll	\$	1,000.00	Sept DEED
Payroll	\$	433.00	Oct DEED
Payroll 10/15 (catch up)	\$	37.50	
	\$	205.25	\$ 242.75
Payroll 10/25	\$	223.00	
	\$	235.44	
	\$	15,599.59	
	\$	38,698.99	
	\$	6,778.46	\$ 61,535.48
Expense cleared	\$	96.11	Amazon
Expense cleared	\$	850.00	Big Bang
Expense cleared	\$	32.52	Amazon 10/18
Expense cleared	\$	29.73	Amazon 10/22
Expense cleared	\$	12,536.35	BCBS 10/22
Less:			
Advance for expenses not cleared:			
CCC	\$	124.00	CC Min. payment
Outstanding checks	\$	(1,528.89)	Data Smart
Cash Flow	\$	(50,000.00)	Cash Flow
Advance Total reconciled	\$	100,000.00	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 11/30/2024

Balance per Bank:		\$ 160,156.14	
Add:			
Advance in transit for expense cleared bank or expenses not yet requested-			
Expense cleared	\$	850.00	Big Bang
Expense cleared	\$	32.52	Amazon 10/18
Expense cleared	\$	29.73	Amazon 10/22
Expense cleared	\$	12,536.35	BCBS 11/22
Expense cleared	\$	78.16	Amazon 11/19
Less:			
Advance for expenses not cleared:			
CCC	\$	124.00	CC Min. payment
Outstanding checks	\$	(282.21)	Squeegee Squad
Payable	\$	(17,125.95)	Transfer to Events
Outstanding checks	\$	(963.70)	ER 9/24 Wafa
Outstanding checks	\$	(1,528.89)	Data Smart 11/1
Outstanding checks	\$	(2,169.86)	Metro Sales
Outstanding checks	\$	(297.34)	C to Shining C 10/29
Payable	\$	(497.95)	Double requested Lincoln
Outstanding checks	\$	(104.00)	Smith Schafer 12/1
Outstanding checks	\$	(837.00)	Metro Sales 11/18
Cash Flow	\$	(50,000.00)	Cash Flow
Advance Total reconciled	\$	100,000.00	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 12/31/2024

Balance per Bank:	\$ 50,503.28	
Add:		
Advance in transit for expense cleared bank or expenses not yet requested-		
Expense cleared	\$ 850.00	Big Bang
Expense cleared	\$ 32.52	Amazon 10/18
Expense cleared	\$ 29.73	Amazon 10/22
Expense cleared	\$ 78.16	Amazon 11/19
Expense cleared	\$ 29.70	Amazon 12/3
Expense cleared	\$ 29.73	Amazon 12/3
Expense cleared	\$ 58.73	Amazon 12/10
Expense cleared	\$ 220.94	Amazon 12/24
Expense cleared	\$ 12,536.35	BCBS 12/23
Expense cleared	\$ 5,824.46	Fidelity
Payroll 12/20	\$ 55,711.05	SmartHR
Payroll 12/6	\$ 433.00	Dec DEED
Less:		
Advance for expenses not cleared:		
CCC	\$ 124.00	CC Min. payment
Outstanding checks	\$ (963.70)	ER Wafa
Payable	\$ (497.95)	Double requested Lincoln 11/4
Cash Flow	\$ (25,000.00)	Cash Flow
Advance Total reconciled	<u>\$ 100,000.00</u>	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 1/31/2025

Balance per Bank:	\$ 103,044.34	
Add:		
Advance in transit for expense cleared bank or expenses not yet requested-		
Refund	\$ (220.44)	Amazon 1/13
Expense cleared	\$ 39.09	Amazon 1/7
Expense cleared	\$ 107.30	Amazon 1/7
Expense cleared	\$ 29.73	Amazon 1/10
Expense cleared	\$ 19.44	Amazon 1/14
Expense cleared	\$ 69.72	Amazon 1/23
Expense cleared	\$ 12,536.35	BCBS 1/21
Payroll 1/31	\$ 58,592.47	SmartHR
Payroll 12/6	\$ 433.00	Dec DEED
Payroll 1/3	\$ 433.00	Jan DEED
Less:		
Advance for expenses not cleared:		
CCC	\$ 124.00	CC Min. payment
Outstanding checks	\$ (208.00)	Smith Schafer
Cash Flow	\$ (25,000.00)	Cash Flow
Cash Flow	\$ (50,000.00)	1/16 Cash flow
Advance Total reconciled	<u>\$ 100,000.00</u>	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 2/28/2025

Balance per Bank:	\$ 106,008.36
Add:	
Advance in transit for expense cleared bank or expenses not yet requested-	
Expense cleared	\$ 29.73 Amazon 2/25
Expense cleared	\$ 90.33 Amazon 2/11
Expense cleared	\$ 69.72 Amazon 1/23
BlueCross BlueShield	\$ 12,536.35 2/21/2025
Payroll 2/28	\$ 57,241.15
Less:	
Advance for expenses not cleared:	
CCC	\$ 124.00 CC Min. payment
Outstanding checks	\$ (237.88) C to Shining C 12/30/24
Outstanding checks	\$ (297.34) C to Shining C 1/30/25
Outstanding checks	\$ (282.21) Squeegee Squad 12/16/24
Outstanding checks	\$ (282.21) Squeegee Squad 1/9/25
Cash Flow	\$ (25,000.00) Cash Flow
Cash Flow	\$ (50,000.00) 1/16 Cash flow
Advance Total reconciled	<u>\$ 100,000.00</u>

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 3/31/2025

Balance per Bank:	\$ 120,656.29
Add:	
Advance in transit for expense cleared bank or expenses not yet requested-	
Expense cleared	\$ 29.73 Amazon 2/25
Expense cleared	\$ 90.33 Amazon 2/11
Expense cleared	\$ 69.72 Amazon 1/23
Expense cleared	\$ 22.00 Stop payment fee
Expense cleared	\$ 86.49 Amazon 3/11
Expense cleared	\$ 108.34 Amazon 3/28
BlueCross BlueShield	\$ 12,536.35 3/21/2025
Payroll 3/27	\$ 275.00 \$ 67,351.09
	\$ 330.69
	\$ 18,880.88
	\$ 37,568.34
	\$ 10,296.18
Less:	
Advance for expenses not cleared:	
CCC	\$ 124.00 CC Min. payment
Outstanding checks	\$ (237.88) C to Shining C
Outstanding checks	\$ (3,048.92) PS ER Check
Outstanding Transfer	\$ (22,787.54) Jan and Feb CC
Outstanding checks	stmts
Cash Flow	\$
Cash Flow	\$ (25,000.00) Cash Flow
Advance Total reconciled	<u>\$ 100,000.00</u> 1/16 Cash flow

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 4/30/2025

Balance per Bank:	\$ 98,271.46
Add:	
Advance in transit for expense cleared bank	
or expenses not yet requested-	
Expense cleared	\$ 7.17 Amazon 4/3
Expense cleared	\$ 0.60 Amazon rounding error
Expense cleared	\$ 29.73 Amazon 4/8
Expense cleared	\$ 33.09 Amazon 4/8
Expense cleared	\$ 94.55 Amazon 4/8
Expense cleared	\$ 195.25 Amazon 4/8
Expense cleared	\$ 10.72 Amazon 4/15
Expense cleared	\$ 60.52 Amazon 4/17
Expense cleared	\$ 28.21 Amazon 4/29
BlueCross BlueShield	\$ 12,536.35 4/22/2025
Payroll 4/25	\$ 275.00 \$ 67,459.57
	\$ 330.69
	\$ 19,167.40
	\$ 37,390.30
	\$ 10,296.18
Less:	
Advance for expenses not cleared:	
CCC	\$ 124.00 CC Min. payment
Outstanding checks	\$ (237.88) C to Shining C
Outstanding checks	\$ (564.42) Squeegee Squad x2
Outstanding Transfer	\$ (3,048.92) Due to Events account
Cash Flow	\$ (25,000.00) Cash Flow
Cash Flow	\$ (50,000.00) Cash flow
Advance Total reconciled	<u>\$ 100,000.00</u>

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 5/31/2025

Balance per Bank:	\$ 152,215.27
Add:	
Advance in transit for expense cleared bank	
or expenses not yet requested-	
Expense cleared	\$ 29.73 Amazon 4/8
Expense cleared	\$ 33.09 Amazon 4/8
Expense cleared	\$ 94.55 Amazon 4/8
Expense cleared	\$ 195.25 Amazon 4/8
Expense cleared	\$ 60.52 Amazon 4/17
Expense cleared	\$ 28.21 Amazon 4/29
Expense cleared	\$ 92.81 Amazon 5/6
Expense cleared	\$ 11.82 Amazon 5/13
Expense cleared	\$ 28.21 Amazon 5/13
Expense cleared	\$ 45.22 Amazon 5/13
Expense cleared	\$ 119.92 Amazon 5/16
Expense cleared	\$ 35.02 Amazon 5/21
Expense cleared	\$ 42.69 Amazon 5/23
Expense cleared	\$ 8.10 Amazon 5/29
Less:	
Advance for expenses not cleared:	
CCC	\$ 124.00 CC Min. payment
Outstanding checks	\$ (107.00) 6/1 Smith Schafer
Outstanding checks	\$ (1,929.90) Metro Sales 5/19
Outstanding checks	\$ (297.34) C to Shining C
Outstanding checks	\$ (564.42) Squeegee Squad x2
Outstanding checks	\$ (265.75) Anna Z ER
Cash Flow	\$ (50,000.00) Cash flow
Advance Total reconciled	<u>\$ 100,000.00</u>

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 6/30/2025

Balance per Bank:		\$ 106,698.39	
Add:			
Advance in transit for expense cleared bank or expenses not yet requested-			
Expense cleared	\$ 29.73	Amazon 4/8	
Expense cleared	\$ 33.09	Amazon 4/8	
Expense cleared	\$ 60.52	Amazon 4/17	
Expense cleared	\$ 28.21	Amazon 4/29	
Expense cleared	\$ 92.81	Amazon 5/6	
Expense cleared	\$ 11.82	Amazon 5/13	
Expense cleared	\$ 28.21	Amazon 5/13	
Expense cleared	\$ 45.22	Amazon 5/13	
Expense cleared	\$ 119.92	Amazon 5/16	
Expense cleared	\$ 35.02	Amazon 5/21	
Expense cleared	\$ 42.69	Amazon 5/23	
Expense cleared	\$ 8.10	Amazon 5/29	
Expense cleared	\$ 28.21	Amazon 6/3	
Expense cleared	\$ 113.23	Amazon 6/10	
Expense cleared	\$ 25.81	Amazon 6/13	
Expense cleared	\$ 71.32	Amazon 6/16	
Expense cleared	\$ 28.21	Amazon 6/23	
Expense cleared	\$ 12,536.35	BlueCross BlueShield 6/23	
Less:			
Advance for expenses not cleared:			
CCC	\$ 124.00	CC Min. payment	
Outstanding checks	\$ (64.86)	Allison ER	
Outstanding checks	\$ (96.00)	PinkSheep	
Cash Flow	\$ (20,000.00)	Cash flow	
Advance Total reconciled		\$ 100,000.00	

DMC EDA
 Operating Account
 Reconciliation of Bank Balance to Advance Total
 Bank Balance Date: 7/31/2025

Balance per Bank:		\$ 47,196.27	
Add:			
Advance in transit for expense cleared bank or expenses not yet requested-			
Payroll 7/3	\$ 951.00	Corrections - difference in reports vs. what posted on account	
Payroll 8/1	\$ 187.69		
	\$ 275.00		
	\$ 18,892.49		
	\$ 40,803.35	\$ 60,158.53	
Expense cleared	\$ 0.20	Amazon 5/23 shorted request by \$.20	
Expense cleared	\$ 113.23	Amazon 6/10	
Expense cleared	\$ 25.81	Amazon 6/13	
Expense cleared	\$ 71.32	Amazon 6/16	
Expense cleared	\$ 28.21	Amazon 6/23	
Expense cleared	\$ 86.45	Amazon 7/7	
Expense cleared	\$ 27.29	Amazon 7/15	
Expense cleared	\$ 326.33	Amazon 7/18	
Expense cleared	\$ 28.60	Amazon 7/29	
Expense cleared	\$ 84.63	Amazon 7/29	
Expense cleared	\$ 14,106.10	BlueCross BlueShield 7/22	
Less:			
Advance for expenses not cleared:			
CCC	\$ 134.00	CC Min. payment	
Outstanding checks	\$ (107.00)	Smith Schafer	
Outstanding checks	\$ (237.88)	C to Shining C	
Outstanding checks	\$ (237.88)	C to Shining C	
Outstanding checks	\$ (2,755.21)	Metro Sales	
Cash Flow	\$ (20,000.00)	Cash flow	
Advance Total reconciled		\$ 100,000.00	

EXHIBIT B

Description of Approved Capital Projects

2026-2027 DMC Capital Improvement Program

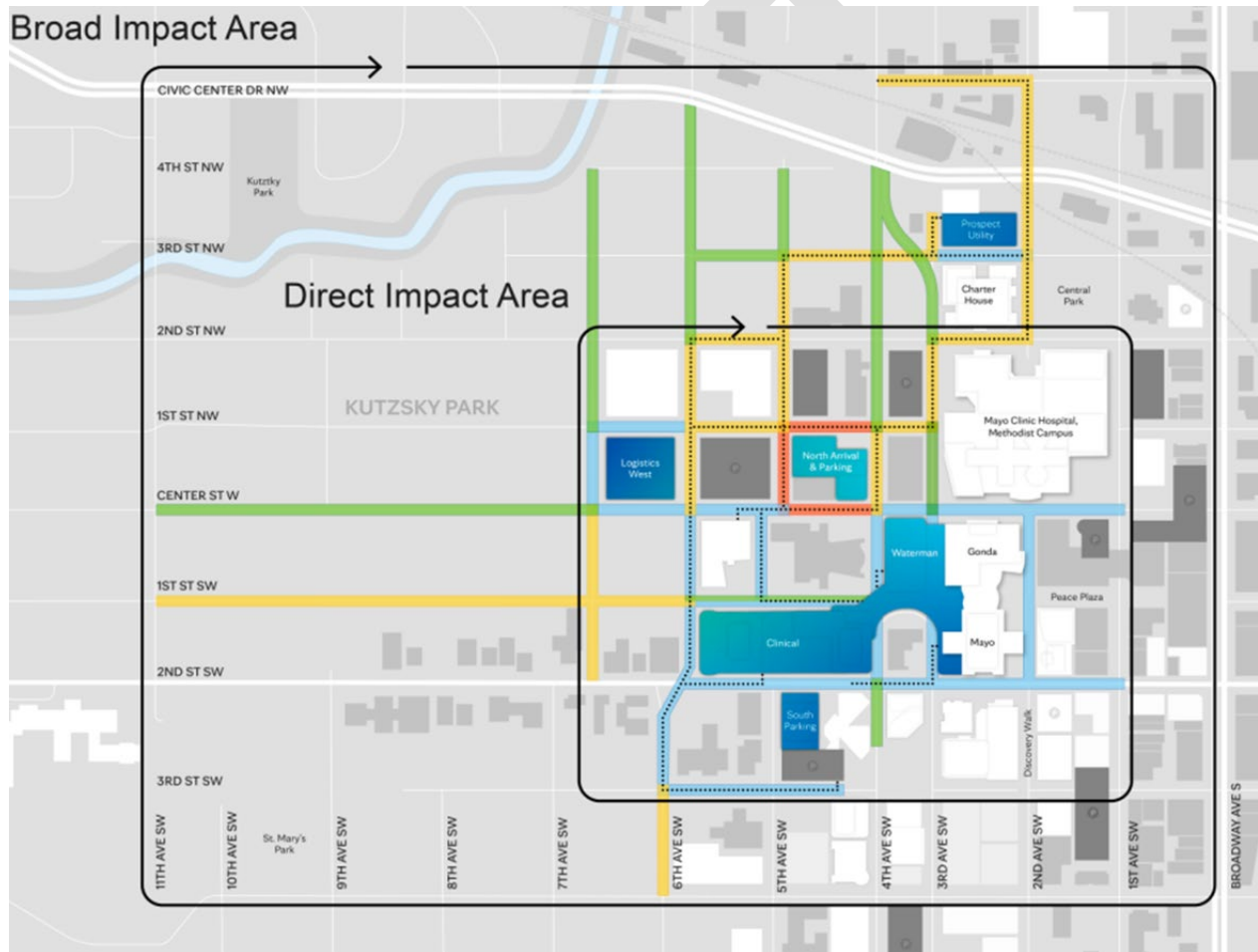
	2026	2027	Source
New Infrastructure Projects			
1 Downtown Public-Private Infrastructure Investment Alignment	\$ 19,185,500	\$ 19,185,500	DMC GSIA
2 Interim Wayfinding - Downtown Construction	\$ 100,000	\$ 100,000	DMC GSIA
3 Strategic Development*	\$ 3,000,000	\$ 3,000,000	DMC GSIA
Subtotal	\$ 22,285,500	\$ 22,285,500	
Prior-Approved Infrastructure Projects			
4 6th Street Bridge + Connectivity	\$ 2,500,000		DMC GSIA
Subtotal	\$ 2,500,000	\$ -	
Prior-Approved Transit Projects			
5 ITS Implementation: Rapid Transit (Includes 2nd Street Recon & Streetscape)	\$ 8,608,226	\$ 17,230,059	DMC CTA
	\$ 2,456,003		DMC STA
Subtotal	\$ 11,064,229	\$ 17,230,059	
Operations			
6 Contributions to DMC Corporation for DMCC expenses	\$ 229,566	\$ 230,066	City DMC Aid
7 Contributions to DMC Corporation for EDA expenses	\$ 3,133,864	\$ 3,290,557	City DMC Aid
8 City Project Management expenses	\$ 1,548,610	\$ 1,631,069	City DMC Aid
9 City of Rochester Administrative costs for DMC projects	\$ 100,000	\$ 100,000	City DMC Aid
Subtotal	\$ 5,012,040	\$ 5,251,692	
TOTAL	\$ 40,861,769	\$ 44,767,251	
Total City DMC Aid	\$ 5,012,040	\$ 5,251,692	
Total DMC GSIA	\$ 24,785,500	\$ 22,285,500	
Total DMC County Transit Aid	\$ 8,608,226	\$ 17,230,059	
Total DMC State Transit Aid	\$ 2,456,003		
*Examples: Specialized housing, HealthTech Ecosystem, Destination demand-drivers			

2026-2027 DMC Capital Improvement Program Summary

1. Downtown Public-Private Infrastructure Investment Alignment

Project Description:

Beginning with the demolition of portions of Mayo Clinic’s Ozmun Building in late 2024, approximately fifteen blocks of Mayo Clinic’s downtown campus have been impacted by the “Bold. Forward. Unbound.” program in 2025. As Mayo Clinic undertakes its transformative private investment, the DMC EDA and City of Rochester will coordinate private and public infrastructure improvements to ensure maximum public benefit with minimum public impact. The proposed 2026-2027 DMC CIP budget of \$38,371,000 (approx. \$19,185,500 per year) will support street, water, storm sewer, and sanitary sewer improvements in the adjacent geography.



Color code: Blue = Mayo Responsibility, Orange = Approved improvement already funded, Yellow = Option 1, Green = Option 2, Purple = Option 3

Map Number	Location	Condition description	UPUI, Civil, PUP, Traffic Study or Site Plan requirement	Replacement standard	Estimate
1	Intersection at 6th Ave NW & Civic Center Dr	Needs intersection improvements for additional traffic demand	No	Major roadway, greater typology than standard road	\$ 750,000
2	6th Ave NW between 4th St. NW & Civic Center Dr	New major pedestrian corridor, above grade infrastructure only and bike enhancements	No	Major roadway, greater typology than standard road	\$ 1,500,000
3	6th Ave NW between 3rd & 4th St. NW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945, Water 1936)	No	Major roadway, greater typology than standard road	\$ 1,500,000
4	6th Ave NW between 2nd & 3rd St. NW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945, Water 1936)	No	Major roadway, greater typology than standard road	\$ 1,500,000
5	6th Ave NW between 1st & 2nd St. NW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945, Water 1936)	UPUI B3 & Site Plan (50% of block)	Major roadway, greater typology than standard road	\$ 1,500,000
6	6th Ave NW between Center St W & 1st St NW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945, Water 1936)	UPUI B3 & Site Plan	Major roadway, greater typology than standard road	\$ 1,500,000
7	Intersection of 6th Ave NW & Center Street W	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1952, Stormwater 1984 & 2020, Water 1936)	UPUI B3 & Site Plan	Major roadway, greater typology than standard road	\$ 500,000
8	6th Ave NW between 1st St SW & Center Street W	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945 & 1952, Stormwater 1984 & 2020, Water 1936)	Site Plan	Major roadway, greater typology than standard road	
9	6th Ave NW between 2nd St. SW & 1st SW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945 & 1952, Stormwater 1946 & 1980, Water 1936 & 2014)	Site Plan	Major roadway, greater typology than standard road	\$ 1,000,000
10	5th Ave NW between 3rd & 4th St NW	Infrastructure to support future demand (Sanitary 1945, water 1887)	No	Regular standard with increased capacity for development	\$ 750,000
11	5th Ave NW between 2nd & 3rd St NW	Infrastructure to support future demand (Sanitary 1945, water 1887)	UPUI B3	Regular standard with increased capacity for development	\$ 750,000
12	5th Ave NW between 1st & 2nd St NW	Infrastructure to support future demand (Sanitary 1945, water 1887)	UPUI B3 & Site Plan	Regular standard with increased capacity for development	\$ 750,000

Funding request Opt 1	Funding request Opt 2 - Recommended	Funding request Opt 3
	\$ 750,000	\$ 750,000
	\$ 1,500,000	\$ 1,500,000
	\$ 1,500,000	\$ 1,500,000
	\$ 1,500,000	\$ 1,500,000
\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
\$ 500,000	\$ 500,000	\$ 500,000
	\$ 750,000	\$ 750,000
\$ 750,000	\$ 750,000	\$ 750,000
\$ 750,000	\$ 750,000	\$ 750,000

13	5th Ave NW between Center St W & 1st St NW	Infrastructure to support future demand (Sanitary 1945, Storm water 1946, water 1887)	UPUI B2	Regular standard with increased capacity for development	\$ 500,000
14	4th Ave NW between 3rd St NW & Civic Center Dr	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945, Stormwater 1980, Water 1928)	No	Major roadway, greater typology than standard road	\$ 1,000,000
15	4th Ave NW between 2nd & 3rd St NW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945, Water 1928)	No	Major roadway, greater typology than standard road	\$ 1,000,000
16	4th Ave NW between 1st & 2nd St NW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945, Stormwater 1986)	No	Major roadway, greater typology than standard road	\$ 1,000,000
17	4th Ave NW between Center St W & 1st St NW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945, Stormwater 1986)	UPUI B3 & Site Plan	Major roadway, greater typology than standard road	\$ 1,000,000
18	4th Ave NW between Center St W & 1st St SW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945 & 2024, Stormwater 1986, Water 1928 & 1999)	Civil Pkg & Site Plan		
19	4th Ave NW between 1st St SW & 2nd St SW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1985, Stormwater 1985 & 2012, Water 1928 & 1986)	Civil Pkg & Site Plan		
20	4th Ave SW between 2nd & 3rd St SW	Infrastructure to support future demand (1/2 block small Stormwater line 1955)	No	Regular standard with increased capacity for development	\$ 500,000
21	3rd Ave NW between 3rd St NW & Civic Center Dr	New major pedestrian corridor and small Sanitary line improvement (1945)	No	Major roadway, greater typology than standard road	\$ 1,000,000
22	3rd Ave NW between 2nd & 3rd St NW	New major pedestrian corridor and small Sanitary line improvement (1945)	No	Major roadway, greater typology than standard road	\$ 1,000,000
23	3rd Ave NW between 1st & 2nd St NW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1984, Stormwater 1962, Water 1984)	Civil Pkg D	Major roadway, greater typology than standard road	\$ 1,000,000
24	3rd Ave NW between Center St W & 1st St NW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1986, Stormwater 1963 & 1971, Water 1986)	Civil Pkg D	Major roadway, greater typology than standard road	\$ 1,000,000
25	Intersection of 3rd Ave SW & Center St. W	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945, Stormwater 1971, Water 1986)	Site plan	Major roadway, greater typology than standard road	

	\$ 1,000,000	\$ 1,000,000
	\$ 1,000,000	\$ 1,000,000
	\$ 1,000,000	\$ 1,000,000
\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
	\$ 500,000	\$ 500,000
	\$ 1,000,000	\$ 1,000,000
	\$ 1,000,000	\$ 1,000,000
\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
	\$ 1,000,000	\$ 1,000,000

26	3rd Ave SW from 1st SW to Center St. W	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1945 & 1971, Stormwater 1971, Water 1986)	Civil Pkg & Site Plan	Major roadway, greater typology than standard road	
27	3rd Ave SW from 2nd St SW to 1st SW	New major pedestrian corridor, infrastructure upgrades needed (Sanitary 1954, Stormwater 1954, Water 2004)	Civil Pkg & Site Plan	Major roadway, greater typology than standard road	
28	2nd Ave NW between 2nd St NW & Civic Center Dr	Infrastructure to support future demand (Sanitary 1945, Stormwater 1943, water 1916)	Civil Pkg	Regular standard with increased capacity for development	\$ 750,000
29	2nd Ave SW between 1st St SW & Center St W	Infrastructure to support future demand (Sanitary 1952, Stormwater 1946, water 1999)	No	Regular standard with increased capacity for development, no need to replace water	
30	2nd Ave SW between 1st SW and 2nd St SW	Infrastructure to support future demand (Sanitary 1952, Stormwater 1946, water 1999)	Site Plan		
31	1st Ave NW between 3rd St NW & Civic Center Dr	Enhanced corridor bike lane improvement and infrastructure for future demand (small Stormwater 1945, undersized water 1887)	Traffic study	Major roadway, greater typology than standard road	\$ 750,000
32	1st Ave NW between between 2nd & 3rd St NW	Enhanced corridor bike lane improvement and infrastructure for future demand (small Stormwater 1947, undersized water 1887)	Traffic study	Major roadway, greater typology than standard road	\$ 1,500,000
33	1st Ave NW between 1st & 2nd St NW	Enhanced corridor, primarily above ground improvements (Sanitary 2022, Minor storm replacement, Water replacement & upsizing has sections to 1887)	Traffic study	Major roadway, greater typology than standard road, undersized water 1887	\$ 1,000,000
34	1st Ave NW between Center St W & 1st St NW	Enhanced corridor, above ground improvements only (Water 2022), minor storm and roadway only	Traffic study	Major roadway, greater typology than standard road	\$ 750,000
35	Intersection at 1st Ave NW & Center St W	Enhanced corridor and infrastructure for future demand (Sanitary sewer 1946)	Traffic study	Major roadway, greater typology than standard road	\$ 500,000
36	1st Ave SW between 2nd & 3rd St. SW	Enhanced corridor and infrastructure for future demand (Sanitary sewer 1948, water 1989 upsize to 12")	No	Major roadway, greater typology than standard road	\$ 1,500,000

\$ 750,000	\$ 750,000	\$ 750,000
		\$ 750,000
		\$ 1,500,000
		\$ 1,000,000
		\$ 750,000
		\$ 500,000
		\$ 1,500,000

37	1st Ave SW between 3rd & 4th St. SW	Enhanced corridor and infrastructure for future demand (Sanitary sewer 1948, stormwater 1948, water 1919 3 sections and upsizing)	No	Major roadway, greater typology than standard road	\$ 1,500,000
38	3rd St NW between 5th & 6th Ave NW	Infrastructure to support future demand (Sanitary 1945, Stormwater 1945, water 1887 upsizing)	No	Regular standard with increased capacity for development	\$ 750,000
39	3rd St NW between 4th & 5th Ave NW	Infrastructure to support future demand (Sanitary 1945, water 1887 upsizing)	UPUI B3	Regular standard with increased capacity for development	\$ 750,000
40a	3rd St NW between 3rd & 4th Ave NW	Infrastructure to support future demand (Sanitary 1945, Stormwater 1996 & 2001, water 1887 upsizing)	UPUI B3	Regular standard with increased capacity for development	\$ 500,000
40	3rd St NW between 3rd Ave NW & Civic Center Drive	Infrastructure to support future demand (Sanitary 1945, water upsizing 1999)	No		\$ 500,000
41	3rd St NW between 2nd & 3rd Ave NW	Infrastructure to support future demand (Sanitary 1945, Stormwater 1945, water 1887) Mayo doing some as part of PUP	UPUI B3	Regular standard with increased capacity for development	
42	2nd St NW between 5th & 6th Ave NW	Infrastructure to support future demand (Sanitary 1947, Stormwater 1945, water 1887 need upsizing)	UPUI B3	Regular standard with increased capacity for development	\$ 750,000
43	2nd St NW between 2nd & 3rd Ave NW	Infrastructure to support future demand (Sanitary 1984, Stormwater 1945 & 1983, Water 1999 & 2011)	Civil pkg	Regular standard with increased capacity for development	\$ 1,000,000
44	1st St NW between 5th Ave NW & 6th Ave NW	Infrastructure to support future demand, street is bituminous pavement (water 1990 no replacement 12")	UPUI & Site Plan	Regular standard with increased capacity for development	\$ 750,000
45a	1st St NW between 4th Ave NE & 5th Ave NW	Infrastructure to support future demand, street is bituminous pavement (water 1990)	UPUI & Site Plan	Regular standard with increased capacity for development	\$ 500,000
45b	1st St NW between 3rd Ave NW & 4th Ave NE	Infrastructure to support future demand, street is bituminous pavement (water 1986, storm)	Civil & Site Plan	Regular standard with increased capacity for development	\$ 750,000

		\$ 1,500,000
	\$ 750,000	\$ 750,000
\$ 750,000	\$ 750,000	\$ 750,000
\$ 500,000	\$ 500,000	\$ 500,000
\$ 500,000	\$ 500,000	\$ 500,000
\$ 750,000	\$ 750,000	\$ 750,000
\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
\$ 750,000	\$ 750,000	\$ 750,000
\$ 750,000	\$ 750,000	\$ 750,000

46	Center St W between 5th & 6th Ave NW	Cycle track & Infrastructure to support future demand (Sanitary 2003, Stormwater 1984, Water 2003)	Traffic study	Regular standard with increased capacity for development	
47	Center St W between 4th & 5th Ave NW	Cycle track & Infrastructure to support future demand (Sanitary 2003, Stormwater 1984, Water 2003)	Traffic study	Regular standard with increased capacity for development	\$ 500,000
48	Center St W between 3rd & 4th Ave NW	Cycle track & Infrastructure to support future demand (Sanitary 2003, Stormwater 1971 & 1986, Water 2003)	Civil Pkg & Traffic study	Regular standard with increased capacity for development	
49	Center St W between 2nd & 3rd Ave NW	Cycle track & Infrastructure to support future demand (Stormwater 1971 & 1986, Water 1986 & 2000)	Civil Pkg & Traffic study	Regular standard with increased capacity for development	
50	Center St W between 1st & 2nd Ave NW	Enhanced corridor primarily above ground improvements some infrastructure for future demand (Sanitary sewer 1963, Stormwater 1954, water 1963 cast iron replacement, upsizing)	Traffic study	Regular standard with increased capacity for development	
51	1st St SW between 5th & 6th Ave NW - North side only	Enhanced corridor primarily above ground improvements some infrastructure for future demand (Sanitary sewer 1985 - Mayo, Stormwater 1954, water 1916 Mayo?)	Site plan & Civil package B	Major roadway, greater typology than standard road	\$ 750,000
52	1st St SW between 4th & 5th Ave NW - North side only	Enhanced corridor primarily above ground improvements some infrastructure for future demand (Sanitary sewer 1985 - Mayo,	Site plan & Civil package B	Major roadway, greater typology than standard road	\$ 750,000
53-56	2nd St SW between 1st Ave SW & 6th Ave SW		Mayo improvements		
A	2nd Ave NW from 3rd St NW to 5th St. NW and 5th St. NW from 2nd Ave NW to 4th Ave NW	Infrastructure to support future demand (Sanitary 1945 & 1954 water 1931)	Civil pkg		\$ 2,871,000
Total					\$ 40,371,000

Kutzky park allocation

Revised total

	\$ 750,000	\$ 750,000
	\$ 750,000	\$ 750,000
\$ 2,871,000	\$ 2,871,000	\$ 2,871,000
\$ 15,621,000	\$ 30,371,000	\$ 37,871,000
\$ 3,000,000	\$ 8,000,000	\$ 8,000,000
\$ 18,621,000	\$ 38,371,000	\$ 45,871,000

2026-2027 DMC Capital Improvement Program Summary

2. Interim Wayfinding + Downtown Construction

Project Description:

The commencement of major construction in the DMC development district, including LINK bus rapid transit and Mayo Clinic’s “Bold. Forward. Unbound” program, will create frequently evolving mobility and commuting circumstances for employees, residents, patients, and visitors. Interim wayfinding assets and strategies will be deployed to ensure that pedestrians, transit and micro-mobility users, and drivers can successfully navigate to and through transformation-impacted areas. Assets could include items like signage providing direction to retail and dining amenities, hotels and recreation assets, Mayo Clinic campuses and Discovery Square, and other areas of interest.

3. Strategic Development

Project Description:

In 2020 the DMCC and City Council established, in the DMC CIP, a Strategic Development fund intended to proactively support housing, med-tech, downtown property improvement, and other strategic priorities established by the DMCC and Rochester City Council. Each year the DMCC and City Council added to this line item, for a total of \$26 million.

- 2021: \$7M
 - 2022: \$3M
 - 2023: \$3M
 - 2024: \$10M
 - 2025: \$3M
- TOTAL: \$26M**

These funds were sourced from the DMC General State Infrastructure Aid portion of the DMC-directed funds.

To date, these funds have been approved for use with five projects:

- **\$2.2M:** Bryk on Broadway (mixed-income workforce housing)
- **\$500K:** Civic Center North (Sherman) (mixed-income workforce housing with expected public realm improvements and thermal energy network connection)
- **\$3.9M:** West Transit Village Phase 1 (Aeon) (affordable senior housing surrounding a planned parking ramp)
- **\$5M:** Historic district public infrastructure

2026-2027 DMC Capital Improvement Program Summary

- **\$2.3725M:** 2nd Street Public Realm (Gerrard) connected to workforce for-sale Housing and private multifamily investment
- **\$8M:** BioLabs-Rochester
- **\$4M:** Loom Apartments

These approvals have reduced the Strategic Development fund balance to \$27,500. City and DMC EDA staff recommend allocating \$3 million per year to this fund as a part of the 2026-2027 DMC CIP.

Developer interest in downtown Rochester continues to rise, particularly in the specialized housing, HealthTech ecosystem, and destination demand-driver markets, making this capital budget a useful asset in board and council decision-making.

4. 6th Street Bridge + Connectivity

Project Description:

The 6th Street Bridge, Roadway Safety and Riverfront Improvements project will construct a bridge over the Zumbro River that connects East and West 6th Street South as well as redevelop the area's existing flood control system into an accessible riverfront space. In 2020, the City led the Downtown Waterfront Southeast Small Area Plan to create a vision for the area. The 6th Street Bridge and Riverfront Improvements project was a key component of this plan and during the study process a preferred bridge concept was identified.

The project is intended to: provide a safe multimodal east-west connection to Discovery Walk, southeast neighborhoods and downtown; provide greater access to the Zumbro River by creating an active, accessible, welcoming space that takes advantage of this natural amenity while also providing flood protection; improve access to support redevelopment areas in the near-term (AMPI plant site, Kmart site) and to support the economic vitality goals of the DWSE Plan; provide equitable transportation access to all through enhanced pedestrian and bicycle infrastructure and Complete Streets; implement traffic calming and other safety improvements that limit traffic volumes and speeds in adjacent neighborhood; and commit to social and economic equity and environmental sustainability throughout the project design and implementation processes.

The project cost is \$35.8 million and is being funded by a U.S. Department of Transportation Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant award of \$19.9 million, a MNDOT federal grant match of \$5.9 million and a required local RAISE grant match of \$10 million, which is sourced from DMC GSIA. Construction is expected to begin in 2026.

No additional DMC funds have been requested or approved.

2026-2027 DMC Capital Improvement Program Summary

5. Link Bus Rapid Transit

Project Description:

Link rapid transit is a planned 2.8-mile route along 2nd Street that will connect downtown Rochester, Mayo Civic Center, Mayo Clinic campuses, and the Downtown Waterfront Southeast area. Link will be operated by Rochester Public Transit and will be free for all users. Link buses are high amenity, 60-foot electric buses which will provide service to 7 stations across the city. Service intervals will be every 5 minutes on weekdays from 6 to 9 a.m. and 3 to 6 p.m., and every 10 to 15 minutes at other times. Link will operate from 5 a.m. to midnight on weekdays and 8 a.m. to midnight on weekends.

The project is being completed using funds from DMC and a U.S. Federal Transit Administration (FTA) grant.

Following the approval of additional contingency funding by the DMCC board of directors in July 2025, the project budget is:

	2020	2021	2022	2023	2024	2025	2026	2027	Total
Transit Cty	1,548,800	2,100,800	4,155,534	3,419,779	3,718,569	4,948,292	8,608,226	17,230,059	45,730,059
Transit State	2,323,200	3,151,200	10,388,836	5,129,668	19,317,854	7,422,437	2,456,003	-	50,189,198
GSIA	-	-	2,040,277	9,092,566	-	-	-	-	11,132,843
Water	-	-	-	-	150,000	-	-	-	150,000
Sewer	-	-	-	-	225,000	-	-	-	225,000
Grant	-	-	-	-	-	4,389,640	-	-	4,389,640
Federal	-	200,000	2,100,000	107,000	24,700,000	57,810,168	-	-	84,917,168
	3,872,000	5,452,000	18,684,647	17,749,013	48,111,423	74,570,537	11,064,229	17,230,059	196,733,908

6. DMC Corporation

Project Description:

The operating budget of the DMC Corporation provides funding for professional services, including audit and tax preparation and legal counsel; insurance and required non-profit filings; board meetings; and eligible board member travel, per diem, and reimbursable expenses.

7. DMC EDA

Project Description:

The DMC EDA provides ongoing program and advisory services to the DMCC. The scopes of services are informed by the DMC EDA's responsibilities under the DMC Act, the services agreement between the DMCC and the DMC EDA, and the approved work plan.

2026-2027 DMC Capital Improvement Program Summary

8. City of Rochester DMC Project Management Team

Project Description:

The operating budget of the City of Rochester DMC Project Management Team engaged in project, program, and technical support of the DMC initiative. Supported projects include LINK Rapid Transit, 6th Street Connectivity, West Transit Village development, Heart of City, Riverfront development, and project coordination related to “Bold. Forward. Unbound.” Supported programs include targeted business and workforce utilization, the downtown task force, the Downtown Commercial Historic District property preservation program, active transportation, and “Business Forward” construction enhancement and impact mitigation strategies. Project management activities are presented in a work plan.

9. City of Rochester administrative support to the DMCC

Project Description:

The City of Rochester provides administrative support to the DMC Corporation, including serving as the DMCC’s fiscal agent, coordinating the completion of its annual financial audit and tax filings, posting meeting agendas and other required notices.



DMC

Destination Medical Center

**Destination Medical Center Economic Development Agency
&
City of Rochester DMC Project Management Team**

2026-2027 Work Plan

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4. DMC CAPITAL AND OPERATING BUDGET PRINCIPLES
5. 2026 WORK PLAN OUTCOMES
6. 2026 DMC EDA AND PROJECT MANAGEMENT TEAM BUDGETS

1. Executive Summary

In 2026, DMC activities will build on the unprecedented physical transformation occurring across the DMC Development District. Major ongoing projects in the West Transit Village, Link Bus Rapid Transit, the Sixth Street Bridge and adjacent riverfront and trail connections, and Mayo Clinic’s Bold. Forward. Unbound. in Rochester campus enhancements and expansion. The DMC EDA, in collaboration with the City of Rochester, Mayo Clinic, private sector partners, and the region’s ecosystem of community-based and non-profit organizations, seeks to deliver these projects in a way that:

- Realizes DMC goals, including catalyzing job growth, private investment, and new tax revenues in the City of Rochester, Olmsted County, and State of Minnesota while meeting DMC’s mission to become America’s City for Health;
- Advances priorities affirmed by the DMCC board of directors and Rochester City Council;
- Ensures the timely, prudent, and strategic allocation of DMC staff time and financial resources;
- Aligns the strengths and role of the DMC initiative with public and private partners and strategies across the community;
- Promotes the successful implementation of the DMC initiative to recruit, grow, and retain the diversified workforce, business and real estate development, and investment necessary for sustained success.

DMC GOALS

- Create a comprehensive strategic plan with a compelling vision that harnesses the energy and creativity of the entire community
- Leverage the public investment to attract more than \$5 billion in private investment to Rochester and the region
- Create approximately 35,000 – 45,000 new jobs, with workforce development strategies that support that growth
- Generate approximately \$7.5 - \$8.0 billion in new net tax revenue over 35 years
- Achieve the highest quality patient, companion, visitor, employee, and resident experience, now and in the future

2. City of Rochester DMC Project Management Team Responsibilities

The City of Rochester DMC Project Management team supports the DMC initiative in these areas:

- **Project and technical support**, including Link Rapid Transit, 6th Street Connectivity, West Transit Village development, Heart of City, Riverfront Development and supporting transformation
- **Program support**, including targeted business and workforce utilization, the Downtown Task Force, Downtown Commercial Historic District infrastructure investment, active transportation, and “Business Forward” experience enhancement and construction impact mitigation.

3. DMC EDA Statutory Role and Responsibilities

The DMC EDA assists the Destination Medical Center Corporation (“DMCC”) and the City of Rochester (“City”) in implementing the development planning and promotion, development services, and marketing, outreach and communication activities required to achieve the goals of the DMC development plan.

The DMC legislation identified several key responsibilities of the DMC EDA in addition to its role as an advisory agency to the DMCC and City:

- Drafting and implementing the development plan, including soliciting and evaluating proposals for development and evaluating and making recommendations to the DMCC and the City regarding those proposals.
- Seeking financial support for the DMCC, the City, and projects.
- Partnering with other development agencies and organizations, the city, and the county in joint efforts to promote economic development and establish a destination medical center.
- Supporting and administering the planning and development activities required to implement the development plan.
- Developing and updating the criteria for evaluating and underwriting development proposals.
- Providing transactional services in connection with approved projects.
- Working with the corporation to acquire and facilitate the sale, lease, or other transactions involving land and real property.
- Assisting the DMCC or City and others in applications for federal grants, tax credits, and other sources of funding to aid both private and public development.
- Facilitating private investment through development of a comprehensive marketing program to global interests.
- Developing patient, visitor, and community outreach programs.
- Preparing and supporting the marketing and promotion of DMC.
- Preparing and implementing a program for community and public relations.

4. 2026-2027 Work Plan

The DMC EDA work plan supports the advancement of DMC strategies in the core areas of business development and lead generation; strategic public infrastructure and experience; private investment and development; and marketing and communications.

A. BUSINESS AND REAL ESTATE DEVELOPMENT

Key Activities
HealthTech Industry Lead Generation and Awareness Building
DMC Real Estate Summit
Retail, Dining, and Entertainment Development
Higher Education and Workforce Development Ecosystem Development
Capital Attraction and Awareness Building
Rochester HealthTech Industry and Entrepreneurial Ecosystem Development
Trade Organization and Economic Development Partnership Development
Discovery Square Innovation District Formation
Business Development Marketing and Research
Private Development Project Financial Analysis
Private Development Project Design Analysis

B. STRATEGIC INFRASTRUCTURE AND EXPERIENCE

Key Activities
Incorporate health into built environment projects and DMC and City initiatives (i.e. sustainability/resiliency, equity, accessibility, mobility, esthetics, etc.)
Build workforce capacity by providing trainings, engagement activities, and sponsorships focused on Black, Indigenous, and People of Color (BIPOC)-led businesses
Implement an improved DMC project Targeted Business and Workforce Utilization compliance system
Ensure infrastructure meets the unique needs of the community, patients, and visitors
Maintain and enhance collaboration with partner organizations and community
Build an equitable engagement understanding across the community and local leadership
Partner in the activation of prioritized public spaces with the City, Rochester Downtown Alliance, and others.
Engage downtown businesses and property owners
Implement Communications Plan for Development Plan Update
Support mode shift goals and active transportation

C. MARKETING, COMMUNICATIONS, AND PUBLIC RELATIONS

Key Activities
Build awareness of DMC's positioning as America's City for Health through print and digital media, stakeholder materials, and marketing campaign assets
Develop a high-impact video campaign to engage local and regional audiences, showcasing DMC milestones, community stories, and innovation highlights
Capture ongoing photography at events and across the district to build a robust library of brand-aligned visual assets
Plan and execute 1) an annual meeting + prototyping festival with stakeholders and 2) a strategic site visit
Build and strengthen relationships with local and regional partners through strategic engagement, event participation, co-branded initiatives, and content collaborations
Collaborate with partners to support public relations, creative storytelling, content development, and targeted media outreach
Engage with public relations partners to assist with strategic counsel, media campaign execution, earned media development, and key message amplification to priority DMC audiences
Assess stakeholder sentiment among local, regional, and state audiences to inform long-term communications and engagement strategies

5. 2026-2027 DMC EDA AND PROJECT MANAGEMENT TEAM BUDGETS

The budget, developed to achieve the strategic development objectives and outcomes identified in the workplan, has been prepared by DMC EDA and DMC City of Rochester Project Management teams with the advice of DMC Corporation and DMC EDA board members and City of Rochester administrative leaders.

- The 2026 DMC EDA funding request to the Destination Medical Center Corporation of \$3,133,864.
- 2026 DMC EDA funding contributed by Mayo Clinic towards the operational, project, and program expenses of the DMC EDA totals \$1,734,340.
- The 2026 DMC City of Rochester Project Management team funding request to the Destination Medical Center Corporation is \$1,548,610.
- DMC-funded costs noted above are accounted for in the 2026-2027 Capital Plan.

2026 DMC EDA Operating Budget

	2025 DMC Funding	2026 DMC Funding	YOY DMC Funding Change (%)
Staff			
1 Payroll	\$1,519,504	\$1,730,763	
2 Benefits	\$496,111	\$514,000	
3 Payroll Expenses	\$6,963	\$6,963	
4 Transit Subsidy	\$14,400	\$14,400	
5 Reimbursements			
<i>SUBTOTAL</i>	\$2,036,978	\$2,266,126	10.1%
Agency Operations			
6 Rent and Utilities	\$1,296	\$1,356	
7 Equipment Rentals and Furniture			
8 Office Supplies and Consumables	\$10,000	\$10,000	
9 Room Rental			
10 Postage and Shipping	\$1,500	\$0	
11 Website Drafting and Hosting	\$19,560	\$20,560	
12 IT Hardware, Software, and Support	\$42,936	\$42,640	
13 Miscellaneous Costs	\$7,020	\$7,400	
<i>SUBTOTAL</i>	\$82,312	\$81,956	-0.4%
Economic Development			
14 Print and Collateral	\$5,000		
15 Outreach and Local Events		\$25,000	
16 Subscriptions and Memberships	\$8,932	\$3,000	
17 Conferences, Meetings, Travel, and Participation	\$48,000	\$20,000	
18 Economic Development Programming	\$499,820	\$638,420	
<i>SUBTOTAL</i>	\$561,752	\$686,420	18.2%
Professional Services			
19 Legal	\$30,000	\$54,117	
20 Website Management and CRM	\$12,000		
21 Marketing, Communications, and Advertising	\$110,308	\$10,000	
22 Strategic Public Relations			
23 Contracted Support Staff			
24 Financial Reporting Services	\$81,700	\$83,400	
<i>SUBTOTAL</i>	\$234,008	\$147,517	-58.6%
Miscellaneous			
25 Insurance and Taxes	\$56,492	\$57,000	
26 Contingency			
<i>SUBTOTAL</i>	\$56,492	\$57,000	0.9%
TOTAL	\$2,971,542	\$3,133,864	5.2%

2026-2027 City DMCC Project Management Budget

Account Description	2024 Budget	2025 Budget	2026 Proposed	2027 Proposed
Staff Costs				
Employee Services	\$ 1,032,543	1,311,163	1,402,371	1,477,156
Subtotal	\$ 1,032,543	\$ 1,311,163	\$ 1,402,371	\$ 1,477,156
Operational Costs				
Rents and Leases	\$ 500	500	500	500
Adv, Publishing, & Printing	\$ 7,778	7,778	7,778	7,778
Contractual Maint. & Repair	\$ 38,760	38,760	38,760	38,760
Expert & Professional Services	\$ 8,160	8,405	8,405	8,657
Communications	\$ 4,356	4,356	1,548	1,548
Travel/Training/Business Meals	\$ 12,547	12,627	9,909	9,909
Subscriptions?Bks?Memberships	\$ 5,650	5,650	5,650	5,650
Insurance and Bonds	\$ 27,398	30,207	39,756	41,742
Materials and Supplies	\$ 2,800	2,800	2,800	2,800
Other Charges	\$ 16,962	17,663	22,135	22,814
Miscellaneous				
Professional Development				
Office				
Information				
Allocation Adjustment	\$ -	7,131	8,998	13,755
Subtotal	\$ 124,911	\$ 135,877	\$ 146,239	\$ 153,913
TOTAL COSTS	\$ 1,157,454	\$ 1,447,040	\$ 1,548,610	\$ 1,631,069

2026-2027 DMC Corporation Budget

Account Description	2024 Actual	2025 Budget	2025 Actual 8/31	2026 Proposed	2027 Proposed
Revenues	\$ 2,800,395	\$ 2,984,632	\$ 1,755,518	\$ 3,133,864	\$ 3,290,557
Expenditures					
Building Rent	37,309	36,607	34,705	37,000	37,000
Equipment Rent	3,528				
Rents and Leases	40,837	36,607	34,705	37,000	37,000
Audit Services	7,000	7,000	6,900	7,250	7,500
Legal Consultants	41,672	140,000	-	140,000	140,000
Accounting Consultants	-	4,000	-	4,250	4,500
Other Expert & Professnl Svc	58,447	15,000	85,023	15,000	15,000
Expert & Professional Services	107,119	166,000	91,923	166,500	167,000
Travel and training	1,019	5,000	557	5,000	5,000
Business meal expenses	389	1,000	-	1,000	1,000
Travel/Training/Business Meals	1,408	6,000	557	6,000	6,000
Comprehensive Liability Ins	10,809	20,000	8,404	20,000	20,000
Insurance and Bonds	10,809	20,000	8,404	20,000	20,000
Contractual Services					
Professional & Contracted Srvcs	160,173	228,607	135,589	229,500	230,000
Other Supplies					
Supplies					
Materials and Supplies					
Interest	41		27	41	41
Other Charges	-		-	25	25
Other Charges	41	-	27	66	66
Total Expenditures	\$ 160,214	\$ 228,607	\$ 135,616	\$ 229,566	\$ 230,066
Net Gain(Loss)	2,640,181	2,756,025	1,619,902	2,904,298	3,060,491
Other Financing Uses					
DMC EDA Corporation - Net Revs - Exps	2,640,181	2,756,025	1,619,902	2,904,298	3,060,491
City Support:					
City DMCC Project Management	1,157,454	1,447,040		1,548,610	1,631,069
DMCC Administrative Support by City	100,000	100,000		100,000	100,000
TOTAL DMCC & EDA EXPENDITURES	\$ 4,057,849	\$ 4,531,672	\$ 1,755,518	\$ 4,782,474	\$ 5,021,626

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ____-2025

A RESOLUTION APPROVING AMENDMENT TO RESOLUTION NO. 165-2025 IN CONNECTION WITH REQUEST FOR PRIVATE DEVELOPMENT FUNDING (BIOLABS ROCHESTER PROJECT)

BACKGROUND RECITALS

A. Pursuant to Resolution No. 165-2025, the Destination Medical Center Corporation (“**DMCC**”) approved a joint funding application in an amount not to exceed \$8,000,000 (the “**Approval**”) to support the development of the Biolabs Rochester Project, as further described in Resolution No. 165-2025 (the “**Proposed Project**”). The Approval set forth various conditions that the Proposed Project must satisfy (the “**Project Conditions**”).

B. Subsequent to the Approval, the City of Rochester (the “**City**”), Rochester 2 Associates, LLC (the “**Applicant**”), and the Destination Medical Center Economic Development Agency (the “**EDA**”) commenced negotiation of a draft Development Agreement with respect to the Applicant’s development of the Proposed Project (the “**Development Agreement**”).

C. The Project Conditions have guided the City, in consultation with the EDA, in its preparation and subsequent negotiation of the obligations and requirements set forth in the Development Agreement. In an effort to support efficient and collaborative development and operation of the Proposed Project, as well as finalization of the Development Agreement with the Applicant, adjustments to the implementation of the Project Conditions are recommended.

D. As originally set forth in Resolution 165-2025, the Proposed Project continues to sufficiently advance the goals of the Development Plan and satisfy the Evaluation Criteria (as defined in Resolution 165-2025).

E. The EDA recommends amendment to the Approval to permit proceeding with negotiation and finalization of the Development Agreement.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the DMCC Board of Directors, that the DMCC approves amending the Approval to authorize the EDA to further negotiate the Development Agreement, and any modification thereto, as may be necessary and appropriate to permit the efficient and collaborative development and operation of the Proposed Project, notwithstanding the Project Conditions.

BE IT FURTHER RESOLVED, that the Chair or the Treasurer of the DMCC is authorized to transmit this Resolution to the City, and to take such actions as are necessary and appropriate to effectuate the findings and approvals of this Resolution.

Discovery Square Infrastructure: BioLabs Rochester

To: DMCC Board of Directors

From: DMC EDA

Date: September 19, 2025

Request of the board of directors:

- Authorize the DMC EDA, in coordination with the City of Rochester, to finalize a City-Mortenson shared lab Development Assistance Agreement (DAA), as further described in the attached resolution, inclusive of modifications to the project conditions, if necessary.

Status Report:

1. DMCC and Rochester City Council approved up to \$8M to support shared lab infrastructure.
2. DMC and City staff have been actively working with all parties to create a Development Agreement that will maximize the likelihood of success for the BioLabs Rochester operation while also safeguarding the public interest by ensuring that, in the event the BioLabs Rochester facility ceases operations, alternative shared lab solutions remain available to achieve DMC business development, job creation, and tax revenue generation goals.
3. In addition, other agreements are currently under negotiation, including:
 - a. **Lease agreement** between Mortenson and BioLabs on the 16,000 sf shared lab, located on the third floor of Two Discovery Square.
 - b. **Operating agreement** between Mayo Clinic and BioLabs-Rochester informing a variety of operating criteria of the space. These items include marketing the space, evaluating and accepting new residents into the lab, governance model, and utilization of gap funding.

Background:

- **Vision:** BioLabs-Rochester is envisioned to be a collaborative, multi-user laboratory space designed to support research, innovation, and company formation across a wide variety of life science, MedTech, and healthcare disciplines.
- **Values:** Robotically-optimized, Affordable, High-quality, Flexible, Collaborative, Dynamic

- **Goals and Metrics of the Shared Lab (by year 3)**
 - **Collaborations (clinical trials, know how agreements, joint development agreements, etc):** 10+ active collaborations with Mayo Clinic entities at all times.
 - **Robotic automation:** 200% increased efficiency in lab activities.
 - **Knowledge Sharing (mentorship, workshops, networking, fund raising):** A minimum of 24 shared lab-hosted events annually.
 - **Revenue Generation/Fundraising (dilutive and non-dilutive):** Total annual lab tenant follow-on funding of at least \$10M annually.
 - **Lab Space Utilization (% occupancy):** Occupancy rates of 80%+
 - **Employment (total headcount of tenants):** Total lab employment of 50 FTE.

- **Primary Customer Groups for Discovery Labs**
 - Mayo Clinic Innovator
 - International Innovator
 - Regional Innovator (+/- 100 miles)
 - Strategic Acquirers & Ecosystem Partners

- **BioLabs Track Record**
 - Over 1,600 start-ups supported
 - More than \$30B of external funding by tenants
 - More than 30 IPO's of tenant companies
 - More than 50 mergers & acquisitions of tenant technology

- **Things That Make This Opportunity Extraordinary**
 - **Revenue Effect** – we are investing in infrastructure that has the potential to return at levels far beyond other DMC investments.
 - **Global Innovation Brand** – Rochester will become part of a global network of innovation hubs, dramatically increasing the exposure this market receives.
 - **Center of Gravity** – Rochester will be the lone Midwest BioLabs location, creating a regional destination for high-growth HealthTech companies in our area.
 - **Defensive Position** – As the lone Midwest BioLabs location, we will increase our chance of retaining local innovations that have historically left this market.
 - **Talent Attraction and Retention** – Having in innovation engine like BioLabs, facilitating the creation of new technology companies, creates an additional draw in this market for in-demand talent to come, and to stay.
 - **Employer Diversification** – BioLabs can generate new employers in this region, creating alternative employment opportunities at a greater scale than we have historically experienced.

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ____-2025

**A RESOLUTION APPROVING DOWNTOWN HISTORIC DISTRICT
INFRASTRUCTURE PROJECT REQUESTS**

BACKGROUND RECITALS

A. The Destination Medical Center Corporation (“**DMCC**”) established five long-term goals for the Destination Medical Center (“**DMC**”) initiative, including creating a comprehensive and strategic plan, new jobs, tax revenues, and achieving the highest quality patient, companion, visitor, employee, and resident experience.

B. The DMCC has long recognized the important role of historic preservation to achieve these goals. The Development Plan adopted by the DMCC on April 23, 2015, as amended (the “**Development Plan**”) recommended strategies and programs to encourage preservation efforts: “The preservation of historic landmarks and districts is an important part of a City’s historic fabric. . . . As the DMC implementation process moves forward, we recommend the EDA work with federal agencies, state agencies and local organizations to evolve strategies and programs to incent historic preservation [in the] DMC District.”

C. On January 22, 2024, the City of Rochester (the “**City**”) established a downtown commercial historic district of thirty-two properties (the “**Commercial Historic District**”) located within the development district boundaries as adopted in the Development Plan (the “**Development District**”).

D. On May 23, 2024 the DMCC established a downtown property preservation program (the “**Program**”). The Program provides an application and general state infrastructure aid funding process for public infrastructure projects within the Commercial Historic District.

E. The Program provides an opportunity of funding up to 50% of a capital improvement project (not to exceed \$500,000 per property) within the Commercial Historic District if such project (i) meets the definition of a “public infrastructure project” (as defined in Minnesota Statutes, Section 469.40, subdivision 11); (ii) lies within the Development District and is defined as a “contributing property” within the Commercial Historic District; (iii) is consistent with the Development Plan; (iv) achieves a capital improvement that is intended to be a permanent asset of the Commercial Historic District; and (v) satisfies certain statutory requirements, including prevailing wages and use of American-made structural steel, as well as local requirements, such as sustainable building standard, women- and minority-owned construction contracting, and workforce development (collectively, the “**Program Requirements**”).

F. The following projects have been submitted for funding consideration under the Program: (i) the owner of the property located at 319 Broadway Ave S has requested funding for a project involving mechanical replacement; and (ii) the owner of the property located at 317 Broadway Ave S has requested funding for a project involving façade improvement and mechanical replacement (collectively, the “**Proposed Projects**”).

G. The Destination Medical Center Economic Development Agency has recommended approval of the Proposed Projects based on the summary and recommendation attached as **Exhibit A** and DMCC must now act on the request.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the DMCC Board of Directors, that the DMCC approves the Proposed Projects costs based on the following findings:

1. The Proposed Projects are a public infrastructure project within the meaning of Minnesota Statutes, Section 469.40, subdivision 11.
2. The Proposed Projects lie within the Development District and are defined as a contributing property within the Commercial Historic District.
3. The Proposed Projects are consistent with the Development Plan.
4. The Proposed Projects achieve a capital improvement that is intended to be a permanent asset of the Commercial Historic District.
5. The Proposed Projects will satisfy the necessary statutory and local requirements set forth in the Program.

BE IT FURTHER RESOLVED, that the approval of the Proposed Projects are expressly subject to the following conditions:

1. The Proposed Projects must meet all City requirements.
2. The Proposed Projects must meet all conditions set forth in **Exhibit A**.
3. The final payment will be based on the actual costs and will not exceed 50% of the cost of the Proposed Projects.
4. The funds provided to the Proposed Projects must satisfy the terms and conditions of this Resolution, including, but not limited to, the parameters of the Program and the Program Requirements as set forth in the Recitals, which are incorporated herein.
5. The recipient of the funds must provide certification that the Program requirements have been satisfied, including but not limited to the statutory and local requirements of the Program.
6. The DMCC Board shall receive an annual report concerning Program updates, expenditures, metrics to evaluate the success of the Program, and recommendations concerning future funding in the capital improvement plan.

BE IT FURTHER RESOLVED, that DMCC Resolution No. 51-2017 is incorporated fully herein by reference.

BE IT FURTHER RESOLVED, that the Chair or the Treasurer of the DMCC is authorized to transmit this Resolution to the City of Rochester, and to take such actions as are necessary and appropriate to effectuate the findings and approvals of this Resolution.

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EXHIBIT A

Downtown Historic District Infrastructure Projects

To: DMCC Board of Directors
 From: DMC EDA
 Date: September 19, 2025

Request of the board of directors:

Consider the Downtown Historic District Infrastructure Project funding request.

Staff Recommendation:

The DMC EDA recommends that the following project(s) be advanced to DMCC and City of Rochester for funding under the DMC Downtown Property Preservation Program. This staff recommendation follows review and evaluation of the project funding request(s).

Specifically, the DMC EDA recommends that the DMCC board of directors:

- Designate the proposed project(s) as a DMC “public infrastructure project”
- Approve the recommended project(s) as consistent with the DMC Development Plan
- Allocate DMC funding to the project(s) and in the amount(s) described in the table below

Address	Commonly Known As	Project Description	Category of Investment	Total Project Cost	Recommended DMC Funding
319 Broadway Ave S	N/A	Mechanical replacement	Building Safety & Preservation	\$28,000	\$14,000
317 Broadway Ave S	Bach Music (Old Art Heads)	Facade improvement and mechanical replacement	Building Safety & Preservation + Building System Upgrades	\$247,522	\$123,761
TOTAL				\$275,522	\$137,761

Background:

In response to both the DMCC board and City Council supporting the Downtown Commercial Historic District, DMC and City staff prepared funding applications, webpages and marketing materials, and created shared processes to administer this program.

In partnership with the City of Rochester, the Downtown Historic District preservation program was launched on July 1, 2024. Since that time, City and DMC EDA staff have engaged with the property owners and tenants of eligible properties to inform them of the various historic district property preservation programs.

When the DMCC board of directors approved the historic district property preservation program, it did so with the following conditions, to which staff adhere:

- **Approval conditions:**
 - Meet the DMC statutory definition of “public infrastructure project”
 - Proposed projects must result in a capital improvement that is intended to be a permanent asset of the downtown historic district
 - Proposed projects must occur at a contributing property of the current City of Rochester downtown commercial historic district, excluding properties owned by a public or Mayo Clinic entity

- **Funding guidelines:**
 - DMC funding covers up to 50% of any eligible expenditure.
 - DMC funding be limited to a maximum of \$500,000 per property, as determined by the parcel identification number (PIN)
 - To allow property owners and tenants maximum opportunity to prioritize capital investments, funding may be applied for and received more than once, subject to the \$500,000 maximum described above
 - To align historic district construction activity with other major downtown improvements, including Link BRT and Bold. Forward. Unbound. in Rochester., program funding will remain available for request through December 31, 2029 or until rescinded by action of the DMCC.

- **Reporting and program evaluation categories:**
 - Adaptive Reuse: Conversion of property use, such as office to retail or restaurant, or renovating vacant second-story space for housing or commerce, etc.
 - Building System Upgrades: HVAC, electrical, plumbing, etc.
 - Building Safety and Preservation: Exterior envelope sealing, accessibility improvements, etc.
 - Code Modernization: Improvements made to legacy properties in relation to ADA or other regulatory compliance, preparation of reuse, future reinvestment, sale, etc.

Public Realm Update:

With City Council support, the City of Rochester selected Mend Collective to lead the Public Realm focus area in partnership with DMC. This initiative will result in a set of recommendations and strategies aimed at creating a cohesive, high-quality public realm that strengthens the identity and character of the Historic District. The scope may include wayfinding signage, interpretive historic markers, lighting enhancements, and consistent standards for street furniture. Achievements thus far include a publicly available [website](#) highlighting a “Case for Action” as well as significant community engagement. DMC staff are actively collaborating with the City as part of the project team.

DESTINATION MEDICAL CENTER CORPORATION

RESOLUTION NO. ____-2025

**A RESOLUTION APPROVING AMENDMENT TO RESOLUTION NO. 156-2024 AND
RESOLUTION NO. 174-2025**

BACKGROUND RECITALS

A. A critical component of the Development Plan adopted by the Destination Medical Center Corporation (“**DMCC**”) on April 23, 2015, as amended (the “**Development Plan**”) concerned mobility, transformative transportation strategies, and related development. The Development Plan highlighted the goal of a mode shift in transportation in which a significant portion of community trips downtown shift away from single occupant vehicle trips and towards other modes, including the Link Bus Rapid Transit (the “**BRT**”) running down 2nd Street.

B. In the 2025 Five Year Capital Improvement Plan (the “**2025 CIP**”), approved by the DMCC on September 26, 2024 per Resolution No. 154-2024, the DMCC approved \$13,740,000 in general contingency funding (the “**Contingency Funding**”) for the BRT project. As a result of the approved Contingency Funding, the DMCC approved on December 5, 2024 per Resolution No. 156-2024, criteria for the preservation and use, approval, and reporting of the Contingency Funding (the “**BRT Contingency Criteria**”).

C. The Destination Medical Center Economic Development Agency (the “**EDA**”) and the City of Rochester (the “**City**”) staff have further reviewed the BRT Contingency Criteria and recommend revisions to said criteria as set forth on **Exhibit A** attached hereto (the “**Amended BRT Contingency Criteria**”).

D. Pursuant to Resolution No. 174-2025, the DMCC approved an increase in the Contingency Funding and authorized the City to use the Contingency Funding, as increased, for the limited emergency purposes set forth on Exhibit B of Resolution No. 174-2025 (the “**Emergency Authorization**”).

E. The EDA requests that the DMCC approve the Amended BRT Contingency Criteria and rescind the approval of the Emergency Authorization.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the DMCC Board of Directors, that the DMCC approve the Amended BRT Contingency Criteria and rescind the approval of the Emergency Authorization based on the following conditions:

1. Use of the Contingency Funding, as increased pursuant to Resolution 174-2025, shall be in strict compliance with all requirements set forth in the Amended BRT Contingency Criteria.

2. The scope of approval of the Amended BRT Contingency Criteria is set forth in the attached **Exhibit A**.

3. Any modification to the Amended BRT Contingency Criteria will be subject to subsequent approval by the DMCC.

BE IT FURTHER RESOLVED, that the Chair or the Treasurer of the DMCC is authorized and directed to transmit this Resolution to the City and to take such actions as are necessary and appropriate to effectuate the findings and approvals of this Resolution.

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EXHIBIT A

LINK Bus Rapid Transit

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025



Request of the board of directors:

Consider amending the Link BRT contingency use guidelines.

Proposed Amended Criteria for the Use of Link Bus Rapid Transit Contingency Funding

1. **Preservation and use of contingency funds.** Contingency funding allocated to various elements of the BRT project should serve as the first source of funding for immediate project needs, with stand-alone contingency funding as a “replenishment” source if needed. Additionally, staff understand that it is the preference of the DMCC board of directors to complete the BRT project without expending stand-alone contingency funds if possible. Careful management of the project budget may permit these DMC transit funds to be reallocated to other transit initiatives following the close-out of this project.
2. **Anticipated expenditures.** If the use of stand-alone contingency funds is required, city staff anticipate that expenditures will generally be related to: 1) project elements that are deemed an emergency or unforeseen condition, 2) project elements that are deemed necessary for the project to continue, 3) serve to mitigate the impacts of construction through implementing “Business Forward” strategies:
 - i. *Emergency or unforeseen conditions:* These change orders will detail scopes of work that require immediate or urgent contractor action to avoid a catastrophic loss, mitigate an imminent risk to life or health, or avoid a contractor delay that would risk incurring a delay claim by the contractor of \$50,000 or more and that are required to complete the project’s stated purpose as approved by the DMCC. In these occurrences city staff will be authorized to approve change orders following the construction change order approval policy already adopted by the Rochester City Council.
 - ii. *Necessary:* Necessary change orders will detail scopes of work that are required to complete the project’s stated purpose as approved by the DMCC. Such change orders typically involve work needed to address time-sensitive and unforeseen field conditions, or adjustments with adjacent public infrastructure or private property to ensure a fully functional, resilient, and high-quality project. Examples of this type of expenditure would include needing to modify traffic signals in order to accommodate the technology required to provide Link buses traffic signal prioritization, modifying the foundation of a Link platform to avoid the more costly work of relocating utilities in conflict with the foundation, having to modify or replace a manhole because it is not possible to avoid impacting it due to the functional constraints of the excavation shoring system being used to accomplish the work, needing to adjust a private utility lateral to avoided a more expensive adjustment of the public infrastructure being installed, or modifying a building’s front step entrance and hand railing to be more compatible with the change in grade of the new public sidewalk being installed in front of the building. For necessary change orders, staff would propose a per-change order expenditure limit of \$350,000 per occurrence.
 - iii. *Business Forward:* Business Forward change orders will detail scopes of work that are intended to reduce the impact of construction on individuals and properties in proximity to project construction activities through improved project phasing, communications, and programming/activation. For Business Forward change orders staff would propose an aggregate total not to exceed \$300,000.

3. **Reporting.** Whether stand-alone contingency funding is approved for use or not, City project management staff shall provide a written Link BRT project update at each regular DMCC board of directors meeting. The update will detail:
 - i. A summary of work completed over the previous quarter.
 - ii. Any factors that may risk the on-time completion of the project, such as construction or procurement delays
 - iii. Upcoming project milestones
 - iv. Any factors that may impact the on-budget completion of the project
 - v. A list of all project change orders to include, at minimum, the approval date, scope of work, and amount of the change order
 - vi. The status of project funding, to include any use of the contingency funding allocated to specific project elements, including:
 - Guideway and Track Elements
 - Stations, Stops, Terminals, Intermodal
 - Support Facilities: Yards, Shops, Admin. Buildings
 - Sitework & Special Conditions
 - Systems
 - Right-of-Way, Land, Acquisition Costs
 - Vehicles
 - Professional Services
 - Business Forward engagement and construction mitigation
 - Additional foreseeable uses of contingency funding
-

Background:

Contingency funding for Link BRT comes in two forms: the first form of contingency funding is associated with specific line item elements of the project, while the second form is an overall contingency budget required by federal funding guidelines. The current DMCC-City Link BRT contingency use guidelines require that any use of the overall contingency budget be specifically approved by the DMCC.

City staff recommends that the contingency guidelines be modified to allow for staff level expenditure approval for certain time-sensitive and/or condition-driven situations. The proposed changes would allow staff to address unforeseen field conditions, approve change orders necessary to meet as-approved project conditions, and mitigate the impacts of construction to local businesses, residents, downtown employees, and visitors. Any expenditure of these funds would be reported to the board at the next regular board meeting. Additionally, given this recommendation to allow for staff level approval, the revised contingency guidelines do not include the expenditure category of “project optimization” that was originally allowed in the May 2025 DMC Board contingency authorization, as such expenditures seem likely to expand or alter the overall project scope and should be subject to explicit DMCC and City Council approval. The city project team is focused on delivering the project as currently scoped.

Project Update:

Overview

A multi-modal mobility strategy that has been developed by the DMC includes the implementation of Link Bus Rapid Transit (BRT), a system which is the priority focus of DMC’s mobility infrastructure investments. The Link BRT system is a transformative transportation investment designed to enhance mobility, ease congestion, and support the continued growth of Rochester.

By providing a fast, fare-free, and reliable transit option, with 12 stops located along the 2.8 mile long, 2nd St. corridor. Link will serve an estimated 11,000 commuters, residents, businesses, and visitors a day, strengthening downtown Rochester’s accessibility and economic vitality.

Link BRT Vehicle Procurement

- The City received the first Link bus from Newflyer. It is currently being inspected, and it is anticipated it will be accepted by the city which will trigger the process to begin to build the rest of the bus fleet.

Bidding Process

The City of Rochester has completed bidding 4 of the 5 contracts for the Link BRT project. Final design for the West Transit Village Restrooms will be completed by February 2026, with an anticipated start of construction by Summer of 2026.

Volume A: West Transit Village has completed the sanitary sewer relocation required for further development projects, including the Mayo Parking Ramp. Adjacent work in the area is being completed for storm sewer infrastructure and a storm water detention pond. Link infrastructure work will continue in the fall of 2025 with an anticipated project completion date of November 2026.

Volume B: The City of Rochester executed this contract on May 5, 2025. Construction continues to proceed between 11th Ave and east of 14th Ave. Crews have been micro-phasing the project to ensure adequate sidewalk opening are available and accessible to the businesses. Work has also been taking place at the 6th Street and 3rd Ave SE intersection, with the underground infrastructure, sidewalk and roadway being updated.

Volume C: The City executed this contract on July 21 which is for the stations, transit center, and roadway reconstruction. The contractor has submitted a baseline schedule which will integrate its Volume C work into Volume B where necessary specifically between 12th Ave and 13th Ave SW, the 6th Street SE stations and at 19th Ave SW.

Volume D: The City executed this contract on July 21 to complete the Link Bus Maintenance Bay Addition, located at the Public Works Transportation Center. The awarded contractor, has been procuring items and prepping for construction to begin in the fall of 2025, with the majority of construction to take place in 2026.

Budget

On July 22, 2025, the DMCC board of directors amended the 2025 DMC CIP and contingency funding use criteria to provide full local funding for the as-awarded project bids in accordance with the tables below:

	2020	2021	2022	2023	2024	2025	2026	2027	Total
Transit City	1,548,800	2,100,800	4,155,534	3,419,779	3,718,569	4,948,292	8,608,226	17,230,059	45,730,059
Transit State	2,323,200	3,151,200	10,388,836	5,129,668	19,317,854	7,422,437	2,456,003	-	50,189,198
GSIA	-	-	2,040,277	9,092,566	-	-	-	-	11,132,843
Water	-	-	-	-	150,000	-	-	-	150,000
Sewer	-	-	-	-	225,000	-	-	-	225,000
Grant	-	-	-	-	-	4,389,640	-	-	4,389,640
Federal	-	200,000	2,100,000	107,000	24,700,000	57,810,168	-	-	84,917,168
	3,872,000	5,452,000	18,684,647	17,749,013	48,111,423	74,570,537	11,064,229	17,230,059	196,733,908

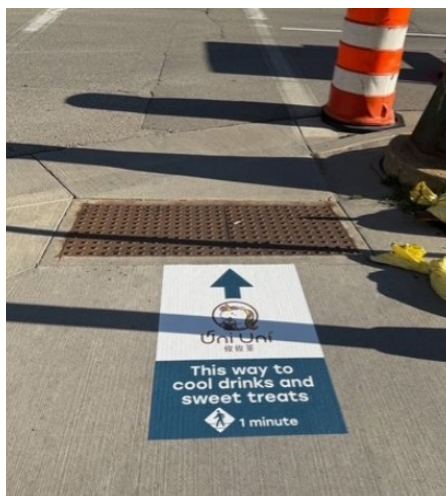
DESCRIPTION	COST
VOL A - WTV	\$ 7,687,422
VOL B - CIVIL PACKAGE	\$ 21,284,394
VOL C - ARCH PACKAGE	\$ 75,339,925
VOL D - BUS GARAGE	\$ 4,592,000
WTV BATHROOMS	\$ 2,514,114
SUBTOTAL WITH ALLOCATED CONTINGENCY	\$ 112,086,132
REAL ESTATE	\$ 12,256,100
VEHICLES	\$ 21,726,404
PROF SERVICE	\$ 27,925,000
TOTAL PROJECT ESTIMATE	\$ \$173,981,836
UNALLOCATED CONTINGENCY	\$ 22,752,072
REVISED TOTAL PROJECT ESTIMATE	\$ 196,733,908

Business Forward Construction Mitigation

The project team is using the Business Forward strategy as they continue construction for Link BRT. Project team members meet with stakeholders impacted by the construction on a regular basis. The majority of the current disruption is located adjacent to the St. Marys campus.

Multiple tools are in place based upon feedback from local business owners including:

- A weekly Link BRT Newsletter
- Integrating travel information into <https://www.downtownrochesterconstruction.org/>
- Dynamic pedestrian scale wayfinding



Fulfilling the DMC Vision, Mission, and/or Goals:

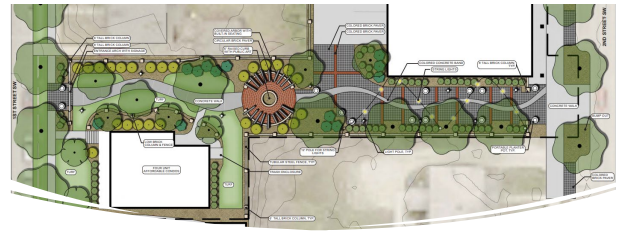
DMC EDA Staff are working in collaboration with the City staff and the city’s consultant SRF, with a continued focus on the goal of creating a world-class experience that centers on equity of access and spotlights BRT as a desirable consumer choice.

Timeline:

It is anticipated that Link BRT will officially open Q2 of 2027.

2nd Street Public Realm Enhancement

To: DMCC Board of Directors
 From: DMC EDA
 Date: September 19, 2025



Request of the board of directors:
 No action requested.

Project Status:

At the February 6, 2025 meeting the DMCC Board (and City Council and its subsequent meeting) voted to authorize the use of \$2,372,500 of General State Infrastructure Aid (GSIA) to support this project. The City and the developer are actively finalizing the development assistance agreement in order for the project to begin construction later this year. The following timeline is what is being pursued in the development agreement:

4-unit workforce for-sale Condo Project in partnership with First Homes – timely commence construction such that it can be placed in service to comply with First Homes other financing from the state of Minnesota.

Market Rate Apartment building with corner retail space on mid-block passageway – timely commencement of construction such that it can be placed in service by approximately March 31, 2027.

Public Realm – completed by June 1, 2027.

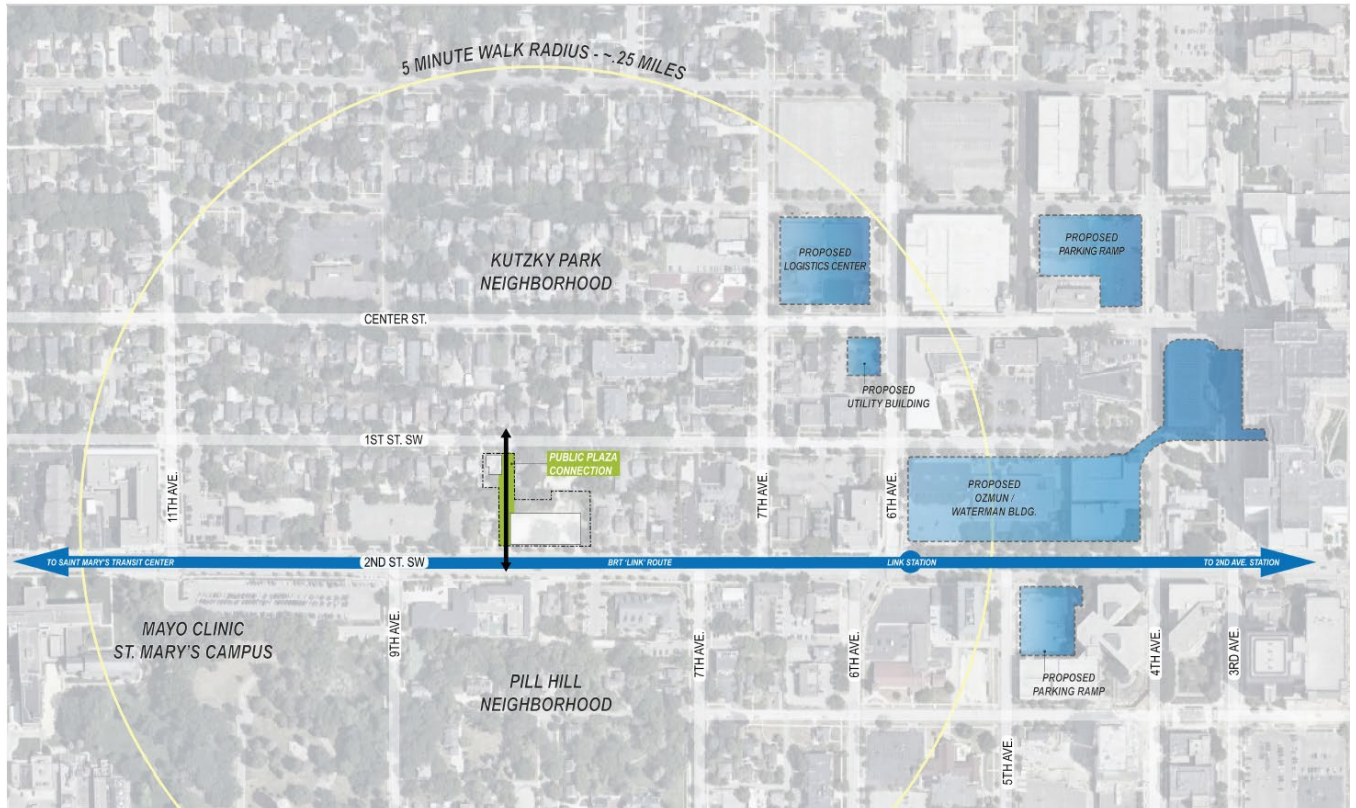
The Second Street corridor is a critical E-W connection in the DMC District and will be home to the first major transportation investment with LINK Bus Rapid Transit running down Second Street with high-frequency service.

It is anticipated that the transportation investment will have a transformative effect along the corridor and the neighborhoods that fall within the walkshed of the BRT line. Since at least 2009, there have been City- and community-led plans that call out opportunities to build public realm spaces to better connect neighborhoods to Second Street (see below from 2009 Second Street Corridor study).



One of the more significant components of these plans is to create mid-block pedestrian passageways to break up the long “superblocks” that exist along the corridor and bring a more human-scaled dimension back to the streetgrid.

The creation of these mid-block passageways is not possible without the participation of willing landowners. The City of Rochester has identified a developer and land owner that is interested in participating in the creation of this type of public space in conjunction with a plan to develop market rate housing on adjacent parcels also under the same ownership.



Fulfilling the DMC Vision, Mission, and/or Goals:

The DMC goal of mode shift for transportation requires a significant portion of commuting trips downtown to shift away from Single Occupant Vehicle (SOV) trips and towards other modes including Bus Rapid Transit. The creation of neighborhood connections to this corridor through breaking up a long superblock aligns well with DMC vision and goals.

Chateau Theatre

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025

Request of the board of directors:
No action requested.



Project Status:

Chateau Theatre

- Facility Update:
 - o City staff have been evaluating the Chateau Theatre building integrity including specific areas of the building that need special attention due to the historic nature (internal facade). A final report is pending.
- The Chateau Theatre is open daily for guests to explore the space and shop at Threshold Art's local art boutique.
 - o See attached Q2 report for metrics and further details
 - o The theatre will also be celebrating its 98th birthday later this year with community celebrations
- City and DMC staff have been working closely together to learn how to improve operations of the Historic Chateau Theatre to create a new operating model including meeting with operators and experts of other historic theatres.
 - o The City has retained Amy Reher, owner/operator of the Granada Theatre in Minneapolis to support this work.
 - o Staff is currently reviewing a draft of initial findings.

Fulfilling the DMC Vision, Mission, and/or Goals:

Heart of the City subdistrict is a long-standing priority for the DMC Corp. board. It is home to many hotels, restaurants, entertainment venues, and medical facilities, many of which have been undergoing reinvestment.

Q1 2025 ACTIVATION REPORT

ACTIVATION: AT A GLANCE

41 events - and - 8,402+ visitors

April: 14 events, 1,346 visitors

May: 16 events, 4,885 visitors

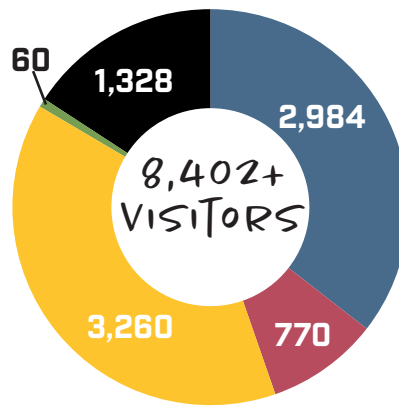
June: 11 events, 2,171 visitors

PROGRAM HIGHLIGHTS

- Bike MN presents Evelyn Burnett
- Bright Lights Poetry
- Cardinal of MN Talent Show
- Castle Con: Enter the Dungeon
- Chamber Local Gov't Connect
- Charlie Parr Concert
- Downtown Art Walk
- Downtown Business Celebration
- Eleanor Sievers CD Release
- Homeschool Prom
- Jennifer Lyn & the Groove Revival
- Madhouse Wrestling
- Med City Marathon Expo
- Med City Meander Rest Area
- MPR's Bring the Sing
- Night Moves Concert
- RPL hosts J. Ryan Stradahl
- SBDC KEP Conference
- TPT Almanac
- Trust the Hours Exhibition
- USA Dance & Salsa Rueda

LEARN MORE & CONNECT WITH US

welcome@yourchateau.org | 507-226-6214 | yourchateau.org @ f



- Public Event - Ticketed (39%)
- Public Event - Free (36%)
- Private Rental (9%)
- Walk-in Visitors (16%)
- Rehearsals (>1%)

LOOKING FORWARD

As Summer sets in, we look forward to increased daily traffic, thanks in part to RDA's Music Downtown series on Peace Plaza, an increased number of private events as community events are focused outdoors, and an opportunity. Construction in the area has moved Thursdays Downtown away from Peace Plaza, so we will focus on community outreach and promotion for fall and winter events at the Chateau.



To: Patrick Seeb, Executive Director

From: Cindy Steinhauser, Deputy City Administrator

Date: August 22, 2025

Subject: Mayo & City Agreements

This report provides a summary of the many agreements that have been, or will be, negotiated between the City of Rochester and Mayo Clinic in support of the Destination Medical Center (DMC) initiative. These agreements—ranging from Link BRT operating agreements to development and infrastructure agreements—represent critical partnerships that align public and private investment in the DMC district. Together, they advance shared goals around mode shift, sustainable development, and the success of Mayo's Bold. Forward. Unbound. investment, while reinforcing the city's vision for a vibrant, connected, and future-ready Rochester.

Link BRT Agreement

This is a 20-year Operating Agreement between the City of Rochester and Mayo Clinic for the LINK Bus Rapid Transit Project. The Agreement Term is for 20 years with (4) 5-year renewals for a potential total of 40 years. Renewal requires Mayo to provide the City with notice at least 365 days prior to the expiration of the then-current term. Neither party can terminate for the first five years without cause. Below is an overview of key element to the Agreement.

Annual Operating Fee (payment by Mayo to City):

- \$3.5 million (as prorated for any partial year in the year Services start) plus annual increases in the amount of the lesser of CPI or 5%. At the end of year 3 and every 3 years there is a reset where the parties negotiate a new Annual Operating Cost and Target Mayo Ridership number by looking at actual operating costs, actual ridership numbers, counted Mayo riders, increased operating expenses to replenish fund balance for investments and expenses directly related to LINK that depleted City capital reserves, and proposed improvements to the Services, and set the new payment schedule and target ridership based upon this information.
- There is a default provision if the parties cannot agree on these items at the reset. The default Annual Operating Cost will be the previous year's Annual Operating Cost plus the Additional Operating Cost, if any, plus the lesser of CPI or 5%, and Target Mayo Ridership will be based on the Mayo ridership counts in the immediately preceding years.
- Approximately 80% of the total cost of the LINK is subsidized by state and federal grants. Mayo's flat fee payment is based on paying the estimated unsubsidized costs for all riders to operate the LINK.
- In the first 3 years the city will receive 100% of the payment.
- After the first three years, the performance incentive kicks in and the city will receive 90% of the payment. If the counted Mayo employee ridership number for that calendar year is at least 90% of the Target Mayo employee ridership number, Mayo shall pay the remaining 10% of the Annual Operating Fee to the City. (If the counted Mayo employee ridership number for that calendar year is less than 90% of the Target Mayo employee ridership number, the remaining 10% of the Annual Operating Fee shall be waived.)
- If after the third year the counted Mayo employee ridership number is at least 110% of the Target Mayo employee ridership number, Mayo shall pay an additional Operating Fee to the City.
- These items shall be based on actual costs (based on current methodology)

Utility Plant and Underground Infrastructure (UPUI) B2 Agreement

This is a Coordination Agreement with Mayo Clinic for infrastructure improvements in the public right-of-way. Mayo Clinic needs to construct a portion of the Utility Plant Underground Infrastructure (UPUI) in the public right-of-way needed to support the 2.4 million square feet of facility expansion. The area impacted by this construction includes 1st Street Northwest from 5th Ave Northwest to 4th Avenue Northwest, 5th Avenue Northwest from Center Street West to 1st Street Northwest, Center Street West from 5th Avenue Northwest to 4th Street Northwest and 2nd Street Southwest between 6th Avenue Southwest and 3rd Avenue Southwest. This work will begin in the first quarter of 2025.

The agreement describes the responsibilities for each entity as it relates to construction coordination in this area. Items of note in this agreement include:

- Where Mayo is doing work that does not trigger utility replacement that they would be responsible for, the City may elect to perform work on the utilities in the right-of-way as described above.
- In all cases where the roadway will be replaced, regardless of whether the City is performing work, the City will be responsible for performing the work to replace the roadway. Mayo will pay the portion of the cost for the roadway replacement caused by their project.

West Transit Village Development Agreement

This Agreement pertains to the development of Mayo Clinic owned real property consisting of approximately 13 acres along 2nd Street SW known as West Transit Village (WTV) that will be developed as a transit-oriented development site. Development of this site includes the creation of a 2500-stall parking ramp, an outlot that will be dedicated to the public including the location of the western terminus of the city's Link bus rapid transit development and two outlots for future commercial and residential development.

The City Administration and Public Works teams have coordinated with the Owner and Owner's representative and prepared a development agreement titled 'Development Agreement for West Transit Village'. The agreement addresses items such as development phasing; the timing and financial obligations for the construction of public infrastructure, including public streets, utilities, and storm water management facilities; the obligations for the dedication of public rights-of-way and other permanent and temporary easements; financial obligations for certain maintenance of storm water management facilities; and terms for the payment of development-related charges.

Items of note in this agreement include:

- 100 temporary public surface parking lot spaces for Link bus rapid transit on Outlot B, the western portion of the site. Upon development of this lot, Mayo agrees to help the City find another place on an undeveloped parcel at WTV to relocate the 100 public Link parking spaces.
- City shall have the right to use the 2500-stall parking ramp for free for up to 18 calendar days on Saturday or Sunday for public use.
- The City will pay 30% of the relocation of sanitary sewer as part of the Link bus rapid transit project costs.

Street Vacation Development Agreement

In November 2024, the City Council approved Mayo Clinic's request to vacate 3rd and 4th Avenues SW between 2nd Street SW and West Center Street in order to consolidate land for redevelopment, supporting future expansion under the Bold. Forward. Unbound. in Rochester (BFUiR) initiative. This approval requires the execution of a Development Agreement (Agreement) prior to recording the Resolution to Vacate. This Agreement is intended to formally address the conditions required for the street vacation, as approved by the City Council. The Agreement calls for the execution of several other agreements in order to fully comply with the Vacation Resolution. These documents include: several temporary and permanent easements; an agreement for right-of-way maintenance; a stormwater construction agreement; and a stormwater

maintenance, easement, and hold harmless agreement; all of which are generally described. The major elements of the Agreement include:

Easements: As part of the BFUIR initiative, construction of the new Mayo Clinic building will require the relocation of existing utilities. The Agreement grants the City temporary easements for all existing utilities—including water, electric, sanitary sewer, and stormwater systems—while new utilities are being constructed, primarily by Mayo. Once the new utility infrastructure is installed and operational, the temporary easements will be vacated, and City will receive permanent easements for the new utilities in their new location. The Agreement outlines the rights and responsibilities of both the City and Mayo regarding these easements. In cases where final design details are not yet determined, the Agreement establishes binding terms, eliminating the need for further negotiation.

Stormwater Management: Currently, 3rd and 4th Avenues SW serve as integral components of the City's stormwater management system, particularly for the greater downtown area. The planned vacation of these streets will impact the system's capacity and conveyance. As a condition of the Agreement, Mayo is required to design, install, own, and maintain an alternative stormwater management solution to compensate for the loss of 3rd and 4th Avenues SW. The proposed solution involves constructing an underground stormwater holding vault beneath the new entrance roadway. Additionally, the Agreement preserves the City's right to repair or maintain the holding vault at Mayo's expense, if necessary.

Pedestrian Access: The Agreement provides for an 8' public passageway through the area of the to-be-built building that will link the Ozmun and Waterman buildings. Public access through this passageway for pedestrians shall be between 6:30 a.m. and 10 p.m., seven days a week and will have a defined area. Mayo shall be responsible for maintenance of this area. While not required as part of the street vacation conditions, this Agreement also established a permanent pedestrian easement across

Annenberg Plaza: Traffic study requires that site development comply with all provisions outlined in the approved Mayo Clinic traffic study. This includes specific requirements related to intersection improvements and the replacement of bike lanes. Under the terms of the Agreement, Mayo is responsible for implementing intersection improvements at Civic Center Drive NW and 6th Avenue NW.

Right of Way maintenance: The Agreement also establishes an allocation to the city and Mayo for right of way maintenance for the following streets: 1) 2nd Ave. SW from W. Center St. to 1st St. SW; 2) 3rd Ave. SW from W. Center St. to 2nd St. SW; and 3) 4th Ave. SW from W. Center St. to 2nd St SW; and 4) a segment of 1st St. SW adjacent to the 4th Ave. SW intersection.

Additionally, Mayo is required to fund the restoration of north-south bicycle connectivity (maximum contribution is \$480,000). The city will lead the design and construction of the new bike lanes, informed by recommendations from a transportation consultant and a forthcoming public engagement process. Since the final location and design have not yet been determined, the Agreement sets a maximum financial obligation for Mayo. This maximum is based on the cycle track model recently constructed on Broadway Avenue, which serves as the recommended design standard.

Additional Agreements forthcoming:

- **Utility Plant and Underground Infrastructure (UPUI) B3/B4** – September 2025
This is a Coordination Agreement with Mayo Clinic for infrastructure improvements in the public right-of-way. Mayo Clinic needed to construct a portion of the Utility Plant Underground Infrastructure (UPUI) in the public right-of-way needed to support the 2.4 million square feet of facility expansion not covered by the UPUI B2 agreement.
- **Campus Site Development Plan (SDP) Agreement** – December 2025
This Agreement is designed to support the Site Development Process and maintain the current construction schedule, which requires site plan approval for the Ozumen and Watermain

buildings by December 2025. City staff are collaborating with Mayo's consultants to ensure building designs comply with the Unified Development Code (UDC) and reflect the vision for an iconic facility, including the building envelope, landscaping, and public realm features. While not all design decisions will be finalized by December 2025, once a site development plan is approved, the City has limited authority to require completion of improvements beyond the building itself, which is tied to the certificate of occupancy. The Campus SDP Agreement therefore serves as the mechanism to ensure completion of the landscaping and public realm elements identified in the approved plan.

- **City Owner Contract Agreement for Volume D Civil Infrastructure – 2026**
This is a Construction Coordination Agreement with Mayo Clinic for sanitary, storm and water infrastructure improvements in the public right-of-way to support the 2.4 million square feet of facility expansion. This agreement will include construction and cost-share coordination similar to what has been negotiated in prior UPUI Agreements.

Civic Center North (Sherman)

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025



Request of the board of directors:

No action requested.

Project Status:

At the May 2025 DMCC meeting and subsequent City Council meeting, the following action was taken:

- Rescinding the prior commitment of \$3 million in DMC GSIA funds to this project due to the City of Rochester's pause on the downtown district thermal energy network. Those funds were then available within the Strategic Development CIP budget for re-deployment.
- Re-affirming the City of Rochester's plans to finance up to \$13,500,000 in project expenditures from tax increment financing bonds authorized under DMC statute, without seeking credit to the City's \$128,000,000 local contribution.
- Authorizing \$500,000 in GSIA to support the riverfront public realm component of the project.
- Making these approvals contingent upon:
 - Mutually agreed upon final design for the public space and the pending private development
 - Site development commencing before year-end 2025 or sooner if the City of Rochester directs it to be so.



The revised project is as follows:

- An 76-unit, five-story affordable housing building utilizing Section 42 Low Income Housing Tax Credits (LIHTC)
- A 14-story market-rate apartment building with 265 units
- A 348-stall structured parking garage
- A riverfront trail connection

The City and the developer are currently working to finalize the Development agreement.

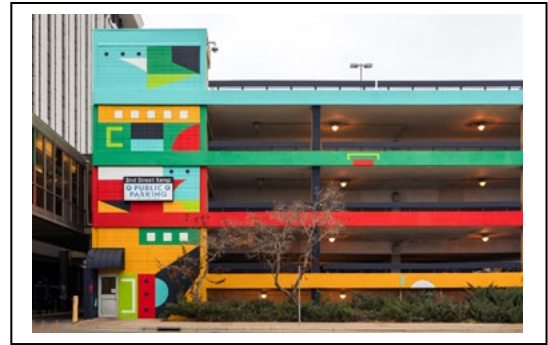
Fulfilling the DMC Vision, Mission, and/or Goals:

The project aligns with the following DMC and City priorities as follows:

- Mixed-income housing project within the Downtown Waterfront subdistrict of the DMC
- Revitalizes underutilized site
- Provides a balanced and sustainable housing stock
- Promotes neighborhood stabilization and revitalization
- Increase to the city's tax base.
- Project is being designed to meet minimum City and DMC Sustainable Design Requirements which will also benefit occupants in terms of lowering their monthly utility costs via improved building efficiency

Public Realm: Downtown Riverfront

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025

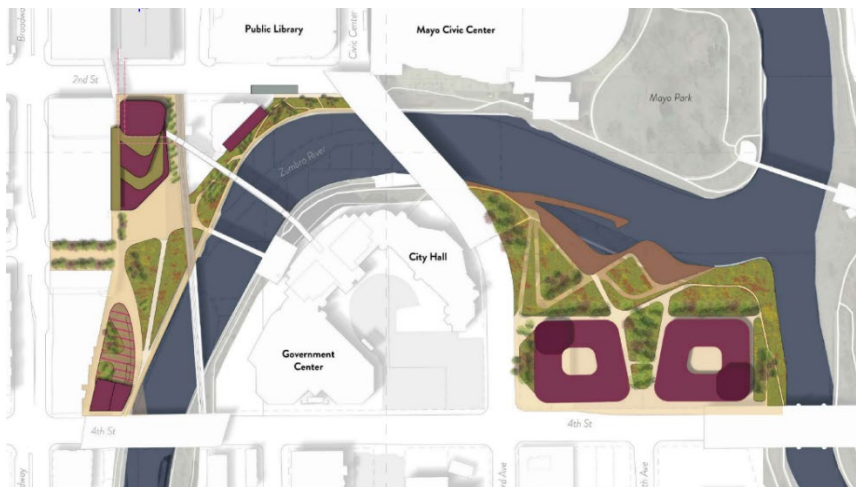


Request of the board of directors:

No action requested.

Background:

To create a bold vision for future use of the Riverfront Small Area Plan site, it will be essential to leverage both the east and west sites together. The east-side focus being higher density and the west-side focused on civic and community engagement.



Update:

The City of Rochester, in collaboration with Destination Medical Center, worked with Hunden Partners to complete preliminary market assessments and gather strategic feedback for the upcoming developer RFQ process for two city-owned riverfront parcels. Their analysis covered RFQ timing, current market conditions, financial feasibility, and potential economic impact.

The Rochester City Economic Development Authority recently approved a Development Assistance Agreement for the Civic Center North redevelopment—an earlier RFP-driven project. With that project now advancing through entitlements and permitting, the City is preparing to issue a new RFQ for the riverfront sites. A draft RFQ has been completed and could be released in Q4 2025, with submissions due after the holiday season, followed by vetting and interviews based on interest received.

Additional Anticipated Pre-Development Improvements:

Several pre-development improvements are underway, including:

- A mural on the south side of the 2nd Street Ramp, enhancing the visual appeal of the corridor.
- Decorative window wraps on the 3rd Street skyway, creating an eye-catching feature for people looking east toward the river and drawing more attention to the area.
- A new trash enclosure along the alley, painted with a mural that complements the ramp design for a cohesive look.

Fulfilling the DMC Vision, Mission, and/or Goals:

DMC EDA staff worked in collaboration with City staff to select the consultant team, and DMC staff will continue to participate through the planning and development process. DMC is particularly focused on the public realm experience and linkages between this site and the rest of the district.

HealthTech Enabled – Aging in Place Housing (TE-AIP)

To: DMCC Board of Directors

From: DMC EDA

Date: September 19, 2025

Request of the board:

No action requested.

DMC Development Goals

1. **More Housing:** Olmsted County housing market faces significant supply constraints, especially in senior housing (2% vacancy vs. 5–7% equilibrium).
2. **Innovative Housing:** DMC funds are intended to encourage new, paradigm shifting models of housing.
3. **Leveraging the Brand of “America’s City for Health”:** How do we integrate health and wellness into all facets of our work.

What is HealthTech-Enabled Aging in Place Housing

A clinically validated, innovative new standard of residential construction focused on healthcare at home, wellness, and best-in-class design, construction and engineering.

- **Healthcare:** leveraging diagnostic technology, automation, and AI to enable a seamless healthcare experience. Extends the clinic to the home, allowing for an improved care model.
- **Wellness:** creating an internal environment conducive to health. Focuses on indoor air quality, lighting, and a variety of other known drivers of wellness.
- **Design/Construction/Engineering:** Building and material standards designed to reduce falls, reduce isolation, and future-proof the home. Includes new materials and standards designed to protect the resident.

2025 DMC Real Estate Summit: Leveraging tech-enabled housing to deliver better health and better healthcare outcomes.

- **Dr. Christina Chen**, Mayo Clinic, Geriatrician
- **Bruce Thompson**, Urbaneer, Co-Founder & CEO
- **Kenneth Bahk, PhD**, Health Equity Innovation Partners, Co-Founder
- **Scott Goodman**, Farpoint Development, Founding Principal

An Abundance of Interest

- Samsung Health – visit to RST
- Gentex – visit to RST
- Sleep Number Bed - coalition
- Marvin Windows - coalition
- Bosch - coalition
- BSB Design – visit to RST
- HKS Architects - coalition
- LS3P Architects – presented to BOT
- Global Wellness Institute – presented at 2024 Annual Conference
- Bold. Forward. Unbound.

Next Steps

- Finalize a V1.0 of the “AC4H Standard”
 - Healthcare – Predict
 - Wellness – Prevent
 - Design/Construction/Engineering – Promote
- Identify a site for the “AC4H Test Home”
- Establish a coalition of partners to underwrite the operation of the test home
- Identify potential sources of funds for construction and management of the AC4H Test Home, including:
 1. DMC
 2. Industry
 3. Philanthropic
- Operate the test home, finalize the standard, market the standard

Public Realm: Heart of the City

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025

Request of the board of directors:

No action requested.



Project Status:

Paver Update:

In February 2025, the DMCC Board approved \$175,000 to make improvements to the east side of the Peace Plaza. Additional engagement with the artist and community members is included in this phase of work. The survey of the plaza is now complete. Paver improvements are completed.

Activation:

Rochester Downtown Alliance continues to activate the Heart of the City. With significant construction throughout the downtown, many events and activities have shifted to different areas of downtown. Partners have used this opportunity to test new sites and their capabilities. Many activities were still held in the area and well attended.

The 2025 DMC Annual Meeting was held in the Chateau Theatre and on Peace Plaza on September 18, 2025.

Fulfilling the DMC Vision, Mission, and/or Goals:

The Heart of the City subdistrict is a long-standing priority for the DMCC board. It is home to many hotels, restaurants, entertainment venues, and medical facilities, many of which have been undergoing reinvestment. Transformation of the public realm, Peace Plaza, is an asset to the downtown core, improving the patient, visitor, and resident experience, and helping spur future investment.

Work plan or capital improvement budget implications:

The first-phase project capital costs were financed via DMC state infrastructure funds approved by the DMCC board of directors and Rochester City Council.

LINK Bus Rapid Transit Report

To: DMCC Board of Directors
From: City of Rochester
Date: September 19, 2025



Request of the board of directors:

No action requested.

Update:

Last Quarter Completed Work:

- **Vehicles:** The city received the first Link bus from Newflyer. An in-depth inspection is currently being completed by city staff. Once the first bus is fully accepted by the city the remaining 11 buses will go into production with the rest of the fleet scheduled for delivery by the end of 2026.
- **Property Acquisitions:** While the city has already procured all property rights needed to execute the project, city staff continue negotiations with certain property owners in an attempt to reach voluntary settlement agreements in order to avoid having to use the full eminent domain process. To date negotiations are continuing with four remaining property owners involving seven parcels. Over the past quarter three voluntary agreements have been fully executed involving seven parcels.
- **Construction:**
 - The City of Rochester has completed bidding four of the five contracts for the Link BRT Project.
 - Final design for the West Transit Village Restrooms will be completed by Spring of 2026, with an anticipated start of construction by Summer of 2026.
 - A weekly Link construction update email (see attached) is distributed to the public and Link project updates are available at the following website <https://linkrapidtransit-rpu.hub.arcgis.com/> There are approximately 300 subscribers who receive the weekly email update.
 - The contractor submitted a baseline schedule for the entire project through the summer of 2027 which integrates the sequencing of work needed between contract Volume B and contract Volume C.
 - Volume A – West Transit Village: The total value of this contract \$7,687,422 and includes constructing the new roadway at the western terminus of the Link project. The contractor has completed the sanitary sewer main relocation required for construction of the Mayo Parking Ramp. Link underground infrastructure work will continue in the fall of 2025 with an anticipated project completion date of November 2026.
 - Volume B – Streets and Utilities: The total value of contract is \$21,952,671 and includes roadway reconstruction, traffic signals, and utility work. To date underground utility and road construction continues to proceed between 11th Ave SW and east of 14th Ave SW on 2nd Street SW. Crews have been micro-phasing the project to ensure adequate sidewalk openings are available to the public and that access to businesses and the St Marys campus is maintained. Roadway construction work is also taking place at the 6th Street SE and 3rd Ave SE intersection and on the new 6th Street SE road segment. Work includes underground utility infrastructure, sidewalks, traffic signal installation, Rochester Public Utility (RPU) electric powerline relocation, and new roadway pavement.

- Volume C – Platforms and Tunnel: The total value of this contract is \$75,339,925 and includes construction of 12 station platforms, the transit center at St. Marys which includes a pedestrian tunnel, and adjacent pavement reconstruction disturbed by constructing the platforms. This contract was executed on July 21, 2025. The contractor is focused on preparing for the start of the pedestrian tunnel at St Marys in mid-October. Numerous contract submittals and shop drawings have been provided by the contractor and are either in review by the construction management team or have been approved. Tunnel work can not start until the precursor utility work being done by Volume B is completed. The contractor has recently started excavating work for the BRT platform at 19th Ave SW and the transit platform at 23rd Ave SW both on 2nd Street SW.
- Volume D – Bus Maintenance Bay Addition: The total value of this contract is \$4,592,000 and includes construction of a maintenance facility addition to support the operations of LinkBRT buses located at the Public Works Transportation Operations Center. The contract was executed on July 21, 2025. Since July a preconstruction meeting was held with the contractor and the construction management team, the contractor has been procuring materials and equipment and preparing for the start of construction to begin later this fall. The vast majority of construction work is scheduled to take place in 2026.
- Business Forward Construction Mitigation: The project team is using the Business Forward strategy as they continue construction for Link BRT. Project team members meet with stakeholders impacted by the construction on an almost daily basis within the active construction zones and make access adjustments as requested. The majority of the current disruption is located adjacent to the St. Marys campus primarily impacting 8 local business directly located within the construction limits. Multiple tools are in place based upon feedback from local business owners including:
 - A weekly Link BRT Newsletter and also shared by the Mayo Clinic with their employees and patients. See attachment for example of the weekly newsletter
 - Link informational banners with a QR code are on the construction fencing that links to construction travel information at <https://www.downtownrochesterconstruction.org/>
 - Custom pedestrian scale wayfinding signage give route descriptions to local businesses and other important destinations. See examples shown below:



Risks to On-Time Completion:

- There are currently no risks jeopardizing the on-time completion of the project.

Upcoming Project Major Milestones:

Volume A:

- Stormwater and sanitary sewer utility main installation

Volume B:

- Reopening of 2nd Street SW between 11th Ave SW and 12th Ave SW
- Completion of the 3rd Ave SE and 6th Street SE intersection reconstruction

Volume C:

- Start of construction on the pedestrian tunnel and north vertical circulator at St. Marys Hospital

Volume D:

- Mobilization and start of foundation excavation

Factors Impacting the on Budget Completion of the Project:

- Anticipated and normally expected change orders related to necessary adjustments in the field have occurred in order to properly construct the project to achieve the established project scope and meet city infrastructure technical design standards. The adjustments are detailed the change order summary section below.
- A conflict was discovered with the pedestrian tunnels south vertical circulator construction and an existing high voltage Rochester Public Utilities underground electrical feeder line. A specialty high voltage electric line engineer design firm is in the process of being hired to evaluate options for relocating the feeder line. No design work has been completed yet so it is not possible to provide an accurate estimate for this future change order.

Project Change Orders to Date:

Volume A Contract

Change Order#	Change Order Name	Description & Action Steps	Impact to Cost
CO A001	Tree Clearing	Additional Clearing and Grubbing added from Volume B and C to complete removals according to federal regulations in month of March.	\$131,238.00
CO A002	Storm Sewer Revisions	Utility Updates and Plan Revisions for Storm Sewer	-\$51,748.98
CO A003	WTV Charger Updates	The on-route chargers require updated foundations and configuration to meet the manufactures recommendations	Pending
CO A004	Delete Camera	Subgrade Excavation and sub-cut replacement recommendations for 11th-12th Ave	-\$22,550.00
		TOTAL SPENT	\$56,940.00

Volume B Contract

Change Orders - Volume B (as of Sept 10, 2025)			Link
Change Order#	Change Order Name	Description & Action Steps	Impact to Cost
CO B001	Sanitary and Water Updates	Drawings changes as spelled out on page 1 of the change order backup sheets. These are the true 'extras', meaning there is no unit pricing in the contract to capture the costs for tracking.	Pending
CO B002	Revised Field Office	Modified Specifications of Line Items 4 Field Office (\$220,018) bid to owner provided facility and upgrades required.	-\$97,505.00
CO B003	Sub Cut and Break Rock	Subgrade Excavation and sub-cut replacement recommendations for 11th - 12 th Ave	\$36,000.00
CO B004	Missing Bid Items	Add missing bid items: 1" Corp Stops, Hay Bales, Cat 30 Blanket, Culvert End Protection, 3" minus stabilization rock, Ultra High Early Concrete, Aggregate Base	\$11,550.00
CO B005	Contaminated Soils	Contaminated Soils Testing, Hauling and Disposal	\$3,591.60
CO B006	Revised Traffic Signal	Revised signal pole location due to existing utilities	Pending
CO B007	Connection to 6 1/2 Street	Connect Existing Parking Lot to egress at 6 1/2 Street SE	\$3,600
CO B009	J-Barrier with Fence	Additional barricades 11th Ave to 12th Ave	\$24,000.00
CO B010	Electrical Conduit/ Conductors	Changes to conduit for traffic signals require larger conductor.	\$105,080.18
CO B011	Storm Structure 680	Eliminated a storm structure, restocking fee applied. This will be a net savings	-\$30,021.95
CO B012	6th Street Changes	Multi-use Trail revisions to align with 6 th Street Bridge Project design	Pending
		TOTAL SPENT	\$86,317.18

Volume C Contract

Change Orders - Volume C (as of Sept 10, 2025)			Link
Change Order#	Change Order Name	Description & Action Steps	Impact to Cost
CO C001	Owner Supplied Materials	These items are related to the Saint Marys Transit Center and Maintenance Bay that may provide a cost savings to the project by the City supplying the materials. The City is currently soliciting pricing for items such as HVAC, Electrical Controls, etc.	Pending
CO C002	Electrical duct bank and utility conduit	Unforeseen conflict at Saint Marys Transit Center east bound vertical circulator building and tunnel	Pending
CO C003	SMTC Building Permit Changes	Plan revisions include items such as plumbing, radon system additions,	Pending
CO C004	SMTC Radon Gas System	Achieving the B3 certification requires radon gas system to be installed	\$100,000
		TOTAL SPENT	\$100,00.00

Project Funding:

Project Budget		Link
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Small Starts Grant

SCC#	SCC Description	Budget	Expenditures
10	Guideway & Track Elements	\$4,818,000	\$85,169.64
20	Stations, Stops, Terminals, Intermodal	\$60,382,000	\$25,000.00
30	Support Facilities: Yards, Shops, Admin. Bldgs	\$7,106,114	-
40	Sitework & Special Conditions	\$33,652,018	\$ 2,015,657.63
50	Systems	\$6,128,000	
	<i>Subtotal 10-50</i>	<u>\$112,086,132</u>	
60	ROW, Land, Existing Improvements	\$12,256,132	\$ 12,022,450
70	Vehicles	\$25,476,000	\$ 895,886
80	Professional Services	\$27,925,000	\$ 18,760,004
	<i>Subtotal 10-80</i>	<u>\$173,981,836</u>	
90	Unallocated contingency	\$22,752,072	\$ 243,257.18
	Total	\$196,745,708	\$ 34,098,826

Loom Apartments (Onward)

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025



Request of the board of directors:

No action requested.

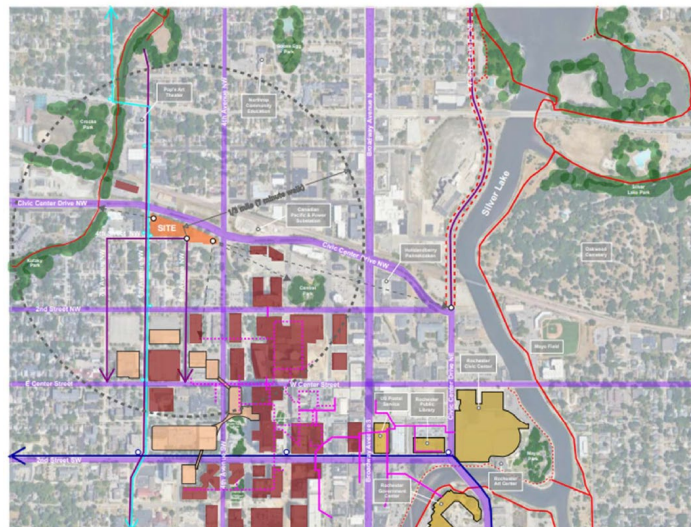
Project Status:

At the May 2025 DMCC Board meeting and subsequent City Council meeting, \$4 million of General State Infrastructure Aid (GSIA) was authorized from the allocated Strategic Development CIP budget to support the extraordinary costs of the Loom Apartments project, contingent upon:

- Mutually agreed upon final design for the public space and the pending private development
- Community-oriented commercial space on the ground floor of the project at below market rents
- Enhanced ground floor activation design
- Biking amenities as agreed upon
- Publicly available curbside EV charging
- On-site geothermal wells to support heating and cooling loads of the building
- No developer adverse tax event as part of receiving GSIA funds
- Site development commences before year-end 2025

The Loom Apartments project is a 100% affordable housing development on a Gateway corridor location (515 4th Street NW, along Civic Center Drive) into the DMC District that will provide 141 homes in the downtown at 50% of Area Median Income (AMI) rents. This project is poised to serve as a key component in the region's commitment to sustainable, affordable housing solutions as it would be the first private development to utilize on-site geothermal wells to support heating and cooling. Loom Apartments will serve as Phase I of a two-phase affordable housing initiative, and includes activation of the ground floor including biking amenities and community-oriented commercial space.

The applicant was unsuccessful in a revised State Bonding request that was submitted in July, and thus the timeline on the above project is no longer feasible. We are in active conversations with the developer as to feasibility of alternative pathways that could result in closing in 2Q 2026 but would need to return to the Board for updated action before year-end 2025 should that pathway be supported.



Key Project Elements:

- **Number of Units:** 141 deeply affordable housing units at 50% AMI
- **Funding Request:** \$5.5 million to leverage over \$4.5 million in enhanced Low-Income Housing Tax Credit (LIHTC) equity
- **Affordable Housing Financing:** The project will utilize a combination of \$24.7 million in Multifamily Housing Revenue Bonds and \$24 million in low-income housing tax credits, investment tax credits, and solar tax credits. The development will also seek gap funding from local and state sources to bridge the financing gap.
- **Development Timeline:** The project must commence before the expiration of the Qualified Census Tract (QCT) designation, which is tied to securing critical federal tax incentives and equity funding.

Fulfilling the DMC Vision, Mission, and/or Goals:

The project aligns with the following DMC and City priorities as follows:

- Mixed-income housing project within the Downtown Waterfront subdistrict of the DMC
- Revitalizes underutilized site
- Provides a balanced and sustainable housing stock
- Promotes neighborhood stabilization and revitalization
- Increase to the city's tax base.
- Project goes beyond the City and DMC sustainability requirements to demonstrate on-site geothermal and solar can be achieved within a housing development.
- Mid-block breezeway public realm
- Support of community-oriented commercial space on the ground floor
- Enhanced ground floor design to encourage pedestrian activity

6th Street Bridge Neighborhood Safety & Riverfront Improvements

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025



Request of the board of directors:
No action requested.

Project Overview:

The 6th Street Bridge, Neighborhood Safety and Riverfront Improvements project will:

- Construct a bridge to improve access to neighborhoods, riverfront and key destinations
- Provide equitable transportation access with walking and biking infrastructure
- Implement traffic calming and other safety improvements to manage traffic and speeding using Complete Streets design
- Improve Zumbro River access while maintaining flood protection
- Connect to Link BRT east terminus

6th Street Southwest from 2nd Avenue Southwest to Broadway Avenue South

The proposed improvements include:

- Creating two through lanes and a center left-turn lane for vehicles.
- Moving the existing bike lanes off-street with boulevards separating them from the sidewalks and driving lanes.
- This requires existing on-street metered parking to be removed.
- Adding a rest area near the fire station.

6th Street Bridge

The proposed bridge design includes:

- A multi-modal bridge that will connect 6th Street Southwest at Broadway Avenue South to the east side of the river. The bridge will have isolated vehicle lanes and separate paths for biking and walking. Features include wide walkways, plantings, integrated art, and shaded seating with views of the river and downtown.

6th Street Southeast from 3rd Avenue Southeast to 9th Avenue Southeast

The proposed improvements include:

- Maintaining existing driving lanes and on-street parking.
- Replacing the existing sidewalk on the north side of the road with an 8-foot-wide concrete shared-use path.
- Constructing a mini roundabout at 8th Avenue Southeast.
- Adding one rest area near the elementary school.

Updates:

- The 60% design completion milestone was achieved in the first week of August.

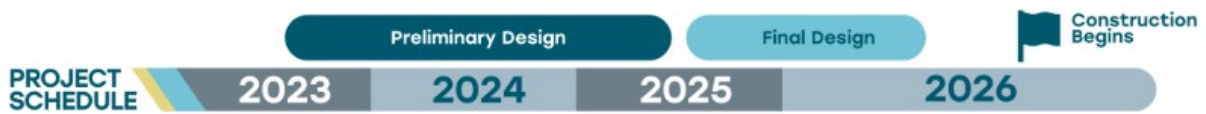
- Permits are in the process of being obtained from the US Army Corps of Engineers and the Canadian Pacific Kansas City Railway.
- The National Environmental Policy Act review is approximately 80% complete
- The right-of-way acquisition phase is well underway.
- Additional community engagement sessions were held in September, with additional engagement scheduled for October.

Project Cost & Funding Sources:

Total estimated project cost \$35.8M including:

- RAISE Grant: \$19.9 million
- MnDOT IIJA Matching Grant: \$5.9 million
- DMC Local match: \$10 million

Schedule:



West Transit Village

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025

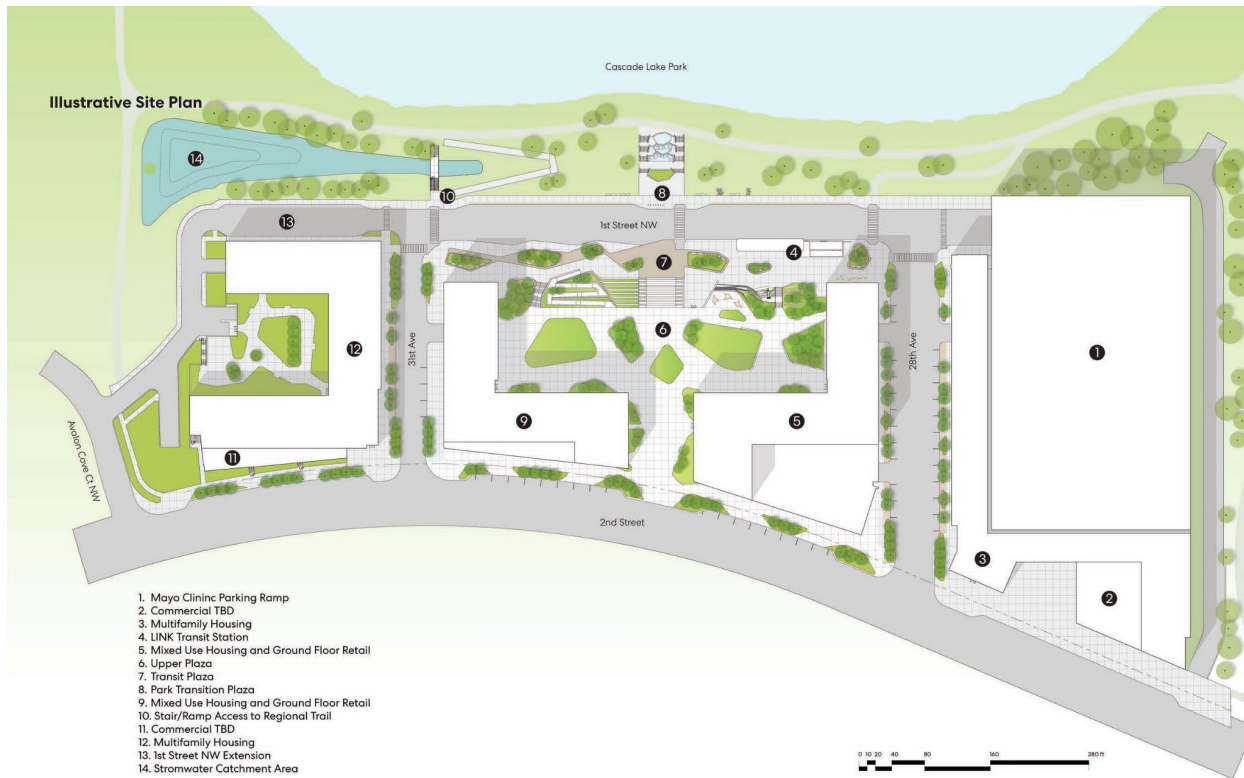


Request of the board of directors:
No action requested.

Project Status:

The DMC vision for the West Transit Village is to provide an authentic place for living, shopping and recreating (the “village”) in addition to the transit infrastructure that forms the western terminus of the BRT LINK corridor, which will leverage the opportunity to make the BRT journey better than a trip in a private single occupant vehicle.

To realize this ambitious vision, Mayo Clinic, the City of Rochester, DMC, and the selected developer team of Kraus Anderson (master developer and market rate housing) and Aeon (affordable housing developer) have worked in collaboration for almost two years. A master plan has been developed by the development team in close coordination and partnership with Mayo Clinic, DMC, and the City of Rochester:



To realize this vision will require additional infrastructure outside of the Federal BRT project scope as well as support for the housing components of the project.

At this juncture there are over 42 different major components of the site that need to come together to realize the above vision. Partners are working together to fully develop a detailed matrix of those responsibilities and a schedule in order to maintain the overall project schedule which is built off of the expected opening day of the BRT system in 4Q2026.

Fulfilling the DMC Vision, Mission, and/or Goals:

The DMC goal of mode shift for transportation requires a significant portion of commuting trips downtown to shift away from Single Occupant Vehicle (SOV) trips and towards other modes including Bus Rapid Transit. The West Transit Village is a key element of enabling the BRT to function well and provide an experience befitting the goal of DMC vision of a world class destination. The inclusion of affordable and market rate housing, as well as amenity and service retail is critical for this site if it is to realize the DMCC Board vision.

Approvals, milestones, and decision points:

- Spring 2025: Mayo commenced construction of a 2,500 stall parking ramp
- May 2025: DMCC and City Council took action to authorize Aeon Phase 1 funding request
- July 2025: Aeon submitted a funding request to MN Housing for a 9% Housing Tax Credit and deferred loan request, with a secondary/alternative application structured as a 4% HTC and deferred loan request. The will receive preliminary indication of status in October and if awarded will find out in December.
- Ongoing: review of additional housing and infrastructure components of WTV site to evaluate against the TIF opportunity for potential request later in 2025

West Transit Village Phase 1 (Aeon)



To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025

Request of the board of directors:

No action requested.

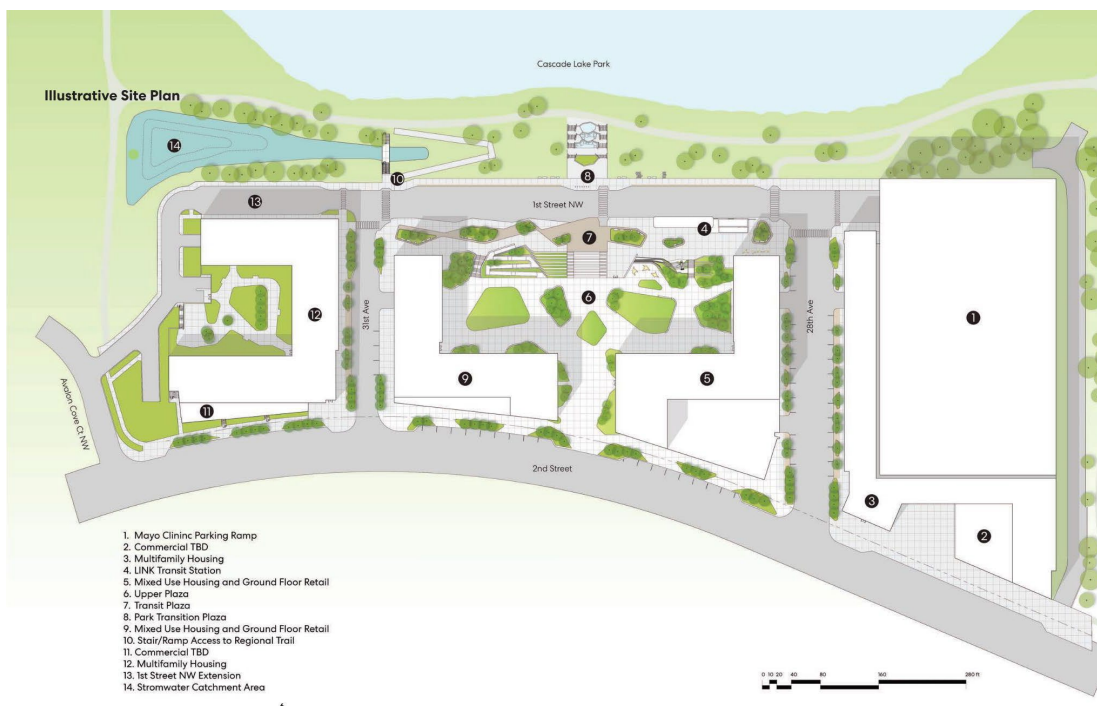
Project Status:

At the May 2025 DMCC Board meeting and subsequent City Council meeting the commitment of \$3.9 million in General State Infrastructure Aid (GSIA) funds was re-authorized to the revised Aeon project and the allocation of up to \$4.9 million in tax increment financing (TIF) was directed towards this project, without credit towards the City's \$128 million DMC contribution. These funds are contingent upon:

- 75 units of senior affordable housing at 60% AMI or lower income restrictions
- Mutually agreed upon final design for the public space and the design relationship to the pending Mayo parking ramp and BRT project
- Enhanced ground floor activation design
- No developer adverse tax event as part of receiving GSIA funds

The DMC vision for the West Transit Village is to provide an authentic place where people want to be and leverage the opportunity to make the BRT journey better than a trip in a private single occupant vehicle.

To realize this ambitious vision, Mayo Clinic, the City of Rochester, DMC, and the selected developer team of Kraus Anderson (master developer and market rate housing) and Aeon (affordable housing developer) have worked in collaboration for over two years. The parties have agreed to a public-private partnership approach and are also driven by the FTA transportation funding schedule for the transit elements of the site as well. A master plan has been developed by the development team in close coordination and partnership with Mayo Clinic, DMC, and the City of Rochester:



To realize this vision will require additional infrastructure outside of the Federal BRT project scope as well as support for the housing components of the project.

In May 2024 DMCC and City Council authorized the commitment of \$3.9 million in GSIA funds to the project in order to optimize the Aeon's application to MHFA in July 2024. In the fall of 2024 Aeon was notified by MHFA that they would not receive funding in 2024 due to the high volume of projects and shifting priorities for limited MHFA funds.

In January of 2025 DMCC and City Council authorized the establishment of a DMC tax increment financing (TIF) district establishment authority for the West Transit Village, without crediting the TIF toward the City's \$128 million DMC obligation. This enables the increment in new taxes that will be generated by Mayo's parking ramp and the housing built on site to be utilized for project support and site infrastructure needs.

Aeon has continued to work with local, regional and community partners and MHFA to optimize the project to score as high as possible in this year's MHFA funding cycle in July 2025. This continued refinement has led them to reduce the total number of units in the project in order to improve their chances of securing State funding. By reducing the number of units from 94 to 75 that reflects a more than 10% change to the project and therefore it needs to be brought before the Board. In addition, now that the TIF District has been established a TIF request has been formulated by the development team for Board consideration.

Approvals, milestones, and decision points:

- Aeon submitted application to MHFA for July 11 application deadline
- Preliminary indication of how application was received by the state of MN will occur in October, with final notice in December
- Partners continue to develop and refine the overall site infrastructure and market rate housing needs. The construction of the parking ramp has commenced

Discovery Square Ecosystem Program & Bullpen Pitchfest Event

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025

Request of the board of directors:

No action requested.

Background

Destination Medical Center (DMC) has a three-pronged business development strategy around expanding Discovery Square into a top tier innovation district. This strategy involves 1) building awareness of the Rochester area as a place to launch and grow a business; 2) building the physical and operational infrastructure necessary to support business growth; and 3) building a supportive ecosystem that accelerates business success.

Discovery Square ecosystem strategy objectives

We aspire to have an effective and self-sustaining ecosystem that 1) helps tech companies and individual innovators advance their technologies advance, thus improving patient care around the world; and 2) attracts more tech companies to the region.

The Discovery Square Ecosystem Components

We define the ecosystem as those relationships among people working in and adjacent to the HealthTech industry, including the following: 1) Service providers; 2) Workforce/Higher Education; 3) Investment Capital; 4) HealthTech Companies; 5) Trade organizations/Economic Development Groups; and 6) Clinical and research organizations. ***As an organization, we are prioritizing efforts around workforce and investment capital.***

Key Activities

Since the last board meeting, staff have met with HealthTech companies (30), service providers (15), capital groups (16), other economic development groups (14), and workforce-related groups or individuals (16). Additionally, there have been numerous connection points with Mayo Clinic colleagues and with numerous groups at the University of Minnesota in the Twin Cities. Notable activities include the following:

1. Staff partnered with Bullpen to host their **Minnesota Pitchfest event** in One and Two Discovery Square, drawing startups and investors from around the country. A full debrief document is included below as an addendum.
2. Regarding workforce, staff are developing an “Innovation Immersion” **one-day college student experience** focused on teaching the fundamental steps of turning a healthcare idea into business, while also showcasing how a bachelor’s degree in the sciences can provide a strong foundation for entering the healthcare technology startup world. Objectives are two-fold: 1) Make Discovery Square a destination for students to seek employment after graduation; and 2) Create awareness of career opportunities in Discovery Square for college students and their mentors/faculty. A pilot event is being planned for Q1 2026.

3. Staff are working with Greater MSP, Medical Alley Association, and MN DEED to develop a **statewide strategy to attract and retain HealthTech companies**. The framework for a strategy has been developed, the group is convening in September to start adding details.
4. MMT3.0 activities continue. Greater MSP is the lead organization on this, with DMC staff as part of the leadership team. A detailed analysis is underway to position the effort as a broad strategy, with key new and ambitious initiatives to be proposed. The continuing success of DMC activities in building out the Discovery Square Innovation District continue to inform the state strategy.

Bullpen Pitchfest Event

Executive Summary

Destination Medical Center Economic Development Agency hosted an event run by Bullpen, a volunteer-led, invite-only organization formed two years ago to convene life science investors and start-up executives with the goals of collaboration, connection, and deal making. The event was August 13-15 in One and Two Discovery Square. Based on our expectations around attendance and engagement, the event was an unquestioned success. There are several areas of improvement identified related to planning and logistics, which we will incorporate into any future engagements with Bullpen.

Why we worked with Bullpen:

We know empirically that if we want to achieve our goals around job creation and investment, we need to connect our ecosystem to these types of resources at a much greater scale. The Awareness and Perception study we conducted in 2022 uncovered the fact that the #1 thing we can do to increase a life science executives' likelihood to consider an investment in Rochester is expand the perceived size of our market. We do this by connecting it to other markets. Bullpen's community provided a ready-made audience that we're seeking to engage.

Our goals for this event:

Our goals for the event were to get 150 attendees in the key ecosystem nodes where we lack (capital and service providers). We also wanted to increase connections between our clinical node (Mayo), education node (UMR) and these audiences. Lastly, we wanted to get significant engagement from our ~60 local HealthTech start-ups, either through pitching, panels, or key networking events.

Outcomes, by the numbers:

- 188 total attendees, at least 50% from outside of MN, made up of start-up executives, clinicians, researchers, service providers, and investors
- 66 company pitches from local, regional, national, and international start-ups.
- 50 of the pitching companies had no prior engagement with our ecosystem.
- ~30 Mayo participants
- 22 investors
- 14 curated and sponsored dinners between Wednesday night (158 participants) and Thursday night (155 participants) at seven downtown restaurants, with significant local economic impact. Restaurants: Latitude44, Pittsburgh Blue, Victorias, Bleu Duck, Terza, Crave, and Mill Valley Kitchen
- 10 presentations from Mayo physicians, program leaders, and local/regional partners.

Other Highlights

- Engagement from Mayo Clinic included informational panels featuring key physician leaders, representatives from Mayo Business Development, and sessions hosted by Mayo Clinic Innovation Exchange and Mayo Clinic Platform.
- Chancellor Carrell presented to the group and told the story of UMR, and how we are working to grow Rochester's future workforce to support our growing HealthTech ecosystem.

- Regional partners Medical Alley and MN Med Tech3.0 gave overviews of their activities and how the Rochester ecosystem is engaging with them.
- Two Canadian companies attended (Able Innovations and Prova Innovations), both of whom are opportunities DMC uncovered in 2022 as part of our lead generation activities. These companies are now both working with Mayo on projects and could be future tenants in Discovery Square if their collaborations are successful.

What worked well

- Bullpen got people to attend, and those people were passionate about their work.
- People were actively engaged, with a lot of conversations and connections.
- Great online traction, very positive LinkedIn messages.
- Evening dinners were very productive, great networking, great exposure for the city (airport, hotels, etc.).
- Discovery Square performed very well as a venue.
- Networking events were well attended and active.
- Some of the topic specific rooms were great (others not so much).
- Content: evening dinners, Wednesday orientation, Wednesday networking.

What will be better next time:

- Clarity on roles and responsibilities between DMC/Bullpen/Mayo will be identified up front, eliminating the “execution gaps” that were evident last week.
- Bullpen is better as a convener, not as an event production group, so a local team (i.e. DMC) will take lead on event logistics.
- We will lock down the run-of-show and eliminate the late-notice agenda “freelancing” that happened last week
- We will make the next event more focused on innovation and physician input/engagement and less focused on transaction-centric pitches.
- We will make a concerted effort, well in advance of the next event, to get calendar holds on calendars of Mayo physician/scientist leaders, innovators, and inventors.
- We will ensure that Mayo speakers receive a specific calendar invites for their time commitment(s).
- We will hold our event partners accountable to their commitments from a roles & responsibilities perspective.

Next Steps

- DMC staff will contact each participant to offer a 1:1 conversation.
- We will unpack the results of a participant survey sent out by Bullpen staff.
- We will identify how to engage in future Bullpen events, next one being at JPM week in San Francisco.
- Determine the timing of the next Bullpen event in Rochester (2026 or 2027)

Discovery Square Ecosystem and Awareness

To: DMCC Board of Directors

From: DMC EDA

Date: September 19, 2025

Request of the board of directors:

No action requested.

Background

Destination Medical Center (DMC) continues to advance the efforts of raising awareness of Discovery Square as a world class innovation district while also fostering an environment that supports and complements the growing life sciences and biotechnology ecosystem here in Rochester. With the approval of BioLabs Rochester, our engagement strategy has shifted and will continue to evolve to make Rochester a more enticing place to do business.

2025 Awareness and Ecosystem Metrics

Awareness	Q1	Q2	Q3 (ongoing)	YTD	Annual Goal
Lead Generation Campaigns	6	8	2	16	15
Company Pitches	206	339	121	666	1,000
Awareness Opportunities Generated	43	67	9	119	250
Industry Events Attended	8	11	2	21	30
Amplifier Pitches	29	70	7	106	100

Ecosystem	Q1	Q2	Q3 (ongoing)	YTD	Annual Goal
Partner Connects	78	125	43	246	200
Events – Higher Education	0	1	1	2	3
Events – Investment Groups	0	1	1	1	3
Events – Local Startups	0	0	1	1	2
Research Project	0	0	1	1	1
Ecosystem Opportunities Generated	50	56	19	125	200

Energy and Sustainability

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025

Request of the board of directors:

No action requested.

Project Updates:

1. Sustainability Series
 - a. On May 28th DMC hosted Evelyn Burnett from ThirdSpace Action Lab for [“Community Centered Placemaking for a Bold Forward Future”](#). In addition to Evelyn, the event featured a panel of locals including the owners of Griot Arts and Art Heads Emporium, Lowertown Neighborhood Association President, founder of Pata de Perro Community Bike Club, and Family Service Rochester.
 - b. [“Going Local, Thinking Big: A Conversation with Steve Grove”](#) was held on August 20th at the Chateau Theater downtown with over 70 in attendance. Executive Director Patrick Seeb hosted MN Star Tribune Editor Steve Grove for a discussion about his recently published memoir “How I Found Myself in the Midwest” and the power of our local communities.
2. Electrify Everything MN
 - a. The City of Rochester, in collaboration with DMC, launched the [Electrify Everything MN](#) residential education workshop series hosted by Center for Energy and Environment (CEE) this spring. Across the three workshops over 50 Rochester residents attended to learn more about home electrification. The DMC fall workshop series will start in September.
3. Energy Integration Committee
 - a. Formed in 2018, the Energy Integration Committee (EIC) is made up of representatives from DMC, the City of Rochester, Mayo Clinic, Olmsted County, Rochester Public Utilities, Minnesota Energy Resources and more recently University of Minnesota Rochester. An initial planning process in 2018 resulted in the EIC Action Plan and in 2025, partners were [proud to announce](#) that nearly all the plans original 26 strategies were either completed or underway. In 2025, EIC partners are kicking off a new strategic planning process to help outline opportunities for collaboration in the next 5 to 10 years.
4. Active Transportation
 - a. In collaboration with the City of Rochester and many community partners, DMC is assisting in the launch of Rochester’s first Week Without Driving campaign. A Week Without Driving was created to change perspectives and provide drivers the opportunity to experience what nondrivers face every day. For those who can drive or afford a car, it’s easy to forget what it means to depend on walking, rolling, and public transportation for rides. But for nearly one-third of people in the U.S. - including young people, senior citizens, people with disabilities, and families who can’t afford a car – this isn’t a choice. A Week Without Driving will run from September 29 to October 5 and will feature community bike rides with We Bike Rochester, a Transit Training Day with Rochester Public Schools and Rochester Public Transit (RPT), a fall Bike to Work Day, Link BRT construction tours, and a RPT fare-free day.

Equitable Economic Development

To: DMCC Board of Directors
From: DMC EDA
Date: September 19, 2025

Request of the board of directors:
No action requested.

Workplan Update:



1. Community Co-Design Updates:

a. Community Co-design 2025 Plans:

- i. Community Co-design Leadership Training: We scheduled the 5th cohort of Community Co-design Leadership Training in October of 2025. This training is ideal for organization leaders, community leaders, municipalities and department leaders, community developers, project managers, communication managers and professionals, and anyone who specializes in equitable community engagement and decision-making.

b. Community Co-design Toolkit Update:

- i. Currently the DMC EDA is updating the Community Co-design Toolkit to reflect new practices, lessons learned, and feedback from recent projects. The updated toolkit will provide clearer guidance, new case studies, and practical tools to strengthen inclusive engagement, and ensure community voices are centered in decision-making.

2. Equity Alliance Updates:

a. Understanding the History of Disability Rights in the Rochester Community:

The Equity Series hosted the first session of Rochester’s inaugural **Disability Summit** in July. This collaboration expanded the reach of the Equity Series, creating space for conversations that foster equitable economic development. The session introduced disability justice concepts and traced the evolution of disability rights and support both nationally and in Minnesota. Participants also explored models of disability, key legislation, and local advocacy and history connected to Rochester. The event was well attended, with **40 participants** joining in person and a watch party held at the Disability Summit location.

- b. **Equity Series:** We continue to host the Equity Series on the 2nd Wednesday of every month, and we have been successful in convening leaders from City of Rochester, RAEDI, Rochester Area Foundation, Mayo Clinic, United Way, Rochester Public Schools, Olmsted County, and many other organizations and non-profits to attend the virtual series.

Targeted Business and Workforce Utilization

To: DMCC Board of Directors
 From: DMC EDA
 Date: September 19, 2025

Request of the board of directors:
 No action requested.

Workplan Update:

1. Community Connections and Capacity Building:

- a. **Certification Workshops:** DMC EDA, in partnership with the City of Rochester, the Equity in the Built Environment Program, the Minnesota Department of Administration (Equity in Procurement), and the Minnesota Department of Administration (APEX Accelerator), successfully completed a four-part certification workshop series designed to expand access to business certification opportunities.
 - The first workshop was held in person at John Marshall High School on Saturday, November 9, 2024.
 - The second workshop, hosted virtually via Zoom on Saturday, February 1, 2025, provided detailed information on the CERT, MNUCP, and TG/ED certifications.
 - The third workshop, held virtually on Saturday, April 12, 2025, engaged 20 participants, continuing efforts to build awareness and support for certification opportunities.
 - The fourth and final workshop took place in person at John Marshall High School on Saturday, June 21, 2025, bringing the series to a successful close.

Through this series, DMC EDA and its partners provided education, resources, and direct support to help local businesses navigate certification processes, strengthen competitiveness, and access new contracting opportunities.

- b. **Small Business Development Business Workshops:** sponsored in part by DMC EDA, will run from September through November and are designed to provide entrepreneurs—both English- and Spanish-speaking—with essential business knowledge in areas such as marketing, finance, and business planning. Small business owners will be able to attend free of charge, removing cost barriers and ensuring broader access. By offering sessions in Spanish, the series promotes accessibility and inclusivity, supporting business owners whose primary language is Spanish and helping to expand opportunities for growth. Participants will also have access to ongoing one-on-one business advising after the workshops to help apply their learning and sustain long-term business growth.

2. Targeted Business/Targeted Workforce Goals and Reports on Current Active Projects:

Current Goals	2025
Workforce Participation-Women	9%
Workforce Participation-Minority	15%
Targeted Business-Commercial	7%
Targeted Business-Heavy/Highway	4%



Workforce Participation		
DMC Active Project- 2025 Q2 (April, May, June)		
J1037 Downtown Building Energy Transition (DBET) Phase 2	Women	Minority
Workforce Participation- Q2	0%	42.99%
Total Project	0%	34.70%
J8707-Volume A-West Transit Village Sewer Improvement		
Workforce Participation- Q2	11.58%	22.78%
Total Project	11.58%	22.78%
J8707-Volume B		
Workforce Participation- Q2	16.31%	2.48%
Total Project	16.31%	2.48%
Total DMC Projects	9%	20%
DMC-Projects-Targeted Business		
DMC Active Projects- 2025 Q2 (April, May, June)		
J1037 Downtown Building Energy Transition (DBET) Phase 2	7%	
Targeted Business- Q2	6.54%	
Total Project	6.54%	
J8707-Volume A-West Transit Village Sewer Improvement		
Targeted Business- Q2		
Total Project		
J8707-Volume B		
Targeted Business- Q2		
Total Project		
Link Land Acquisition		
Targeted Business- Q2	n/a	
Total Project	19.24%	
Total DMC Projects	6%	

Quarter 2-2025 Takeaways:

- DMC projects met the women workforce goal (9%) and exceeded the minority goal (20% vs. 15%).
- All the projects reported for the Targeted business are Heavy/Highway projects, and the participation reached 6%, exceeding the Heavy/Highway goal of 4%.
- Project performance shows strong minority and targeted business engagement and opportunities to further increase women workforce participation on certain projects