



DMC Corporation Board of Directors Executive Committee Meeting

Wednesday, March 26, 2025

3:00 P.M.



2024 DMC Investment Report

March 2025



TODAY

1

Overview

2

Mayo Clinic Investments

3

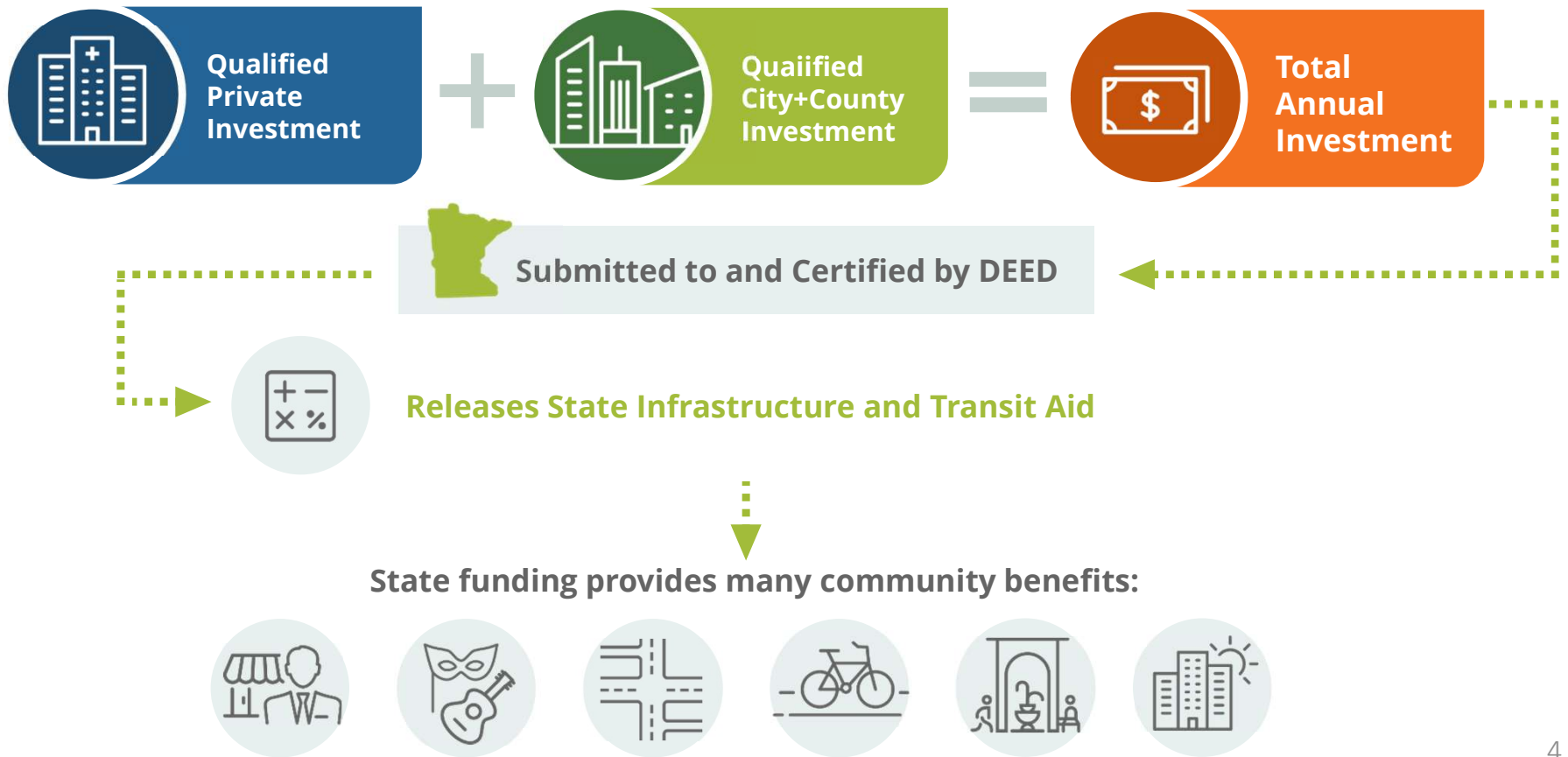
Non-Mayo Clinic Investments

4

Authorization of Report to DEED

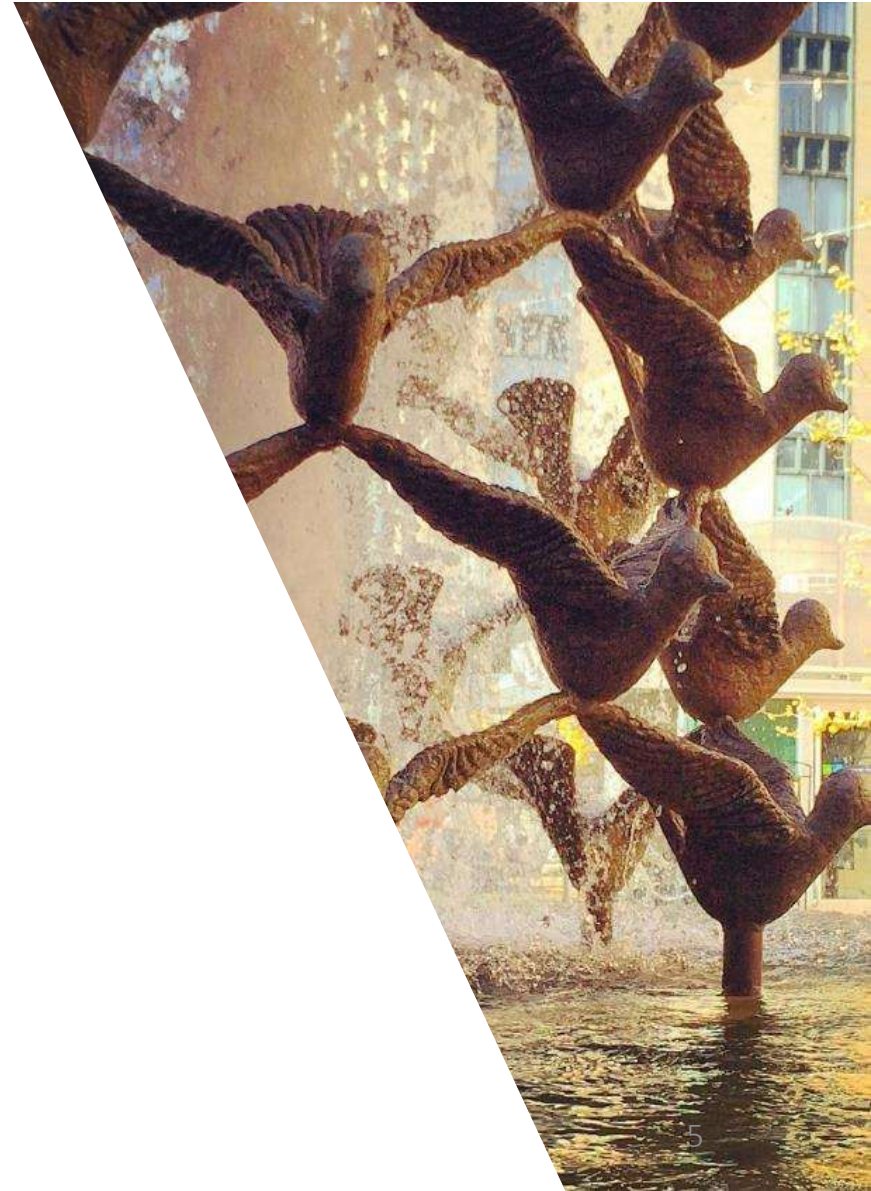


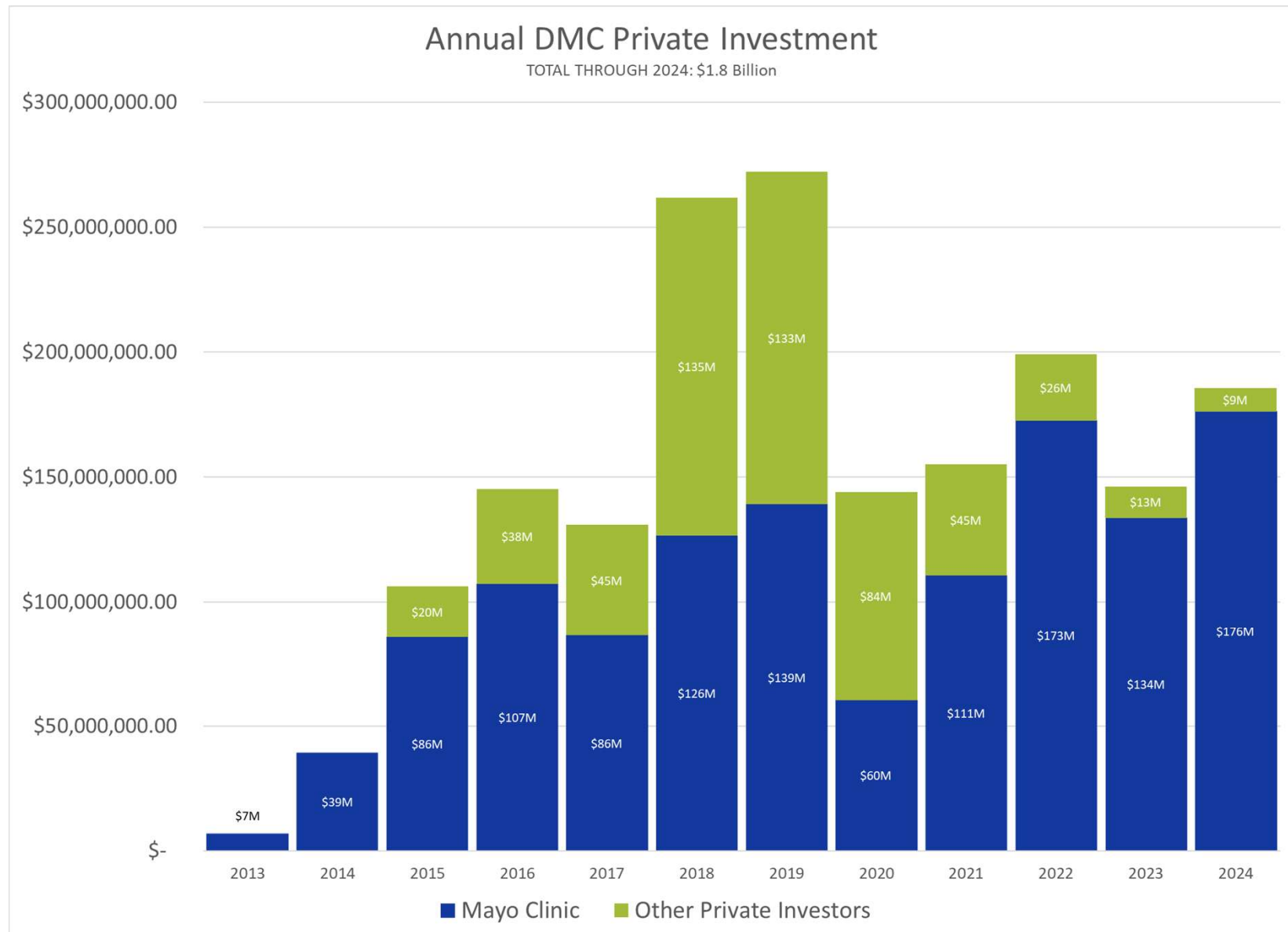
DMC ANNUAL STATE AID FORMULA

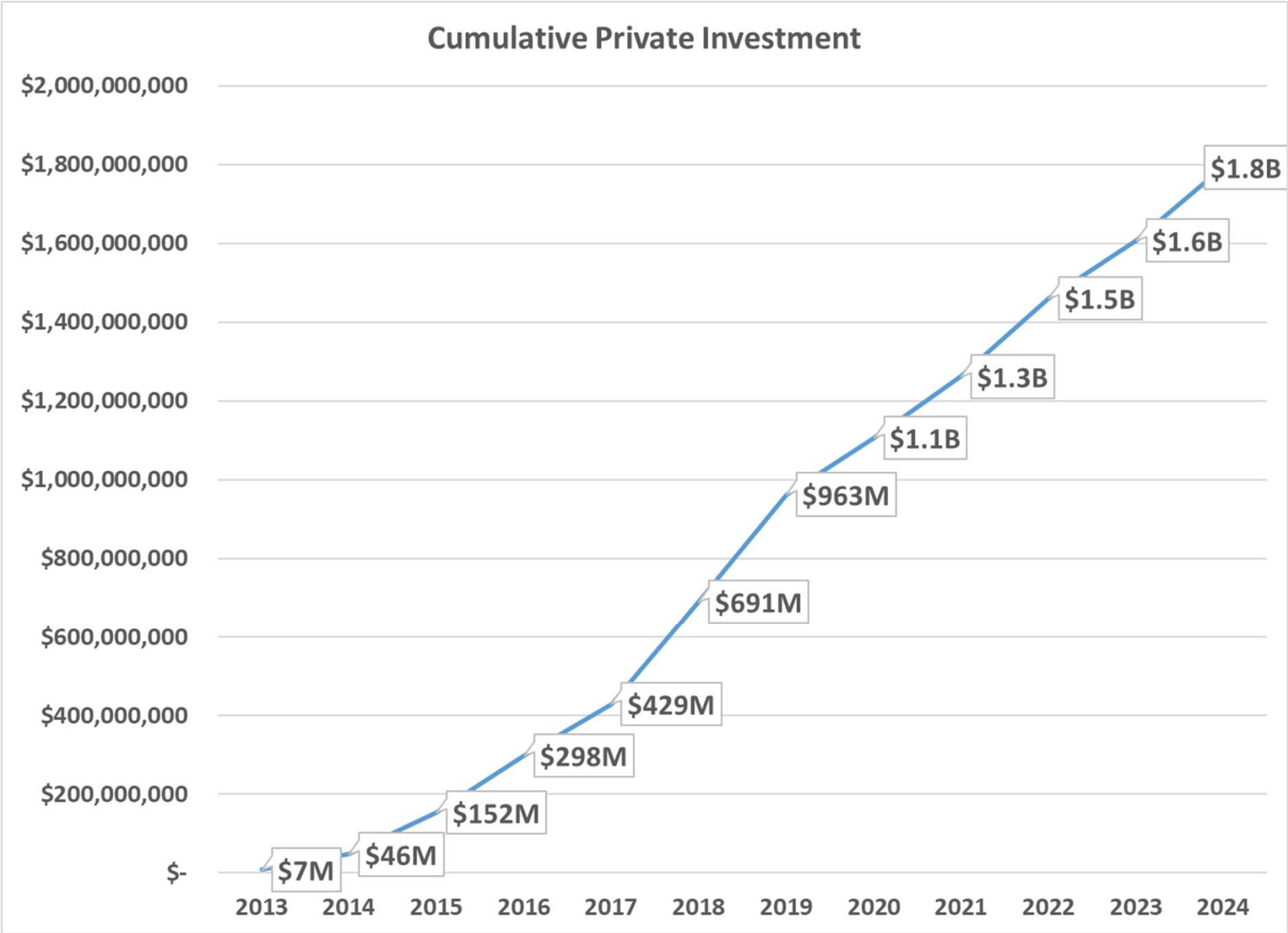


2024 Total Qualifying Private Investments

- ✓ Mayo Clinic Investment
\$176.2M
- ✓ Non-Mayo Clinic Private Investment
\$9.3M









Mayo Clinic 2024 Investments

Highlights

- ✓ \$176.2M invested in Rochester in 2024
- ✓ Largest annual investment to date
- ✓ \$1.24 B invested since the approval of DMC legislation
- ✓ Investments across city to support patient care, education, research
- ✓ Investments across the enterprise resulted in 13,000 new employees in 2024



MAYO CLINIC Practice Investments

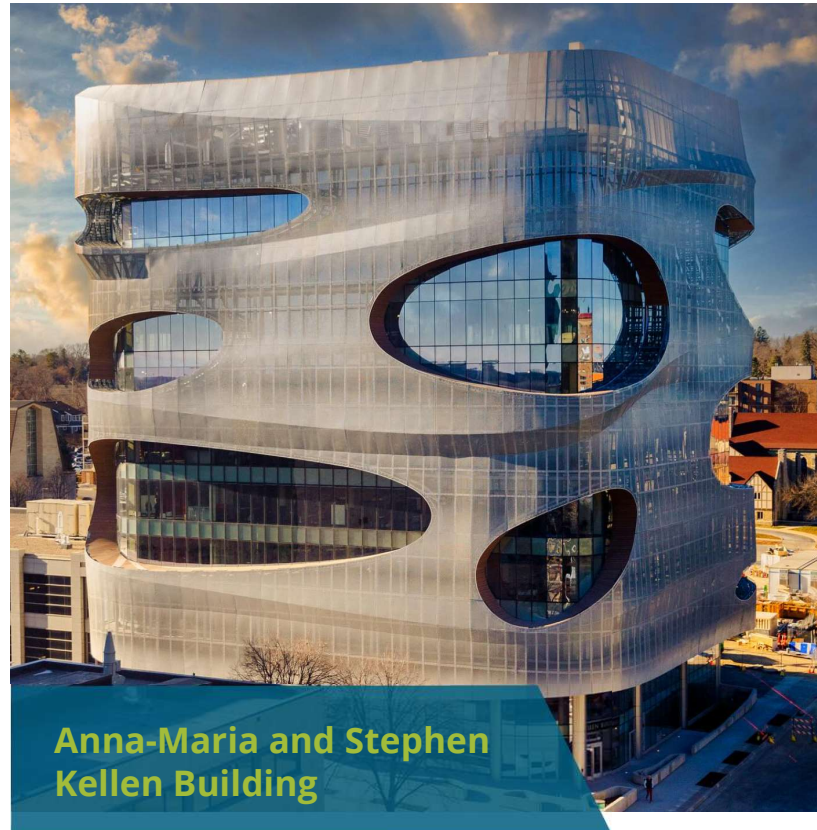


Herman House Re-opening



Andersen Building
Proton Beam Therapy Expansion

MAYO CLINIC Research Investments



Anna-Maria and Stephen
Kellen Building

MAYO CLINIC Education Investments



MAYO CLINIC Upcoming Investments



Bold. Forward. Unbound.
in Rochester.



Non-Mayo Clinic 2024 Investments

Highlights

- ✓ \$9.3M invested in DMC District in 2024
- ✓ \$548M invested since 2015 DMC Development Plan adoption



NON-MAYO PRIVATE INVESTMENTS

✓ Restaurants

Taco JED, Mill Valley Kitchen, Ruth's Chris Steakhouse, Benedict's, Bebab Korean Eats, Café Steam

✓ Retail

Anderson Wheelchair (Main Street Grant Recipient), Alerus Bank

✓ Innovation

Rion Health

✓ Housing

Residence at Discovery Square (+20 units)



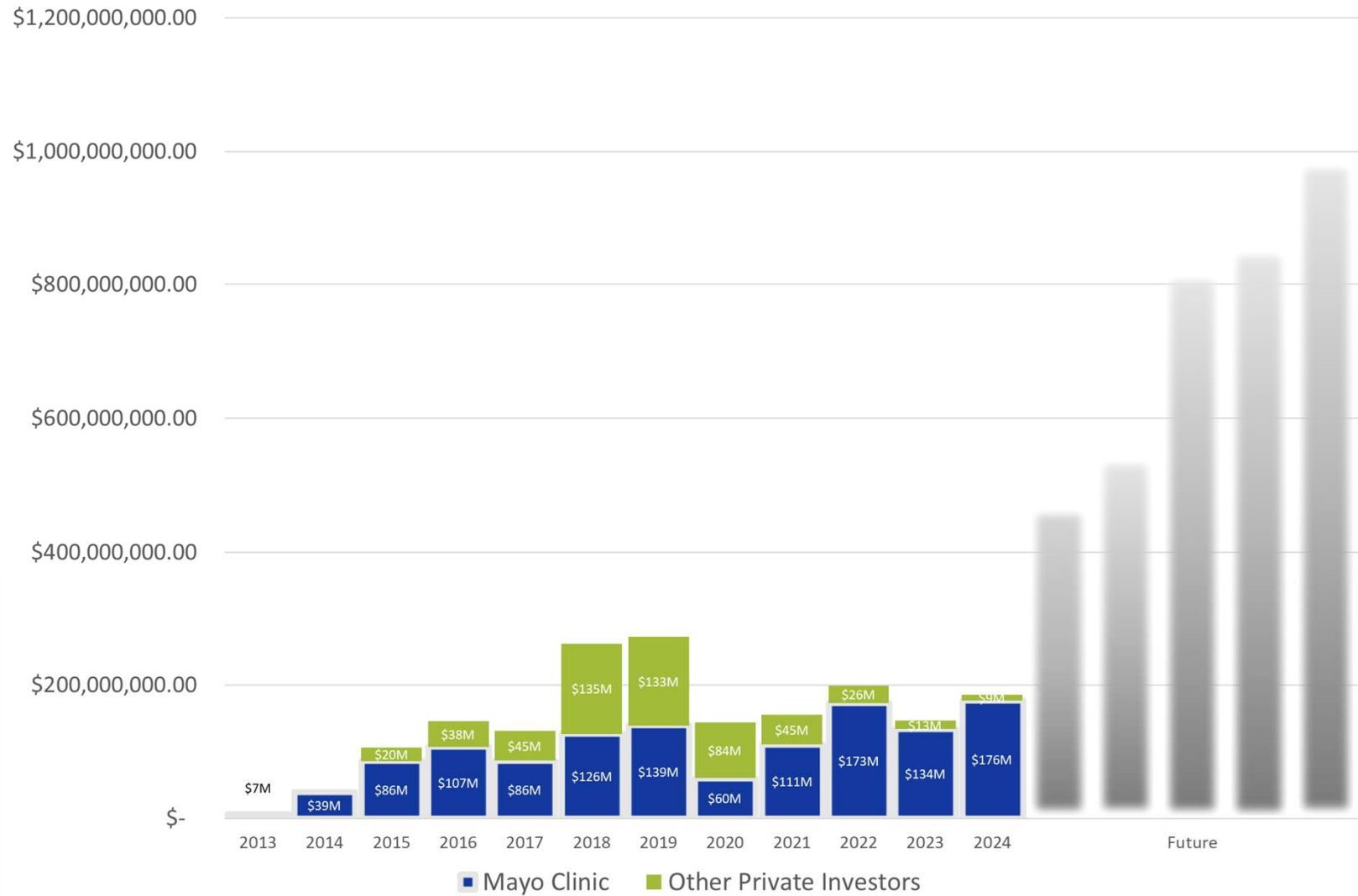
2024 Report to DEED Highlights

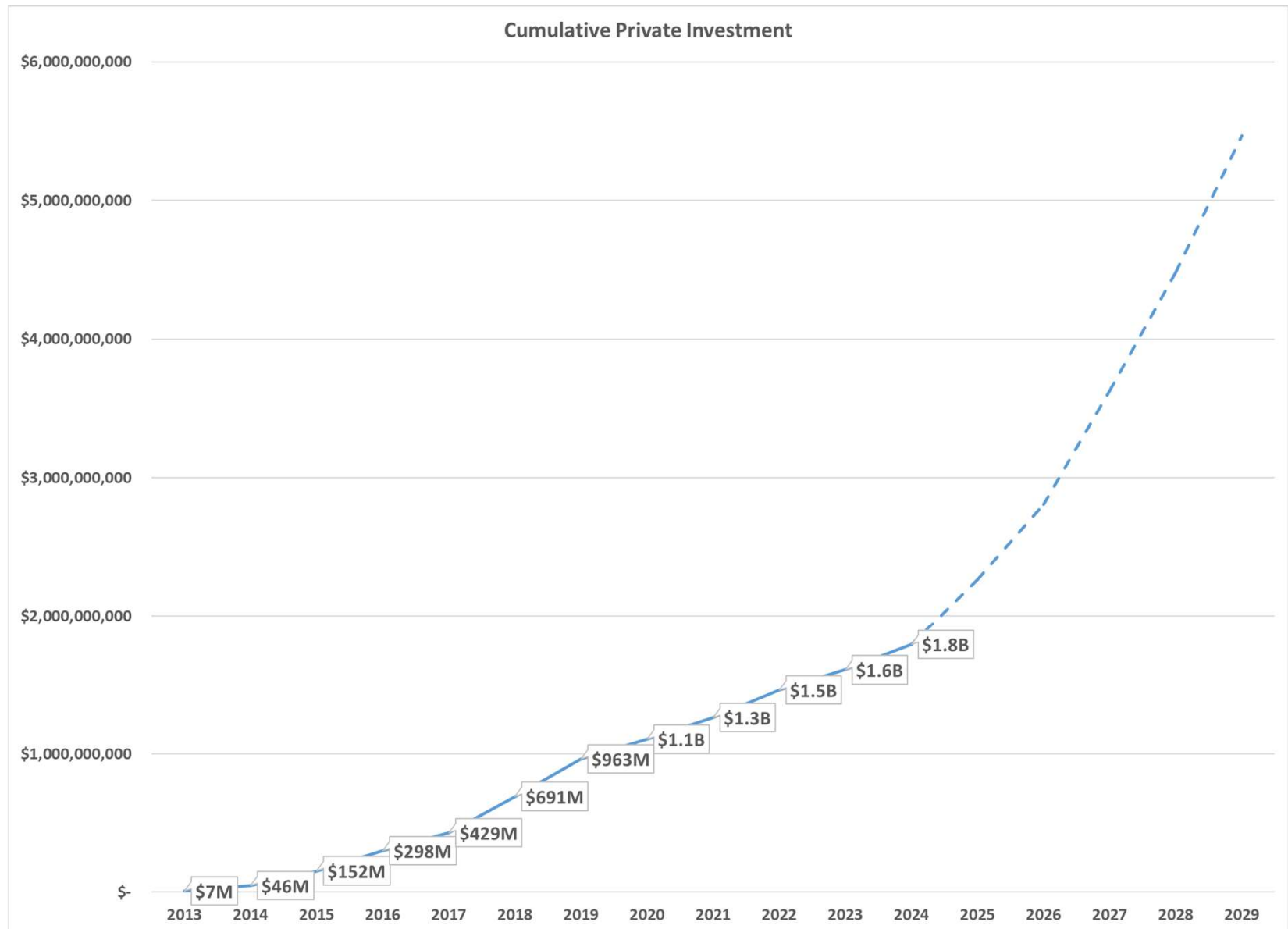
Strategic DMC public investment enables continued private investment

- ✓ Cumulative private investment of nearly \$1.8 billion
- ✓ DMC investments include mobility, housing, public realm
- ✓ Highest-ever annual Mayo Clinic investment
- ✓ Major *Bold. Forward. Unbound. in Rochester* investments yet to come
- ✓ Current non-Mayo Clinic development in the pipeline includes 14+ developers proposing bio-med-tech industry infrastructure, 900 affordable housing units, 1,200 market-rate housing units, and 200 hotel rooms

Annual DMC Private Investment

TOTAL THROUGH 2024: \$1.8 Billion





TODAY

- 1 Overview
- 2 Mayo Clinic Investments
- 3 Non-Mayo Clinic Investments
- 4 Authorization of Report to DEED



March 2025 DMC Updates



DMC

Destination Medical Center
Rochester, MN

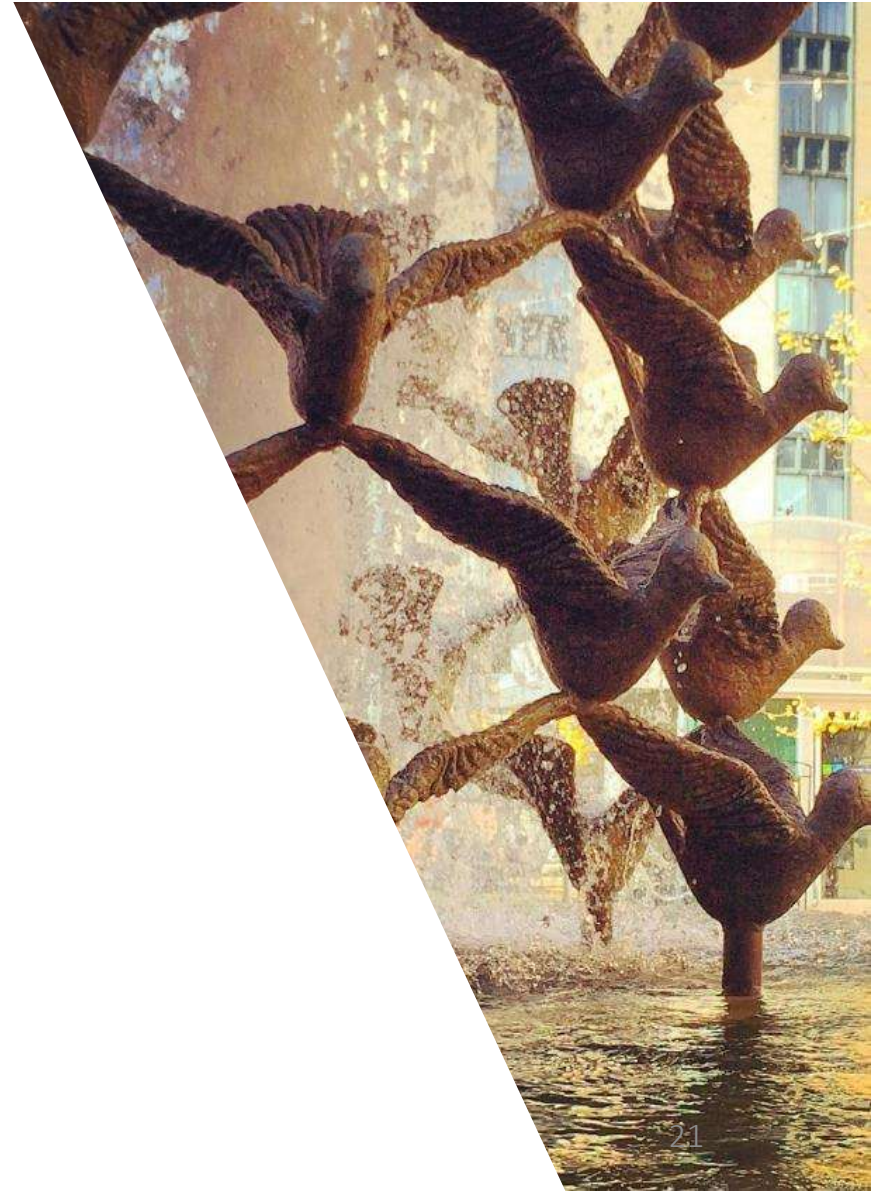
UPDATES

1. Link BRT
2. Federal Project Funding
3. Update to DMC Development Plan
4. Developer Funding Requests
5. DMC Funding Balance
6. Shared Lab



Link BRT

- Bids and Budget
- Timeline



Federal Project Funding

- **Several DMC capital projects, including Link BRT and 6th Street S.E., are partially federally funded**
- **City staff are attentive to possible changes in federal funding and in regular communication with Minnesota's congressional delegation**

FEDERAL PROJECT FUNDING

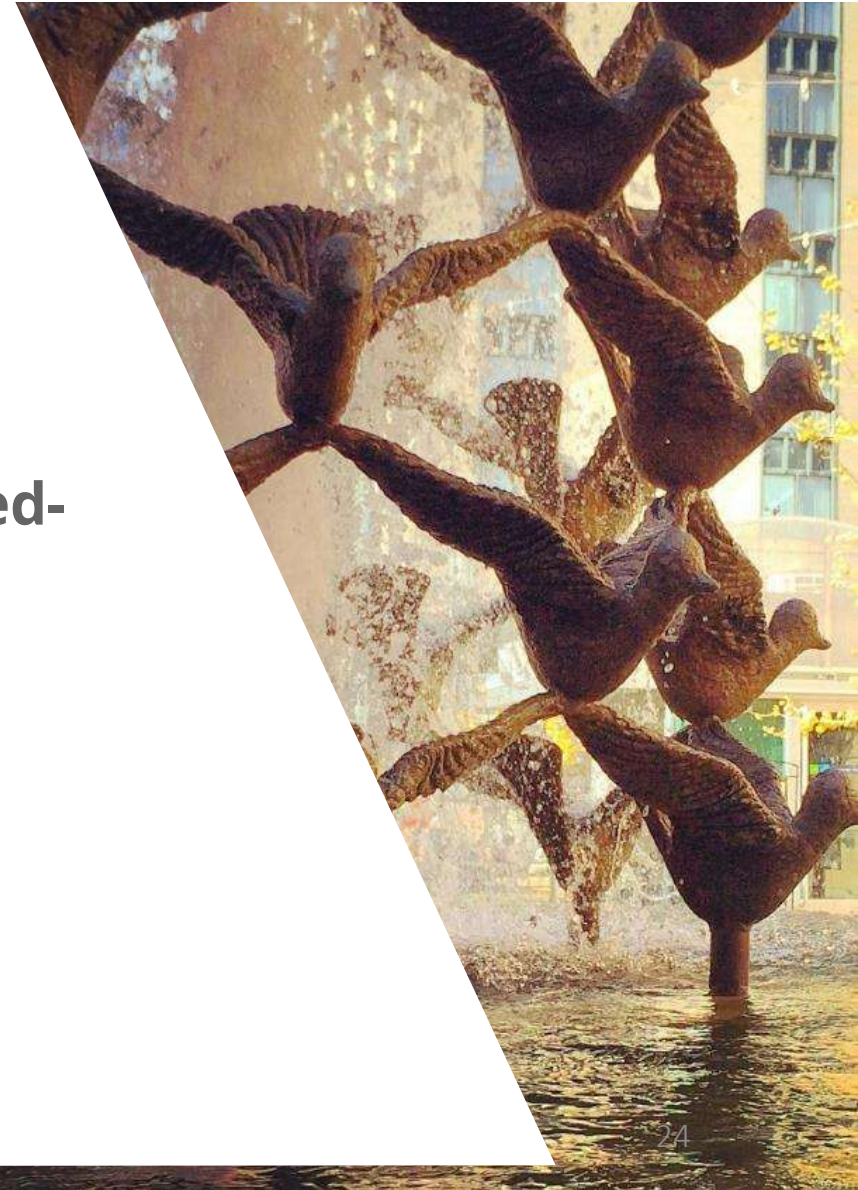
Snapshot of City Monitoring Document

	A	B	C	D	E	F	G	J	L	S	T	U	Z
	City Department	Grant Name	Application Status	Grant Organization Name	Granting Agency	Grant Type	Grant Purpose / Scope of Work	Total Project Cost (\$)	Grant Amount Awarded (\$)	Timeline for drawdown of federal funds	Does this have a grant agreement?	Working Recommendation	Grant Program related to EO order?
1	Admin	EDA-06-79-0428	Awarded	Economic Development Administration (EDA)	Economic Development Administration (EDA)	Federal	Travel, Tourism and Recreation to fund Chateau Theatre Bathroom Renovations (ada accessibility & family bathroom), Mayo Civic Center Marquee and Mayo Park Enhancements	\$663,570.00	\$468,639.00	After Construction of All 3 Projects started; have already incurred expenses of \$393,470 for the projects		Proceed with grant and project	
2	Admin	Equity in the Built Environment	Awarded	Department of Labor	Department of Labor	Federal	Creating pathways to Built Environment Careers for Women of Color	\$1,750,000.00	\$750,000.00	The grant will sunset on April 30th of 2025. We have 30 days past that to close out PMS and finalize draw down.		Proceed with grant and project	Yes
3	Admin	RAISE 2022	Awarded	US Department of Transportation (USDOT)	USDOT-FHWA	Federal	6th Street Bridge, Street and Riverfront improvements - Build a multi-span bridge on 6th Street to connect the street and trail network across the Zumbro River and make updates to the roadway between 9th Ave SE and 2nd Ave SW along 6th Street South	\$23,900,000.00	\$19,900,000.00			Proceed with project while attempting to finalize grant agreement	
6	Admin	RAISE 2025	Awarded	US Department of Transportation (USDOT)	USDOT-FHWA	Federal	South Broadway Boulevard Corridor Planning Project, including Complete Street enhancements, a pedestrian/bike overpass and elements like pedestrian refuge, high-visibility crosswalks, and Soldiers Field Memorial Park Improvements	\$2,500,000.00	\$2,500,000.00			Pause any activity until signed grant agreement	
7	Parks & Rec	Federal Outdoor Recreation Legacy Grant	Awarded	National Park Service, MN Department of Natural Resources	MNDNR	Federal	Plummer House Water Tower	\$22,000,000.00	\$5,000,000.00		Yes-signed and approved	Proceed with grant and project	
36	Parks & Rec	National Park Service Save Our Treasures Grant	Awarded	National Park Service	National Park Service	Federal	design, engineering, and construction of bus stop improvements, and construction of 75th St park and ride	\$787,300.00	\$383,650.00		Yes-signed and approved	Pause any activity until signed grant agreement	
43	Transit	MN-2023-024 Section 5339(b) Discretionary for Bus Stop Improvements and 75th St. Park and Ride Construction	Awarded	Federal Transit Administration (FTA)	Federal Transit Administration (FTA)	Federal	Link BRT	\$5,424,180.00	\$4,339,344.00	Bus stop pads & shelter Construction will start as soon as weather allows. Draw downs will occur once construction starts. August 19, 2027	Yes-signed and approved	Seek consultation with Deputy City Administrator Parish and Finance Director	
36	Transit	MN-2025-0015309 Small Starts Grant for Link BRT	Awarded	Federal Transit Administration (FTA)	Federal Transit Administration (FTA)	Federal		\$156,012,949.00	\$84,917,168.00		Yes-signed and approved	Proceed with grant and project	Yes
39													



Developer Funding Requests

- DMC EDA + City are in discussion with several development teams
- Proposed projects would provide mixed-income housing + West Transit Village development



DMC FUNDING BALANCE

As of September 2024

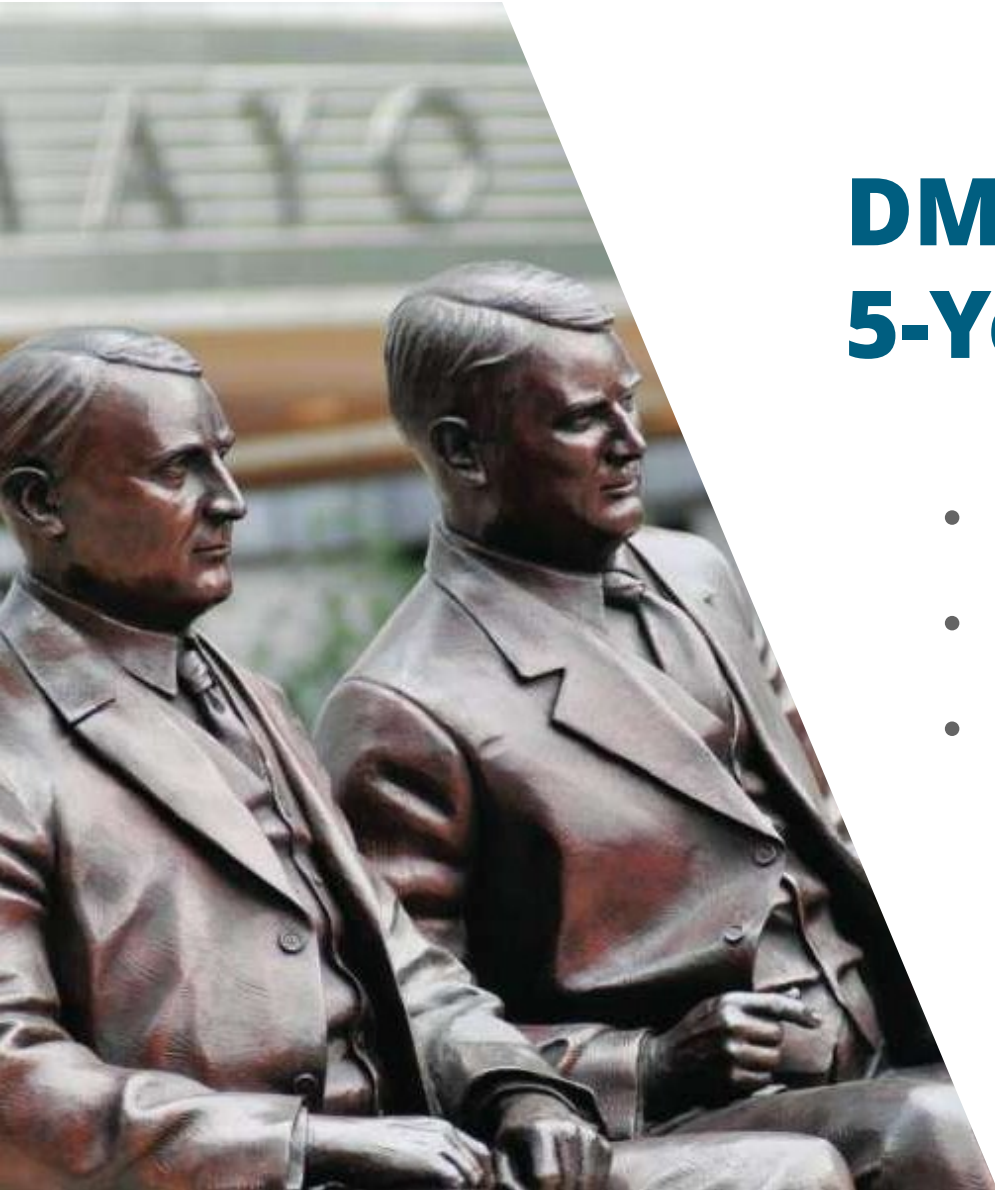
Source	Total Available	2015-2024 Total Committed	Proposed 2025 Capital Plan	Amount Remaining
General State Infrastructure Aid	\$327,000,000	\$133,292,308	\$7,600,000	\$186,107,692 *
City DMC Aid	\$128,000,000	\$68,385,646	\$4,675,660	\$54,938,694 **
State Transit Aid	\$69,600,000	\$28,190,758	\$21,162,437	\$20,246,805 ***
County Transit Aid	\$46,400,000	\$13,323,482	\$4,948,292	\$28,128,226
State Sales Tax Exemption	\$14,000,000	\$0		\$0
TOTAL	\$585,000,000	\$243,192,194	\$38,486,389	\$289,421,417

* Does not include remaining commitment to Sixth Street Connectivity (\$3.5M)

**TIF payment figures will be updated annually (\$33.9M in remaining DMC-eligible payments)

*** Does not include remaining commitment to Link BRT (\$7.05M)





DMC Development Plan 5-Year Update

- 10-year retrospective analysis
- May 2025 board meeting goals
- Fall 2025 consideration and approval



Shared Lab

- **DMC EDA, Mayo Clinic, Mortenson refining operating and capital investment needs**
- **DMC capital investment request dependent upon sustainable operating model, consistency with DMC Development Plan and statutory authority**

