



DMC  
Destination  
Medical Center

Destination Medical Center Corporation  
Board of Directors Meeting

Thursday, February 5, 2026  
9:30 A.M.



DESTINATION MEDICAL CENTER CORPORATION (DMCC)  
BOARD MEETING

Thursday, February 5, 2026  
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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XIV. Meeting Schedule

A. Executive Committee: March 13, 2026.

B. Next Regular Meeting: May 21, 2026 at 9:30 A.M. at Mayo Civic Center

XV. Adjournment



DESTINATION MEDICAL CENTER CORPORATION (DMCC)  
BOARD OF DIRECTORS MEETING

Wednesday, December 10, 2025  
9:30 A.M.

MINUTES

- I. Call to Order. Chair Pamela Wheelock called the meeting to order at 9:30 a.m.
- II. Roll Call. Doug Baker, Kristin Beckmann, Jim Campbell, Mayor Kim Norton, Council President Randy Schubring, Commissioner Mark Thein, Pamela Wheelock, and Paul Williams were present.
- III. Approval of Agenda. Commissioner Thein moved approval of the agenda. Mr. Williams seconded the motion.  
  
Ayes: 8, Nays: 0. Motion approved.
- IV. Approval of Minutes: September 25, 2025 Regular Meeting. Mayor Norton moved approval of the minutes. Council President Schubring seconded the motion.  
  
Ayes: 8, Nays: 0. Motion approved.
- V. Administration of Oath of Office. Chair Wheelock administered the ceremonial oath of office to new board director Kristin Beckmann.
- VI. Public Comment. Wendy Shannon, Chair of the University of Minnesota Rochester (UMR) Chancellor's Advisory and Advocacy Committee, Maria Garcia-Moya, UMR student, and Tim Penny, member of the UMR Chancellor's Advisory and Advocacy Committee, all spoke regarding the presence, impact, and anticipated expansion of UMR in downtown Rochester.
- VII. Chair's Report. Chair Wheelock noted that the board meeting agenda includes several action items.
- VIII. Commendation of James R. Campbell. General Counsel Tami Diehm read the commendation for the record. Board members thanked Mr. Campbell for his service on the board. Mr. Campbell provided brief remarks on his board tenure.

Resolution: Commending James R. Campbell and Expressing Gratitude and Appreciation for his service to the Destination Medical Center Corporation. Mr. Baker moved approval of the resolution. Mayor Norton seconded the motion.

Ayes: 8. Nays: 0. Motion approved.

- IX. Consent Agenda. Mayor Norton moved approval of the consent agenda. Commissioner Thein seconded the motion.

Ayes: 8. Nays: 0. Motion approved.

- X. EDA Board President Comments. Dr. Clark Otley, President of the DMC EDA board of directors, and Dr. Janani Reisenauer, Division Chair of Thoracic Surgery and Medical Director for Research Innovation, Business Development, Mayo Clinic, provided remarks on the importance of growing the regional health-tech innovation ecosystem and growing worldwide interest in Rochester as a location for health-tech business development. Dr. Otley also noted the presence of and welcomed Dr. Rebecca Cunningham, President of the University of Minnesota.

- XI. Talent as Infrastructure: University of Minnesota Update. Dr. Rebecca Cunningham, President of the University of Minnesota, Dr. Lori Carrell, Chancellor of the University of Minnesota Rochester (UMR), and Gregg Goldmann, Executive Vice President for Finance and Operations for the University of Minnesota, presented plans for UMR's growth in downtown Rochester.

- XII. Action Items.

- A. Downtown Historic District Infrastructure Report and Recommendation. DMC EDA Executive Director Patrick Seeb, DMC EDA Director of Public Experience for Strategic Infrastructure Brooke Carlson, and City of Rochester Deputy Administrator Cindy Steinhauser presented a proposed set of programmatic changes, as well as project funding requests, for board consideration.

Resolution: Approving Amendment to Resolution No. 149-2024 Establishing a Downtown Property Preservation Program to Address Public Infrastructure Projects within the City of Rochester's Downtown Commercial Historic District. Council President Schubring moved approval of the resolution. Mayor Norton seconded the motion.

Ayes: 8. Nays: 0. Motion approved.

- B. Link Bus Rapid Transit Report and Contingency Budget Use Request. Mr. Seeb, Ms. Carlson, and Ms. Steinhauser presented the proposed expenditure of Link bus rapid transit contingency funds. Board members encouraged City staff to continue closely monitoring use of project contingency funding.

Resolution: Authorizing Use of Unallocated Link BRT Project Contingency Funding. Mr. Williams moved approval of the resolution. Mr. Campbell seconded the motion.

Ayes: 8. Nays: 0. Motion approved.

XIII. Discussion Items.

- A. Five-Year Update to DMC Development Plan. Dr. Otley, Mr. Seeb, DMC EDA Director of Public Infrastructure & Development Strategy Catherine Malmberg, and SmithGroup Vice President and Urban Design Studio Leader Michael Johnson presented the draft five-year update to the DMC Development Plan. Board members offered feedback, noting that: DMC's success is dependent upon its successful implementation; Rochester is a "company town" that customers (patients) travel to; and strategy must be translated into clear implementation options for the board to consider, including the areas of affordability and housing innovation.

XIV. Information Items. Information reports were included in the board materials.

XV. Meeting Schedule. Chair Wheelock noted that the next meeting of the DMCC board of directors is scheduled for February 5, 2026 at the Mayo Civic Center.

XVI. Adjournment. Mr. Baker moved to adjourn the meeting. Commissioner Thein seconded the motion.

Ayes: 8. Nays: 0. Motion approved.





February 5, 2026

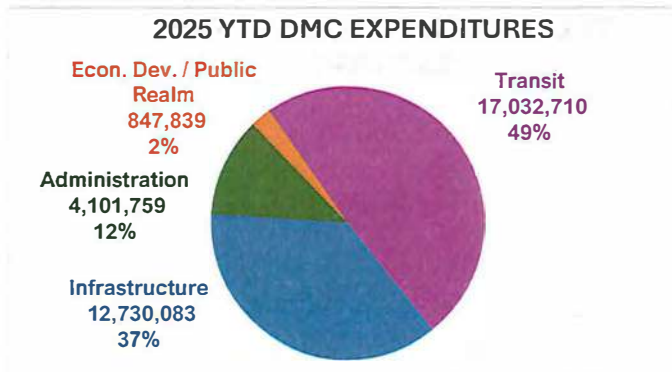
Re: December 2025 DMCC Budget Summary

Dear Mr. Mark Thein, DMC Treasurer,

The attached Financial Budget Summary through December 29, 2025. Additional transfers will continue to be made as the year 2025 closes out. These are not the final amounts for 2025. The attached Financial Budget Summary reflects the DMCC operating expenditures totaling \$3,990,702 of its \$4,608,643 budget for 2025. The remaining amount unspent for the year is 13% of the total budget, primarily in the areas of Travel/Training/Memberships and Contractual Maintenance and Repair.

The second page provides an outline of the DMCC Projects by Category through December 29, 2025, as managed by the City of Rochester and categorized by program budgets. Approximately \$34,712,390 has been spent on these projects in 2025 while \$12,462,781 has been received in revenue. Again, additional revenue will continue to be transferred and recognized as the City continues to close out 2025.

The graph on the right outlines that 49% of the total expense this year has been spent on Transit while 2% has been spent on Economic Development/Public Realm, and 37% being spent on Infrastructure. Total Life-to-Date expenditures for all projects are approximately \$244,376,592.



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**  
**December 29, 2025**

BUDGET ENTITY	OCTOBER EXPENSES	NOVEMBER EXPENSES	DECEMBER EXPENSES	2025 YTD	APPROVED BUDGET	AMOUNT REMAINING	PERCENT REMAINING
<b>DMCC Corporation:</b>							
Rents and Leases	\$ 1,251	\$ -	\$ 5,451	\$ 46,342	\$ 36,607	\$ (9,735)	-27%
Professional Services	12,487	388	30,775	135,960	166,000	30,040	18%
Travel/Training	563	-	169	1,289	6,000	4,711	79%
Insurance and Bonds	11,103	-	-	19,507	11,323	(8,184)	-72%
Interest / Other Administrative	3	3	3	39	-	(39)	
<b>Subtotal DMCC</b>	<b>25,408</b>	<b>391</b>	<b>36,397</b>	<b>203,138</b>	<b>219,930</b>	<b>16,792</b>	<b>8%</b>
<b>DMC EDA - Third Party Costs</b>							
Employee Services	201,937	66,150	203,577	1,693,767	2,034,578	340,811	17%
Operating Expenses	38,349	5,243	23,918	234,528	82,312	(152,216)	-185%
Economic Development Outreach & Support	154,577	45,478	(72,217)	227,098	576,752	349,654	61%
Professional Services	19,285	29,794	27,257	283,067	234,008	(49,059)	-21%
Miscellaneous Expenses	-	-	23,025	157,770	56,492	(101,278)	-179%
<b>Subtotal DMC EDA</b>	<b>414,148</b>	<b>146,666</b>	<b>205,560</b>	<b>2,596,229</b>	<b>2,984,142</b>	<b>387,913</b>	<b>13%</b>
<b>City of Rochester Project Management Budget - Third Party Costs</b>							
Employee Services	131,962	94,631	110,920	1,122,990	1,304,032	181,042	14%
Contractual Maint and Repair	-	-	-	300	38,760	38,460	99%
Expert and Professional Services	4,804	4,583	4,583	14,204	8,405	(5,799)	-69%
Travel/Training/Memberships	1,774	118	130	4,564	18,277	13,713	75%
Operations Expenses	264	909	613	23,167	17,434	(5,733)	-33%
Miscellaneous/Other	195	75	4,775	26,110	17,663	(8,447)	-48%
<b>Subtotal City Project Management</b>	<b>138,999</b>	<b>100,316</b>	<b>121,021</b>	<b>1,191,335</b>	<b>1,404,571</b>	<b>213,236</b>	<b>15%</b>
<b>Total DMCC Operations</b>	<b>\$ 578,555</b>	<b>\$ 247,373</b>	<b>\$ 362,978</b>	<b>\$ 3,990,702</b>	<b>\$ 4,608,643</b>	<b>\$ 617,941</b>	<b>13%</b>

City of Rochester, MN DMCC Projects by Category Through December 29, 2025									
PROJECT	OCTOBER		NOVEMBER		DECEMBER		YTD REVENUES	YTD EXPENSES	LTD EXPENSES
	REVENUE	EXPENSES	REVENUE	EXPENSES	REVENUE	EXPENSES			
<b>Administration</b>									
C.8601 - COR Administrative Costs-DMCC			10,865	-	(42,310)	-	209,342	837,575	\$ 5,393,264
C.8602 - Contributions to DMC Corporatn		439,857	-	147,360	-	236,431	-	2,771,722	34,614,054
C.8606 - City Staff Costs-DMCC	2,124	2,124	1,312	1,312	1,608	1,608	11,003	11,003	463,152
C.8629 - Development Plan Update	-	1,709	-	354,363	-	11,745	-	481,459	636,419
<b>Total Administration</b>	<b>28,290</b>	<b>667,557</b>	<b>12,178</b>	<b>503,035</b>	<b>(40,702)</b>	<b>249,784</b>	<b>220,345</b>	<b>4,101,759</b>	<b>42,893,807</b>
<b>Econ Development/Public Realm</b>									
C.8624 - Chateau Theatre Building Improvement Purchase							(745)	178,935	11,797,336
C.8625 - Heart of the City		161,455				2,295	35,585	272,571	22,015,020
C.8633 - Strategic Development		13,889		69,584		54,986		168,240	2,368,240
C.8634 - Riverfront Reimagined		7,124						56,441	1,106,709
C.8904 - Discovery Walk		7,205				45,198		171,651	18,504,497
C.8905 - CnstrctSnSwCpBys3AveSWfr2SISW									27,132
<b>Total Econ Development/Public Realm</b>	<b>-</b>	<b>189,673</b>	<b>-</b>	<b>69,584</b>	<b>-</b>	<b>102,479</b>	<b>34,840</b>	<b>847,839</b>	<b>56,360,028</b>
<b>Infrastructure</b>									
C.7318 - Reconstruct North Broadway								73	22,674,123
C.1037 - Steam Replace/District Energy		2,170,413		823,307		1,014,422	5,009,207	10,652,709	24,039,594
C.8908 - Reconstruct 6th Ave W < 2nd St SW > Civic Center Dr NW		45,025		47,803		78,952		171,780	171,780
C.8711 - Private District Energy Pilot		1,500						11,130	93,746
C.7344 - Reconstruct 3rd Avenue NW Between 4th St. SW and 5th St SW				3,526				3,526	409,603
C.7919 - 6th Street Bridge over Zumbro River		278,911		423,550		6,602	220,000	1,890,865	3,375,028
<b>Total Infrastructure</b>	<b>-</b>	<b>2,495,849</b>	<b>-</b>	<b>1,298,187</b>	<b>3,094,230</b>	<b>1,099,976</b>	<b>5,229,207</b>	<b>12,730,083</b>	<b>85,857,741</b>
<b>Transit</b>									
C.8707 - Rapid Transit Projects	1,586,195	2,773,421	1,519,862	2,592,994	1,579,122	3,869,622	6,978,389	16,663,899	46,352,492
C.8712 - Reconnect Active Transport - BFU		247,815		99,245		21,751		368,811	368,811
<b>Total Transit</b>	<b>1,586,195</b>	<b>3,021,235</b>	<b>1,519,862</b>	<b>2,692,240</b>	<b>1,579,122</b>	<b>3,891,372</b>	<b>6,978,389</b>	<b>17,032,710</b>	<b>59,265,016</b>
<b>Total Project Costs</b>	<b>\$ 1,614,485</b>	<b>\$ 6,374,314</b>	<b>\$ 1,532,040</b>	<b>\$ 4,563,046</b>	<b>\$ 4,632,650</b>	<b>\$ 5,343,611</b>	<b>\$ 12,462,781</b>	<b>\$ 34,712,380</b>	<b>\$ 244,376,592</b>

MEMO

To: Brian Anderson, Assistant Treasurer, DMC Corp.

From: Patrick Seeb, Executive Director, DMC EDA

Date: January 27, 2026

**RE: Request for 2025 Budget Encumbrance**

As of January 1, a limited set of ongoing 2025 DMC EDA work activities will extend into early 2026, necessitating an encumbrance of 2025 DMC budget funds to complete the work. The encumbrance is sourced from unspent 2025 DMC EDA operating capital and will support the completion of several projects, including:

- Website and marketing improvements resulting from the Five Year (2025) Update to the DMC Development Plan: \$100,000
- Neighborhood public realm planning and impact mitigation efforts adjacent to the Bold. Forward. Unbound. in Rochester campus expansion: \$24,500
- A business development ecosystem survey: \$8,400
- Development of a coordinated communication and education campaign to support businesses along the 2nd St. SW corridor during and after LINK BRT construction (a partnership with the Bicycle Alliance of Minnesota): \$9,000

The DMC EDA requests that the DMC Corp. board of directors approve the encumbrance of unspent 2025 DMC EDA operating funds to complete these scopes of work.



## **FEBRUARY 15 REPORT TO THE LEGISLATURE**

FEBRUARY 2026

### **Requested Board Action**

Execute and submit the annual Report to the Legislature.

### **Highlights & Key Considerations**

The Minnesota state statutes governing the DMC initiative provide that by February 15 of each year, the DMCC and the City of Rochester must jointly submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over local and state government operations, economic development, and taxes, to the Commissioners of Revenue and Employment and Economic Development, and to Olmsted County.

The report must include the following specific elements:

- the development plan and any proposed changes to the development plan progress of projects identified in the DMC development plan
- actual costs and financing sources, including the amount paid with DMC state aid, and required City and County DMC contributions of projects completed in the previous two years by the DMCC, City, County, and Mayo Clinic
- estimated costs and financing sources for projects to be started in the next two years by the DMCC, City, County, and Mayo Clinic
- debt service schedules for all outstanding obligations of the City for debt issued for DMC projects

The DMC EDA endorses, and recommends that the DMCC board of directors submit, the enclosed Report to the Legislature. The Rochester City Council is scheduled to consider the report at its February 2, 2026 regular meeting.

### **Attachments / Exhibits**

- 2026 Report to the Legislature



**DESTINATION MEDICAL CENTER CORPORATION**

**RESOLUTION NO. \_\_\_\_\_-2026**

**AUTHORIZING REPORT TO THE LEGISLATURE PURSUANT TO STATUTE**

**BACKGROUND RECITALS**

A. Minnesota Laws, Chapter 143, Article 10 (the “**Act**”) provides that by February 15 of each year, the Destination Medical Center Corporation (“**DMCC**”) and the City of Rochester (the “**City**”) must jointly submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over local and state government operations, economic development, and taxes, to the Commissioners of Revenue and Employment and Economic Development, and to Olmsted County. The DMCC and the City must also submit the report as provided in Minnesota Statutes, Section 3.195.

B. The DMCC and City staff have prepared a draft report, due on February 15, 2026, and attached as Exhibit A.

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED**, by the DMCC Board of Directors that the Chair or Vice Chair of the DMCC is authorized to execute and submit the report to the Minnesota Legislature as required by the Act, in form similar to the report attached here as Exhibit A, as may be modified through further discussions with the City, and to take such other actions as are necessary and appropriate to effectuate the timely submission of the report to the Minnesota Legislature.

41725846v1

**EXHIBIT A**



February [10], 2026

The Honorable Tou Xiong  
Chair, State and Local Government  
Committee  
Minnesota State Senate  
3203 Minnesota Senate Building  
95 University Avenue W  
St. Paul, MN 55155

The Honorable Jim Nash  
Chair, State Government Finance and Policy  
Committee  
Minnesota House of Representatives  
2nd Floor, Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155

The Honorable Andrew Lang  
State and Local Government Committee  
Minnesota State Senate  
2205 Minnesota Senate Building  
95 University Ave W  
St. Paul, MN 55155

The Honorable Ginny Klevorn  
Chair, State Government Finance and Policy  
Committee  
Minnesota House of Representatives  
5th Floor, Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155

The Honorable Bobby Joe Champion  
Chair, Jobs and Economic Development  
Committee  
Minnesota State Senate  
3401 Minnesota Senate Building  
95 University Ave W  
St. Paul, MN 55155

The Honorable Dave Baker  
Chair, Workforce, Labor, and Economic  
Development Finance and Policy Committee  
Minnesota House of Representatives  
2nd Floor, Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155

The Honorable Rich Draheim  
Jobs and Economic Development Committee  
Minnesota State Senate  
2225 Minnesota Senate Building  
95 University Ave W  
St. Paul, MN 55155

The Honorable Dave Pinto  
Chair, Workforce, Labor, and Economic  
Development Finance and Policy Committee  
Minnesota House of Representatives  
5th Floor, Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155

The Honorable John Marty  
Chair, Finance Committee  
Minnesota State Senate  
3235 Minnesota Senate Building  
95 University Ave W  
St. Paul, MN 55155

The Honorable Paul Torkelson  
Chair, Ways and Means Committee  
Minnesota House of Representatives  
2nd Floor, Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155

The Honorable Eric Pratt  
Finance Committee  
Minnesota State Senate  
2217 Minnesota Senate Building  
95 University Ave W  
St. Paul, MN 55155

The Honorable Ann Rest  
Chair, Taxes Committee  
Minnesota State Senate  
328 Capitol  
75 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155

The Honorable Bill Weber  
Taxes Committee  
Minnesota State Senate  
2211 Minnesota Senate Building  
95 University Ave W  
St. Paul, MN 55155

The Honorable Matt Varilek  
Commissioner, Minnesota Department of  
Employment and  
Economic Development  
180 E. 5th Street, Suite 1200  
St. Paul, MN 55101

The Honorable Paul Marquart  
Commissioner, Minnesota Department of  
Revenue  
600 North Robert Street  
St. Paul, MN 55101

The Honorable Cedrick Frazier  
Chair, Ways and Means Committee  
Minnesota House of Representatives  
5th Floor, Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155

The Honorable Greg Davids  
Chair, Taxes Committee  
Minnesota House of Representatives  
2nd Floor, Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155

The Honorable Aisha Gomez  
Chair, Taxes Committee  
Minnesota House of Representatives  
5th Floor, Centennial Office Building  
658 Cedar Street  
St. Paul, MN 55155

The Honorable Mark Thein  
Chair, Olmsted County  
Board of Commissioners  
151 4th St SE  
Rochester, MN 55904

**Re: Destination Medical Center – February 15, 2026 Report**

Dear Senators, Representatives, Commissioners, and Chairs:

On behalf of the Destination Medical Center Corporation (DMCC) and the City of Rochester, we are honored to submit the 2026 Annual Report to the Legislature pursuant to Minnesota Statutes § 469.43.

In 2013, the Minnesota Legislature took an extraordinary step: it created the Destination Medical Center initiative to ensure that Minnesota would remain the world's leader in health, science, and innovation. That vision has proven both sound and forward-looking. Today, DMC stands as an initiative that has delivered measurable economic growth, fiscal return, and public benefit while operating with exceptional transparency and discipline.

Since adopting a Development Plan in 2015, DMC has verified nearly \$1.8 billion in qualified private investment, leveraged by nearly \$200 million in public infrastructure aid. These investments have transformed Rochester's downtown, created thousands of jobs, and strengthened Minnesota's tax base. They have also reaffirmed the Legislature's original intent: that limited, performance-based public investment, directed by a strong local partnership, could secure a generational advantage for our state's economy.

This year, the DMCC and City updated the DMC Development Plan, fulfilling the statutory requirement to recalibrate the program at least every five years. That update adapted our strategies to changing market conditions, engaged our community in setting priorities, and documented DMC's results in clear, verifiable terms. The updated plan sets the course for our next phase, centered on encouraging health and med-tech innovation, catalyzing purposeful growth like Mayo Clinic's \$5 billion campus expansion, called Bold. Forward. Unbound. in Rochester, and leveraging that growth to design and build resilient, people-centered public space and infrastructure.

A prominent example of that innovation strategy is BioLabs Rochester, which is soon to offer nearly 16,000 square feet of shared wet-lab and office space for emerging health- and med-tech companies. BioLabs is an international-caliber research and commercialization asset, and its presence in Minnesota is only possible because of Mayo Clinic's global scale, the community's commitment to remaining America's City for Health, and the long-term public-private framework the Legislature created through DMC. As a result, Minnesota's med-tech and biotech entrepreneurs will soon have access to infrastructure that expands opportunity statewide and strengthens our position in globally competitive industries.

Throughout this work, DMC has continued to uphold the trust the Legislature placed in it. All state aid is released only after certification of private investment by the Department of Employment and Economic Development (DEED). Every expenditure is reviewed and approved by the City of Rochester and the DMCC Board in public meetings, and DEED plays an important role in auditing and certifying public and private investments. This layered oversight structure has kept the initiative disciplined, accountable, and transparent.

What began as a bold idea is now a proven model - one that other states look to as they consider how to link innovation, infrastructure, and community prosperity. Through DMC, Minnesota is not only home to the world's most trusted medical institution; it has become a living example of how partnership, prudence, and vision can drive statewide economic success. In an era of global competition for talent and investment, DMC strengthens Minnesota's brand as a place where science, commerce, and community thrive together.

The years ahead will build on this foundation. The DMCC and City will continue to deliver projects responsibly, preserve reserves for DMC's next phase, and expand partnerships that extend DMC's benefits across Minnesota.

We are deeply grateful for the State's trust and partnership in this work, and we remain committed to ensuring that this unique economic development program continues to deliver measurable growth, public accountability, and pride for our entire state.

Respectfully submitted,

---

Pamela Wheelock, Chair  
Destination Medical Center Corporation

---

Kim Norton, Mayor  
City of Rochester

Enclosures

cc: Legislative Reference Library



# DMC ANNUAL REPORT

Destination Medical Center Corporation & City of Rochester  
February 2026



City of Rochester: 507.328.2900



City of Rochester  
DMC Corporation  
201 4th St. SE  
Rochester, MN 55904



[rochestermn.gov](http://rochestermn.gov)  
[dmc.mn](http://dmc.mn)

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# The State of Minnesota's DMC Act requires that five elements be included in this annual report.

01

The Development Plan and any proposed changes to the Development Plan.

02

Progress of projects identified in the Development Plan.

03

Actual costs and financing sources, including the amount paid under Minnesota Statutes Section 469.47, and required local contributions of projects completed in the previous two years by the DMCC, the City, County, and Mayo Clinic.

04

Estimated costs and financing sources for projects to be started in the next two years by the DMCC, the City, County, and Mayo Clinic.

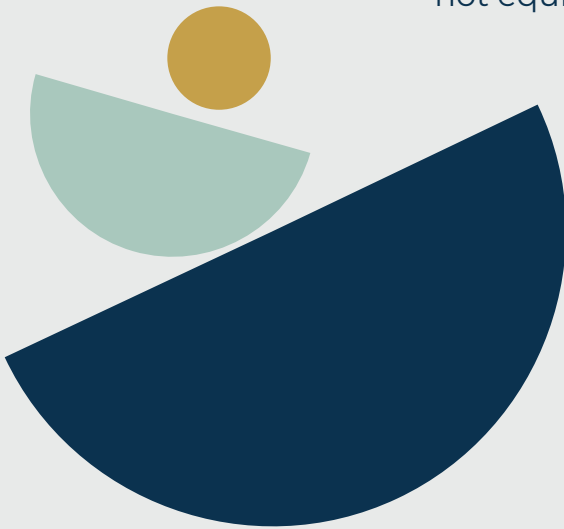
05

Debt service schedules for all outstanding obligations of the City for debt issued for projects identified in the plan.

# 01

## The Development Plan and changes to the Development Plan.

The Destination Medical Center initiative was established by the Minnesota Legislature in 2013 to ensure that Rochester could continue supporting Mayo Clinic's global leadership in patient care, research, and innovation. At the time Mayo Clinic was poised for significant growth, but Rochester's infrastructure, transit, streets, utilities, and the broader civic experience was not equipped to keep pace.



City of Rochester, Olmsted County, and Mayo Clinic leaders believed that this anticipated growth could, if properly leveraged, positively benefit:

- The state's position in the global health and wellness economy
- Minnesota residents and taxpayers
- Minnesota's largest employer
- The experience of patients, families, working professionals, and visitors who come to Rochester from around the world

The Legislature responded by creating a **new model of state–local–private partnership: Private investment would lead, public investment would follow, and all public funding would be performance-based and fully transparent.**

DMC is not a cookie-cutter development program. DMC leverages Rochester's position as **America's City for Health**, benefiting all Minnesotans.

# How DMC Works: The Model and Performance-Based State Funding

## DMC's Financing Model is Unique in Minnesota

- The City of Rochester and Olmsted County make local public contributions
- State funding is released only after private investment is verified by DEED, ensuring taxpayer investments follow real, measurable economic activity
- The DMCC Board of Directors, with a plurality of State-appointed members, and the Rochester City Council approve all public infrastructure projects; the City delivers them; and DEED maintains State oversight

## A 20-Year Public–Private Partnership

The partners—State of Minnesota, City of Rochester, Olmsted County, and Mayo Clinic—each play a distinct role, with the DMCC and City Council providing fiduciary oversight and strategic direction

## A Plan Designed for Growth

State law requires a long-term Development Plan that guides investment strategy, infrastructure, mobility, housing, and economic development

## What DMC Has Delivered So Far

- \$1.8 billion in certified private investment in the DMC District
- More than \$150 million in public infrastructure, including Heart of the City, Link BRT, Soldiers Field, Discovery Walk, and district wide street and utility upgrades
- Thousands of new jobs in healthcare, hospitality, research, technology, and small business
- Historic growth in tax base, housing, and commercial development

In short, DMC has proven the Legislature's hypothesis: A disciplined, performance-based partnership can generate transformational growth while protecting taxpayers and strengthening Minnesota's economy.

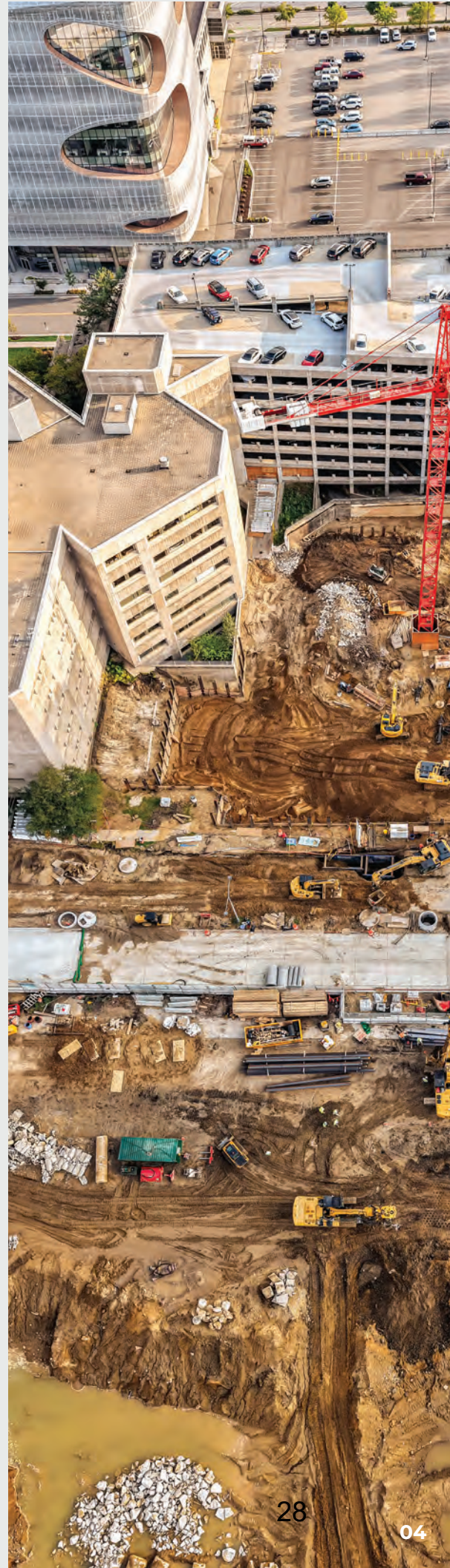


# The 2025 Development Plan Update—Now Adopted.

## Why an Update Was Needed

Beyond the statutory requirement, the past year has proven to be a critical time to update DMC strategies.

- Mayo Clinic launched Bold. Forward. Unbound. in Rochester, the largest capital expansion in Minnesota's history.
- Rochester's population and employment grew at a State-leading pace.
- Local and statewide partners expanded their work on innovation, talent, and business development.
- Public infrastructure delivery accelerated, including Link Bus Rapid Transit, and the 6th Street Bridge, Neighborhood Safety & Riverfront Improvements Project.



# The Framework Guiding DMC's Next Phase.

## 1

### Accelerate Health Innovation

Anchored by Mayo Clinic and strengthened through partnerships with DEED, Medical Alley, Greater MSP, the University of Minnesota, BioLabs Rochester and others, the plan advances innovation by prioritizing:

- Shared R&D infrastructure
- Startup and commercialization support
- Tech and biotech cluster growth
- Talent pipelines linked to statewide institutions

This positions Minnesota as a global competitor in med-tech, bio-innovation, AI-enabled care, and digital health—industries that employ Minnesotans from every region.

## 2

### Design for Well-Being

A tailored approach to Rochester's built environment that integrates:

- Mobility and transit (Link BRT and safe multimodal corridors)
- High-quality public spaces (Heart of the City, Discovery Walk, Soldiers Memorial Field)
- Housing access and neighborhood connections
- Resilience, safety, and public health
- World-class streets, parks, and amenities

This is one way Rochester lives its identity as **America's City for Health**.

## 3

### Drive Purposeful Growth

Ensures predictable, aligned, sustainable development through:

- Sequenced public infrastructure
- Coordinated capital planning with Mayo Clinic's Bold. Forward. Unbound. in Rochester
- Workforce and housing strategies
- Market-facing clarity for developers and employers
- Strong governance and transparent financial management

Purposeful growth keeps Rochester competitive and stable, reinforcing the State's investment.

# Why This Matters for Minnesota—Not Just Rochester

The updated plan makes explicit what has become increasingly clear:

**Rochester's growth is a statewide asset.**



## Statewide Economic Return

The independent analysis prepared as part of the update shows that DMC has generated more than \$1.6 billion in estimated new net tax revenue, much of it accruing to the State of Minnesota. This is not because of run-of-the mill economic activity—it is because DMC amplified an asset that exists only in Minnesota, and only in Rochester.

## Statewide Workforce Opportunities

Mayo Clinic is Minnesota's largest private employer, with approximately 50,000 Minnesota-based employees. Jobs created through DMC—in health care, research, technology, construction, hospitality, engineering, and small business—draw workers from every region of the state.

## Statewide Industry Alignment

Medical Alley, DEED, Greater MSP, the University of Minnesota, and others all engage with DMC because, together, we strengthen industries where Minnesota leads nationally: med-tech, biotech, health care, and digital health.

## A Nationally Competitive Platform Minnesota Can Claim

Just as Silicon Valley represents tech and Nashville represents music, the DMC Development Plan positions Rochester as the **capital of an industry**—health innovation—that benefits the entire state.

This is why the updated plan matters to legislators whose constituents may never visit Rochester: **The initiative strengthens Minnesota's economic engine.**



## The Development Plan as a Long-Term Commitment

- DMC remains on track to achieve its long-term workforce, investment, tax base, and experience goals
- State investment is generating statewide value
- The performance-based model is working
- Rochester continues to be the global standard-bearer for health and innovation



The updated plan guides DMC capital investment, economic development strategy, innovation initiatives, infrastructure delivery, and statewide partnerships.

## Progress of projects identified in the Development Plan.

# 02

According to the Act, a public infrastructure project must be approved by the DMCC before it is proposed to the City. The DMCC must review the project proposal for consistency with the Development Plan.

Since the adoption of the Development Plan on April 23, 2015, a number of projects have been approved by the DMCC and the City. A map of the DMC Development District and key projects is included as Exhibit A. A summary of major approved projects in the DMC Development District is attached as Exhibit B.

We wish to highlight the progress in 2025 of certain approved projects:

- 2026-2027 Capital Improvement Plan
- 6th Street Bridge, Neighborhood Safety & Riverfront Improvements Project
- Downtown Infrastructure Alignment
- Downtown Property Preservation
- Mobility



# 2026-2027 CAPITAL IMPROVEMENT PLAN (CIP)

In addition to the previously noted projects, the DMCC and City continue to adopt a strategic Capital Improvement Plan (“CIP”). The CIP is intended to support: the completion of prior-approved infrastructure and transit projects, the implementation of successful plans and programs; and the undertaking of new public infrastructure and private development projects. In 2025, the DMCC and City adopted a two-year, rather than annual, budgeting framework, which currently applies to 2026-2027. This capital and operating budget may be amended by the DMCC and City Council as investment opportunities, strategic programs and planning, and capital flows require.



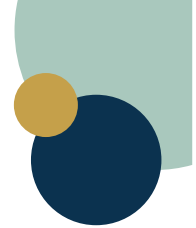
DMC funding remains available to advance previously approved projects, including strategic development, riverfront pre-development, St. Marys Place sub-district public realm, a thermal energy network, multi-modal streets, and implementation of Rochester’s Downtown Task Force recommendations.



The DMC CIP reflects only a portion of the number and type of public and private development projects in the DMC district. Early strategic DMC investments in public infrastructure and commercial and residential projects successfully established Rochester as a destination for investment and development. Additionally, DMC projects continue to benefit from Community Co-design, a process that recruits those most impacted by a project to assist in advocating for underrepresented communities and perspectives. Other projects, which are now proceeding without the need for public DMC support, include workforce and market-rate housing, world-class medical care and research facilities, retail and dining spaces, small business improvements, and more.

In addition to these transformative capital investments, the City and the DMC EDA have successfully secured economic revitalization, sustainability, workforce, and equitable community-building grants, including through DEED's Main Street Economic Revitalization Program, Bloomberg Philanthropies Global Mayors Challenge, and the McKnight Foundation. These grant awards, secured by the DMCC's partners, support and augment the advancement of DMC priorities.

# 6TH STREET BRIDGE, NEIGHBORHOOD SAFETY & RIVERFRONT IMPROVEMENT PROJECT



The Sixth Street Bridge has long been identified as a key link in DMC's Downtown Waterfront and Connectivity Framework, which envisions continuous access and activation along the Zumbro River corridor.

## **Once complete, the bridge will:**

- Expand access to neighborhoods, riverfront and key destinations
- Provide transportation access with walking and biking infrastructure
- Implement 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

The bridge will feature divided traffic lanes, dedicated non-motorized paths, and underpass trail connections that expand safe river access. Public seating and landscape areas will draw on native plant species to maintain ecological integrity and support habitat for river wildlife.

## **Key focus areas for 2025–2026 include:**

- Flood Protection and Permitting: Coordination with the U.S. Army Corps of Engineers (USACE) and the Federal Emergency Management Agency (FEMA) to ensure floodwall modifications maintain protection while enabling under-bridge trail connections.
- Property Acquisition and Environmental Review: Acquisition activities and NEPA / railroad approvals are underway.
- Public-Realm and Riverfront Design: Refinement of greenspace west of the former dairy site, native plant restoration, and under-bridge trail linkages consistent with community input prioritizing safety and access.
- Aesthetic Engagement: 2025 public sessions addressed bridge architecture, lighting, and landscape design.
- Final plans and Construction: Final plans are anticipated by April 2026, and construction is expected to begin in fall 2026.

The \$35.8 million project combines several public infrastructure funding sources, including DMC funds, MnDOT funds, and U.S. DOT funds.

# DOWNTOWN INFRASTRUCTURE ALIGNMENT & WAYFINDING

## DOWNTOWN INFRASTRUCTURE ALIGNMENT

Mayo Clinic’s Bold. Forward. Unbound. in Rochester represents one of the most significant private development efforts in Minnesota’s history—a more than \$5 billion investment that will transform Mayo’s Rochester campus over the next decade. The multi-phase plan includes the replacement of existing facilities, new clinical and logistics buildings, and substantial upgrades to public streets, utilities, and the pedestrian environment.

The Downtown Infrastructure Alignment program coordinates related public improvements within and surrounding the Mayo Clinic campus construction zone, including the adjacent neighborhoods.

**Its purpose is to align City and Mayo Clinic capital projects to ensure:**

- Continuity of mobility and access for patients, employees, and residents during construction
- High-quality public realm design that reflects DMC standards of experience and accessibility
- Long-term reinvestment in connections between the Mayo Clinic campus, Discovery Walk, and nearby neighborhoods.

In 2025, a vision and design framework was developed, resulting in a set of public realm priorities for downtown and adjacent neighborhoods. With that work completed, the 2026–2027 DMC Capital Improvement Plan allocated approximately \$38 million for extraordinary public infrastructure projects adjacent to Bold. Forward. Unbound. in Rochester. This funding is intended, in part, to allow for “dig once” public infrastructure investment strategy, avoiding additional near-and medium-term disruption to residents, businesses, and downtown visitors.

## WAYFINDING

The commencement of major construction in the DMC development district, including LINK bus rapid transit and Mayo Clinic’s Bold. Forward. Unbound. in Rochester program, will create frequently evolving pedestrian wayfinding circumstances for employees, residents, patients, and visitors. Interim wayfinding assets and strategies are being developed and deployed by the City of Rochester, Mayo Clinic, the DMC Economic Development Agency, the Rochester Downtown Alliance, and others, to ensure that the downtown can be successfully navigated during this period.

The 2026-2027 DMC CIP allocates up to \$100,000 per year to interim wayfinding as downtown Rochester absorbs this multi-generational public-private investment.

# DOWNTOWN PROPERTY PRESERVATION



The DMC Development Plan “states 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 incentivize historic preservation [in the] DMC District.” On January 22, 2024, the City established a thirty-two-property, commercial historic district located within the DMC District.

On May 23, 2024, the DMCC approved the allocation funding for public infrastructure projects within the commercial historic district. Since then, more than a dozen properties have been approved by the DMCC resulting in preservation, improvement, adaptive reuse, and substantial private investment.

# Link

Progress continued on the approximately three-mile bus rapid transit project known as “Link BRT.” In 2025, major construction and procurement efforts continued, including the awarding four of five major bid packages; delivery of the initial set of rapid-transit buses; necessary property acquisition and right-of-way improvements; and ongoing communication and construction mitigation strategies to support commerce and visitation along the rapid transit corridor and adjacent service areas. Rapid transit service is expected to commence in late 2027.



Service early in the morning to late at night.



Service every 5 minutes during rush hours & 10 minutes other times.



Fare-free service for all riders.



Fully electric bus fleet with on-route chargers.



Stations with shelter, heating, light, and real-time signage.

# 03

## **Actual Costs and Financing Sources**

**Actual costs and financing sources, including the amount paid under Minnesota Statutes, Section 469.47, and required local contributions of projects completed in the previous two years by the DMCC, City, Olmsted County, and Mayo Clinic.**

The Act requires that an annual certification of private investment by Mayo Clinic and other private investors be made to DEED by April 1 of each year, and DEED must certify that \$200,000,000 of private investment has been made before any state funding may be paid. This threshold was met and exceeded in 2017. The cumulative total amount of certified Mayo Clinic and other private investments to date is \$1,792,869,637.48.

In compliance with Minnesota Statutes Section 469.47, the annual certification of Mayo Clinic and other private investment that was submitted to DEED on March 27, 2025 is attached as Exhibit C. Also, attached as Exhibit D, is the annual certification of City expenditures, which was initially submitted to DEED on March 19, 2025, and subsequently revised on May 28, 2025. DEED conducted its own audit process of the certified expenditures and then approved the expenditures. The DEED certifications are attached as Exhibit E. In addition, we offer the following information:

● \$85,659,020

● The 2026-2027 combined operating and capital improvements budget for the DMC totals \$85,659,020. Of this amount \$4,675,660 will be provided by the County from its 0.25% sales tax. The remaining amount is to be provided by the City of Rochester from a variety of City funding sources, including its 0.25% DMC sales tax. Mayo Clinic provides regular in-kind and financial support to the implementation of the DMC initiative. In 2024, this support totaled more than \$1.4 million in direct support to the DMC Economic Development Agency.

● \$208,494,090

● Through December 31, 2025, General State Infrastructure Aid in the amount of \$186,078,867 , and State Transit Aid in the amount of \$22,415,223, has been received.

● \$25,500,000

● Through December 31, 2025, Olmsted County has contributed \$25,500,000.

● \$78,665,680

● Actual costs paid by the City from commencement through December 31, 2025 have totaled \$78,665,680.65, based on year-end unaudited costs. The funding source was initially City internal borrowing, which is being repaid, along with the costs for new projects and initiatives, by the City's 0.25% DMC sales tax. The City has also issued capital debt for a parking ramp in the district.



**Estimated Costs  
and Financing  
Sources for  
Projects to be  
started in the  
next two years  
by the DMCC,  
City, County,  
and Mayo Clinic**

The Development Plan sets forth a framework and examples of projects that may be considered for funding in the next several years. Each project will be approved on an individual basis. See also the report response to statutory elements “2” and “3”.



# BOLD. FORWARD. UNBOUND. IN ROCHESTER



Rendering of planned new Mayo Clinic facilities in downtown Rochester

## Highlights of the project:



\$5 billion investment



2.4 million square feet of new space



Project complete by 2030



First buildings open in 2029



\$500 million in sustaining projects



# BioLabs

In October 2025, BioLabs Rochester announced a new 16,000-square-foot facility in Two Discovery Square. Developed in collaboration with Mayo Clinic, Destination Medical Center (DMC), the City of Rochester, and Mortenson, with JLL supporting the leasing, and slated to open in late 2026, the Rochester site marks BioLabs' first location in the Midwest and will offer flexible, turnkey lab and office space for early-stage biotech and HealthTech companies. BioLabs Rochester will enable companies to scale efficiently without large upfront investments in lab infrastructure. Startups will gain access to state-of-the-art lab equipment, on-site support services, and a vibrant innovation community. The project is expected to attract global innovators and investors looking to engage with Minnesota's MedTech leadership—centered in Medical Alley, the world's most concentrated cluster of medical device and health innovation companies.



# DMC CAPITAL IMPROVEMENT PLAN

	2026	2027	Source
<b>NEW INFRASTRUCTURE PROJECTS</b>			
Downtown Public-Private Infrastructure Investment Alignment	\$19,185,500	\$19,185,500	STATE DMC AID
Interim Wayfinding-Downtown Construction	\$100,000	\$100,000	STATE DMC AID
Strategic Development	\$3,000,000	\$3,000,000	STATE DMC AID
<b>Subtotal:</b>	<b>\$22,285,500</b>	<b>\$22,285,500</b>	
<b>PRIOR APPROVED INFRASTRUCTURE PROJECTS</b>			
6th Street Bridge + Connectivity	\$2,500,000		STATE DMC AID
<b>Subtotal:</b>	<b>\$2,500,00</b>		
<b>PRIOR APPROVED TRANSIT PROJECTS</b>			
LINK Bus Rapid Transit	\$8,608,226	\$17,230,059	COUNTY DMC TRANSIT AID
	\$2,456,003		STATE DMC TRANSIT AID
<b>Subtotal:</b>	<b>\$11,064,229</b>	<b>\$17,230.059</b>	
<b>OPERATIONS</b>			
DMCC Corporation	\$229,566	\$230,066	City DMC Aid
DMC EDA	\$3,133,864	\$3,290,557	City DMC Aid
City DMC Project Management	\$1,548,610	\$1,631,069	City DMC Aid
City DMC Administration	\$100,000	\$100,000	City DMC Aid
<b>Subtotal:</b>	<b>\$5,012,040</b>	<b>\$5,251,692</b>	
<b>TOTAL:</b>	<b>\$40,861,769</b>	<b>\$44,767,251</b>	

**05**

**Debt service  
schedules for  
all outstanding  
obligations of  
the City for  
debt issued for  
projects  
identified in  
the plan**

**\$21,265,000**

**Rochester, Minnesota**

**General Obligation Tax Increment Revenue Bonds, Series 2017B  
(Parking Ramp Project)**

**DEBT SERVICE SCHEDULE**

Date	Principal	Coupon	Interest	Total P+I
02/01/2018	-	-	-	-
08/01/2018	-	-	540,639.84	540,639.84
02/01/2019	550,000.00	5.000%	381,628.13	931,628.13
08/01/2019	-	-	367,878.13	367,878.13
02/01/2020	735,000.00	5.000%	367,878.13	1,102,878.13
08/01/2020	-	-	349,503.13	349,503.13
02/01/2021	775,000.00	5.000%	349,503.13	1,124,503.13
08/01/2021	-	-	330,128.13	330,128.13
02/01/2022	815,000.00	5.000%	330,128.13	1,145,128.13
08/01/2022	-	-	309,753.13	309,753.13
02/01/2023	855,000.00	5.000%	309,753.13	1,164,753.13
08/01/2023	-	-	288,378.13	288,378.13
02/01/2024	895,000.00	5.000%	288,378.13	1,183,378.13
08/01/2024	-	-	266,003.13	266,003.13
02/01/2025	940,000.00	5.000%	266,003.13	1,206,003.13
08/01/2025	-	-	242,503.13	242,503.13
02/01/2026	990,000.00	5.000%	242,503.13	1,232,503.13
08/01/2026	-	-	217,753.13	217,753.13
02/01/2027	1,035,000.00	5.000%	217,753.13	1,252,753.13
08/01/2027	-	-	191,878.13	191,878.13
02/01/2028	1,090,000.00	2.000%	191,878.13	1,281,878.13
08/01/2028	-	-	180,978.13	180,978.13
02/01/2029	1,110,000.00	2.250%	180,978.13	1,290,978.13
08/01/2029	-	-	168,490.63	168,490.63
02/01/2030	1,135,000.00	3.000%	168,490.63	1,303,490.63
08/01/2030	-	-	151,465.63	151,465.63
02/01/2031	1,170,000.00	2.750%	151,465.63	1,321,465.63
08/01/2031	-	-	135,378.13	135,378.13
02/01/2032	1,200,000.00	2.750%	135,378.13	1,335,378.13
08/01/2032	-	-	118,878.13	118,878.13
02/01/2033	1,235,000.00	2.875%	118,878.13	1,353,878.13
08/01/2033	-	-	101,125.00	101,125.00
02/01/2034	1,270,000.00	2.875%	101,125.00	1,371,125.00
08/01/2034	-	-	82,868.75	82,868.75
02/01/2035	1,305,000.00	3.000%	82,868.75	1,387,868.75
08/01/2035	-	-	63,293.75	63,293.75
02/01/2036	1,345,000.00	3.000%	63,293.75	1,408,293.75
08/01/2036	-	-	43,118.75	43,118.75
02/01/2037	1,385,000.00	3.000%	43,118.75	1,428,118.75
08/01/2037	-	-	22,343.75	22,343.75
02/01/2038	1,430,000.00	3.125%	22,343.75	1,452,343.75
<b>Total</b>	<b>\$21,265,000.00</b>	<b>-</b>	<b>\$8,185,705.47</b>	<b>\$29,450,705.47</b>

**SIGNIFICANT DATES**

Dated Date.....	11/16/2017
Delivery Date.....	11/16/2017
First Coupon Date.....	8/01/2018

**Yield Statistics**

Bond Year Dollars.....	\$254,390.21
AaverageLife.....	11.963 Years
AaverageCoupon.....	3.2177754%
Net Interest Cost (NIC).....	2.7176241%
True Interest Cost (TIC).....	2.6417803%
Bond Yield for Arbitrage Purposes.....	2.6130470%
All Inclusive Cost (AIC).....	2.6889724%

**IRS Form 8038**

Net Interest Cost.....	2.6154299%
Weighted Average Maturity.....	11.612 Years

**THE  
BIB  
EXE**



**MAP OF DMC DEVELOPMENT  
DISTRICT AND KEY PROJECTS**





## DISCOVERY WALK

Discovery Walk is a four-block linear parkway along 2nd Avenue SW. It connects Annenberg Plaza to Soldiers Field Memorial Park and functions as an extension of the Heart of the City public realm project. Discovery Walk is designed to feel like a park and to promote health, wellness, and innovation by creating a high amenity pedestrian experience while also maintaining flexibility for bike and vehicular access as well as civic events and future development. It also serves as a catalyst for future private development in Discovery Square. Construction was substantially completed in 2024 and, in addition to significant upgrades and upsizing of below-grade sewer and street infrastructure that can accommodate future development, includes a pedestrian ramp, pedestrian lighting art, and a snow melt system.

# RIVERFRONT REIMAGINED

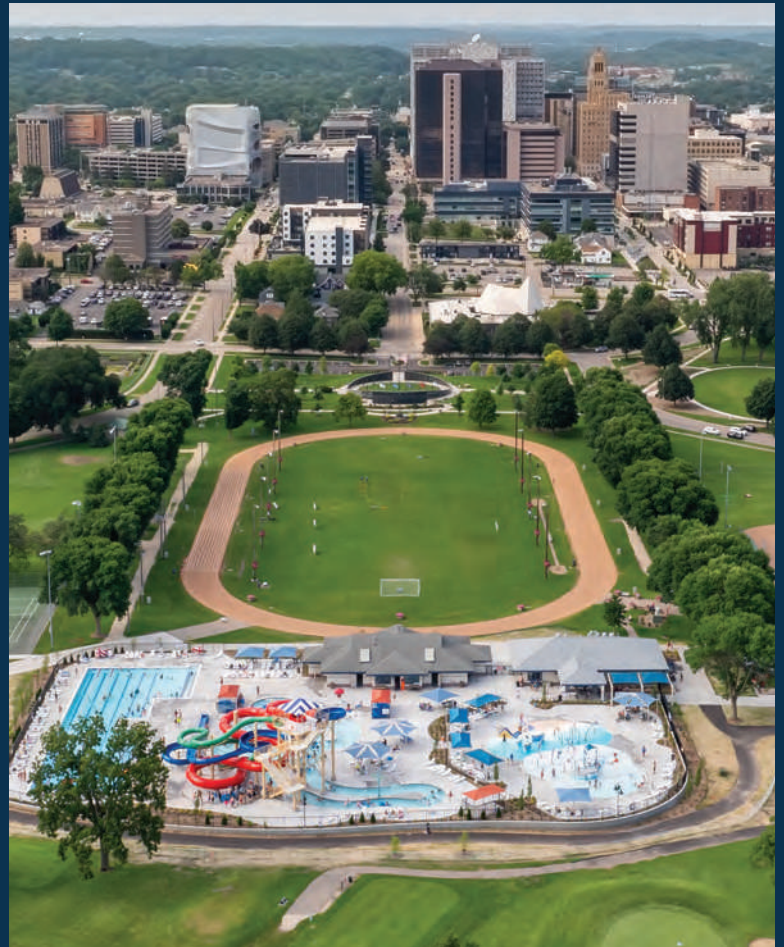
Following a City-initiated small area plan study for a portion of the 60+ acre area located southeast of the downtown core on the Zumbro River, the City continues to lead development of this “front door” to the river to a gateway into downtown. In July of 2022, the City adopted a preferred plan to guide the transformation of the redevelopment area to a future mixed-use neighborhood. In August of 2022, the City was awarded a federal RAISE grant in the amount of \$19.9 million for the Sixth Street Bridge crossing the Zumbro River. In 2025, DMC worked in collaboration with City staff to select the consultant team and will continue to participate in the planning and development process, focusing on the public realm experience and linkages between this site and the rest of the district.

Additionally, several pre-development capital planning and investment efforts are completed or underway, including: the development of a Request for Proposals for the redevelopment of City-owned riverfront sites; new public artwork; and the award of a Minnesota Pollution Control Agency (MPCA) grant to support the construction of a new plaza on the Zumbro Riverfront Trail. The project includes a bike node, seating, a bike fix-it station, and a bio-filter area to manage stormwater.

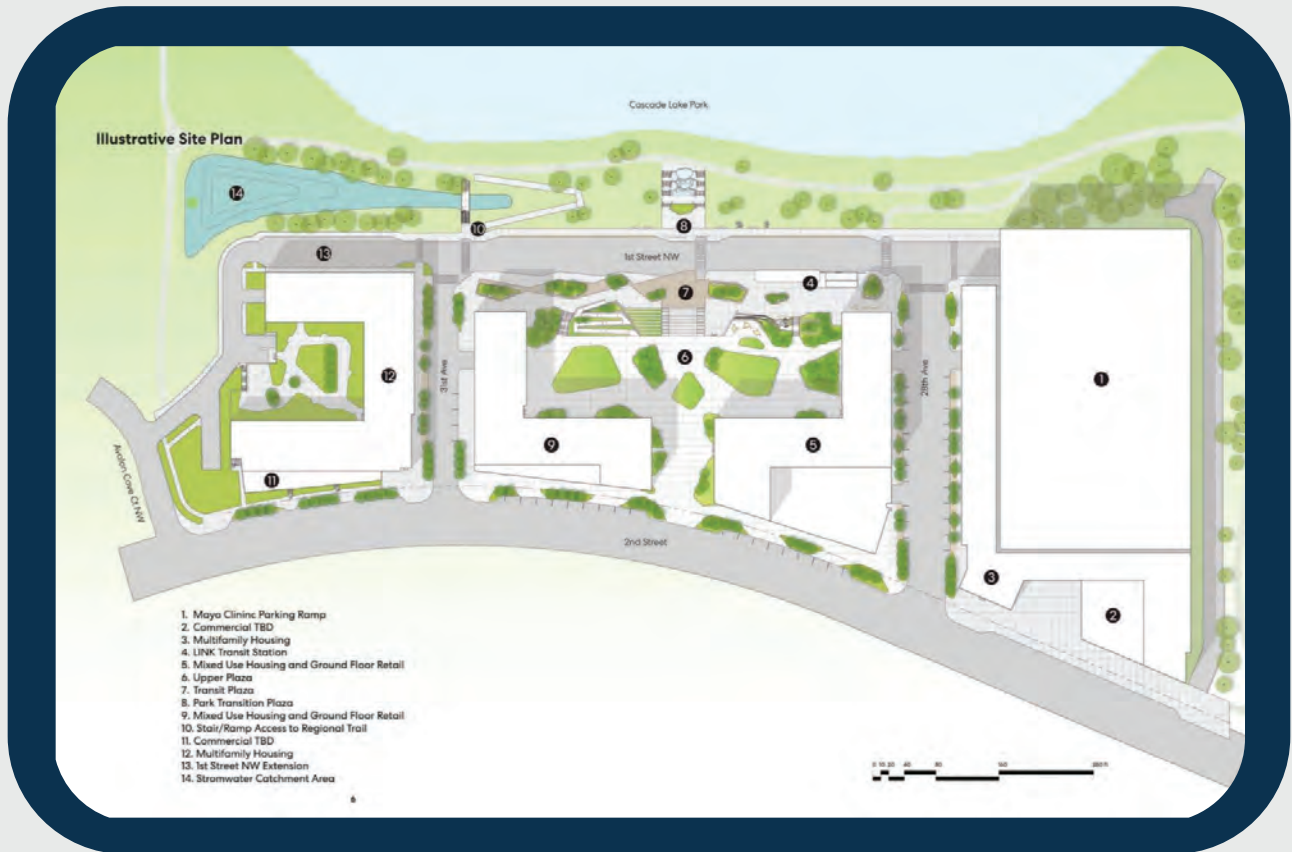


# SOLDIERS MEMORIAL FIELD

Soldiers Field contains 150 acres of memorials and active recreation space, including 4,000 feet of riverfront. The northern portion lies within the DMC district and is featured in the DMC Development Plan as an anchor of the Education and Recreation subdistrict. This project also maximizes connections to other key features of the DMC district: Discovery Walk connects the Heart of the City to Soldiers Field and the Sixth Street Bridge will link Soldiers Field to the downtown waterfront area. The public realm improvements within the district feature an aquatics center, with lap pool, bath house, wading pool, and outdoor seating, new basketball courts, adding a trail through the northeast corner of the park, nature play area, community shelter, public restrooms, and new public parking. Construction was completed in 2024 resulting in a record number of visits by community members.



# WEST TRANSIT VILLAGE



The West Transit Village is a key element of enabling Link Bus Rapid Transit to function and provide an experience benefiting the DMC vision of Rochester as a world-class destination. A master plan has been developed by the development team in close coordination and partnership with Mayo Clinic, DMC, and the City of Rochester. More than 42 different major site development components are being coordinated between these partners, setting the conditions for comprehensive public and private site development. Currently one major private project, a Mayo Clinic-owned parking ramp, is underway and another, a private senior housing development, is anticipated. Critical infrastructure is expected to be in place by the planned opening of the Link Bus Rapid Transit line in late 2027.

# EXHIBIT

# B

# SUMMARY OF MAJOR PROJECTS



## HOTEL INDIGO RENOVATIONS

The Hotel Indigo involved the renovation of an existing 172- room Holiday Inn, located in the “Downtown Waterfront” subdistrict as described in the Development Plan. Approved in 2018, the \$42 million redevelopment included the addition of 33,000 square feet to the existing 114,500 square feet and provided approximately 111 construction jobs and 28 new permanent jobs. Opening of the new hotel and restaurant occurred in 2020.



## TWO DISCOVERY SQUARE

Located at 209 5th St SW, this expansion of the DMC bio-medical, research, and technology innovation campus is a 125,000 square foot bioscience building. It features tech-forward tenant spaces designed with flexible lab capacity and leading-edge technology. Construction was completed in 2022.



## HYATT HOUSE

The Hyatt House project is located in the “Central Station” subdistrict as described in the Development Plan. Approved in 2018, the \$44 million project includes an eight-story, 172- room extended-stay hotel, and provided approximately 257 construction jobs while creating 38 permanent jobs. This project was completed in 2021.



## **BRYK ON BROADWAY**

The Bryk on Broadway is located at 401 Broadway Ave N. It is a mixed-use, mixed-income apartment building consisting of 180 workforce housing apartments, providing rent at varying levels. Construction was completed in 2023.



## **HILTON MAYO**

The Hilton Rochester Mayo Clinic Area (formerly known as the “Broadway at Center” project) is located in the “Downtown Waterfront” subdistrict as described in the Development Plan. Approved in 2015, this 371,000 square foot mixed-use project includes a 264-room hotel, restaurants, retail space, a skyway connection, and a five-level public parking ramp with 540 public spaces and 90 private spaces. The restaurants and hotel opened in 2019.



## **THE BERKMAN**

The Berkman Apartments (formerly known as the “Alatus Project”) is located on 2nd Street SW in the “Saint Marys” subdistrict as described in the Development Plan. Approved in 2016, this mixed-use project involved the construction of an approximately 350,000 square foot, thirteen-level commercial and residential complex. It includes 350 market-rate rental units, created an estimated 235 construction jobs and eight permanent jobs, and generated a total of \$115 million in private investment. The Berkman was completed in 2020.



## ONE DISCOVERY SQUARE

One Discovery Square (formerly known as Discovery Square Phase One) is on First Avenue SW in the “Discovery Square” subdistrict as described in the Development Plan. Approved in 2017, this approximately \$35 million bio-science building is a center of innovation and is housing companies whose mission is to accelerate bioscience and technology discoveries to market. The four-story, 89,000 square foot building includes office, and collaborative spaces. As noted above, this project is the first phase of achieving a key component of the Development Plan: providing jobs in the bio-science sector. One Discovery Square was completed in 2019.



## WELLS FARGO RENOVATION

This project is a renovation of a 92,000 square foot existing building, located in the “Heart of the City” subdistrict as described in the Development Plan. Approved in 2018, this project is a catalyst for the public realm in the Heart of the City subdistrict and includes connections to the street and pedestrian skyway. The renovation has made approximately 23,000 additional square feet of commercial or office space available. The project created an estimated 30 construction jobs and provided 115 permanent jobs. This project was completed in 2020.



## THE MAVEN ON BROADWAY

The Maven on Broadway (formerly known as Urban on First) is located south of 4th Street SW between 1st Avenue SW and Broadway Avenue and is in the “Discovery Square” subdistrict as described in the Development Plan. Approved in 2017, this approximately \$38 million mixed use project includes a six-story building with 156 market rate rental units, parking, and street level commercial and retail space for a total of 238,700 square feet. The Maven on Broadway was completed in 2019.

# PROJECTS WITHOUT DMC FUNDING



## **CONLEY MAASS BUILDING**

A renovated historic building featuring a restaurant and space for high-tech companies. The renovation was completed in 2016.

## **501 ON FIRST**

A five-story, mixed-use development consisting of 84 rental apartment units and 21,000 square feet of commercial/retail spaces opened in 2018.

## **RESIDENCE AT DISCOVERY SQUARE**

A six-story, mixed use development consisting of 143 rental apartment units, with 20% of the units affordable to persons at 60% of the area median income, and 15,400 square feet of commercial/retail space opened in 2019.

## **HUE APARTMENTS**

A six-story, mixed use development consisting of 50 rental apartment units and 2,000 square feet of commercial/retail space opened in 2020.

## **FIRST & BANKS**

A seven-story, 219-unit rental apartment developed adjacent to Soldiers Memorial Field opened in 2025.

## **1ST AVENUE FLATS**

A 68-unit affordable housing building, and all of the units are income-restricted to persons at or below 60% of the area median income opened in 2017.

## **FLATS ON 4TH**

A six-story mixed-use development consisting of 92 rental apartment units, with 19 units affordable to persons at 50% of the area median income, and 2,300 square feet of retail space opened in 2018.

## **TOWNEPLACE SUITES BY MARRIOTT**

A 110 room hotel with two levels of underground parking opened in 2021.

## **UNIVERSITY OF MINNESOTA ROCHESTER STUDENT HOUSING**

A 400-person-capacity student housing development created via the renovation of a former DoubleTree Hotel opened in 2023.

## **LOFTS AT MAYO PARK**

A five-story, 29-unit market-rate rental apartment project completed in 2017.

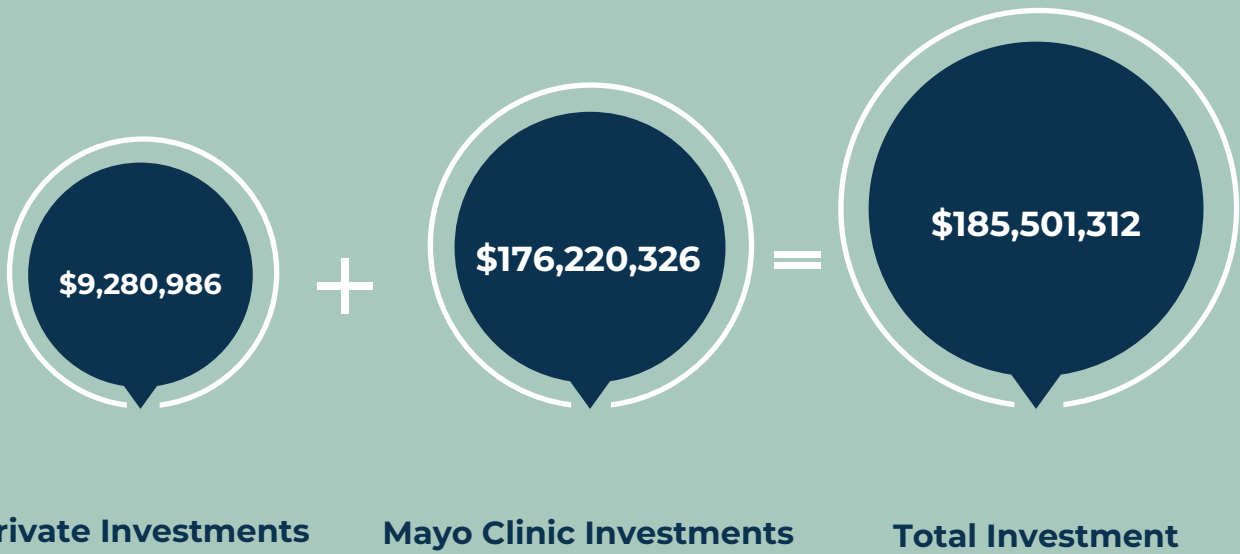
## **EVEN HOTELS AND STAYBRIDGE SUITES**

A 246 room dual-branded hotel opened in 2021.

# EXHIBIT



## ANNUAL CERTIFICATION OF MAYO CLINIC AND OTHER PRIVATE INVESTMENTS



As to private investment certifications, in 2025 we certified a total of \$185,501,312 for the year ending December 31, 2024, which includes \$176,220,326 in Mayo Clinic investments and \$9,280,986 in other private investments. The cumulative total of Mayo Clinic and other private investments through 2024 is \$1,792,869,637.

DESTINATION MEDICAL CENTER CORPORATION  
201 4th St. SE.  
Rochester, Minnesota 55904

March 27, 2025

**VIA ELECTRONIC AND U.S. MAIL**

Mr. Matt Varilek  
Commissioner  
Minnesota Department of Employment and Economic Development  
Great Northern Building  
180 E 5th St Suite 1200  
St. Paul, MN 55101

Dear Commissioner Varilek:

On behalf of the Destination Medical Center Corporation (“DMCC”) and Mayo Clinic, and pursuant to Minnesota Statutes Section 469.47, subdivision 2, I am pleased to forward the following 2024 certification of expenditures. These expenditures are the investments that have been made by Mayo Clinic and by other private individuals or entities to advance the Destination Medical Center initiative.

1. DMCC Certification: I enclose the DMCC Certification of Expenditures made by an individual or entity, other than Mayo Clinic, for the period ending on December 31, 2024 (“Attachment 1”). The City of Rochester, Minnesota assisted with the compilation of this report. The amount of 2024 investments set forth in this report is \$9,280,985.
2. Mayo Clinic Certification: I enclose correspondence and accompanying materials from Natalie Caine, Chief Administrative Officer, Mayo Clinic in Rochester, dated March 18, 2025 (“Attachment 2”). Mayo Clinic is certifying expenditures for the period of January 1, 2024 through December 31, 2024 in the amount of \$176,220,326.
3. Summary of Investments: The summary page, entitled “Certification of Expenditures, Destination Medical Center” is enclosed, setting forth total cumulative expenditures through December 31, 2024, in the amount of \$1,792,869,637 (“Attachment 3”).

I would like to highlight that Mayo Clinic’s 2024 investment represents its largest-ever annual investment in destination medical care, education, and research. It is also noteworthy that these private investments, from Mayo Clinic and others, occurred in a challenging environment as to interest rates, construction labor constraints, and inflation, demonstrating the success of this public-private partnership even in the face of these economic headwinds.

Looking ahead, the DMCC is confident that the Destination Medical Center (“DMC”) economic development and partnership model will continue to produce the benefits promised to the State of Minnesota and Rochester residents, employees, patients, and visitors when the DMC was launched nearly a decade ago: new jobs, increased investment and development, and a high-quality community experience. Currently, the City of Rochester and the DMC Economic Development Agency are in active discussions with 14 different developers interested in investing in downtown Rochester. The projects under discussion include nearly 900 affordable housing units, 1,200 market-rate housing units, and 200 hotel rooms. Also, in October 2024, the Minnesota Department of Employment and Economic Development (“DEED”) reported that the Rochester Metropolitan Statistical Area leads the state in job growth, adding about 7,000 jobs for a year-over-year growth rate of 6.3%. Together, these positive indicators signal that Rochester and the surrounding area will continue to lead Minnesota in economic development. Thank you for your consideration, and please do not hesitate to contact either the DMCC or Mayo Clinic if you need further information. We look forward to continuing to work with the State of Minnesota, City of Rochester, Olmsted County, Mayo Clinic, and our other partners on the DMC initiative.

Sincerely,

Pamela Wheelock  
Chair  
Destination Medical Center Corporation

Enclosures

cc: Destination Medical Center Corporation Board of Directors  
Natalie Caine, Mayo Clinic  
Jeremy LaCroix, DEED  
Patrick Seeb, DMC Economic Development Agency

30961658v5



2024 Non-Mayo Clinic Investment in the DMC Development District

Permit Type	Permit Number	Permit Date	Parcel ID	Address	Valuation	Description	Owner	Permit Status	Date
Alteration	R18-0097CB	7/17/2018	77285	808 S Broadway Ave	\$302,000	Build-out for casual Mexican restaurant from white box space	Taco JED/Steve Dunn	Final	2/21/2024
Alteration	R22-0305CB	8/12/2022	83045	10 E Center Street	\$248,484	Expansion of existing private dining area for Benedic's second floor of the Hilton hotel	Legacy Fund I LLC	Final	4/8/2024
Alteration	R22-0477CB	12/5/2022	83295	202 SW 4 Street	\$800,000	Tenant fit-up of remaining shell space on fourth floor for Rion Health Phase 2	Rion Health	C of O issued	3/18/2024
Demolition	R22-0017D	8/26/2022	71302	201 SE 9 ST	\$403,000	Full Building Demo (K-Mart)	GAMEGARAN LLC	Closed	4/12/2024
Demolition	R22-0018D	8/26/2022	25713	201 SE 9 ST	\$24,000	Full Building Demo (K-Mart - Building 4)	GAMEGARAN LLC	Closed	4/12/2024
Demolition	R22-0019D	8/26/2022	18601	201 SE 9 ST	\$15,000	Full Building Demo (K-Mart - Building 3)	GAMEGARAN LLC	Closed	4/12/2024
Demolition	R22-0020D	8/26/2022	25252	201 SE 9 ST	\$49,000	Full Building Demo (K-Mart - Building 2)	GAMEGARAN LLC	Closed	4/12/2024
Demolition	R22-0021D	8/26/2022	18601	201 SE 9 ST	\$35,000	Full Building Demo (K-Mart - Building 1)	GAMEGARAN LLC	Closed	4/12/2024
Demolition	R22-0022D	8/26/2022	25702	201 SE 9 ST	\$80,000	Full Building Demo (K-Mart - Building 5)	GAMEGARAN LLC	Closed	4/12/2024
Alteration	R23-0015CB	5/10/2023	9432	217 SW 5 AVE	\$50,000	Demolition of 2 structures, sewer and water abandonments	TRINITY EVAN LUTHERAN CHURCH U	Closed	4/12/2024
Alteration	R23-0023CB	6/8/2023	11576	1111 SW 2 ST	\$340,400	Tenant fit up of an existing restaurant to new restaurant, 2 levels. Hero Be-Bop	Wellington Square Properties LLC	C of C issued	2/28/2024
Alteration	R23-0024CB	7/18/2023	81707	20 SW 2 AVE	\$200,000	Renovation of existing space to accommodate new Anderson Wheelchair retail space	TD BULLDOG INVESTMENTS LLC	Final	6/17/2024
Alteration	R23-0025CB	8/15/2023	79892	300 SE 3 AVE, UNIT 201	\$1,949,272	Fit-up of the existing restaurant space in the Kahler Hotel to a Ruth's Chris Steakhouse	KAH 20 2ND AVENUE LLC	C of C issued	6/19/2024
Alteration	R23-0105MFB	8/30/2023	83687	511 SW 3 AVE	\$1,800,000	Office renovation for Ironwood Square	IRONWOOD SQUARE ASSOCIATION	C of O issued	1/18/2024
Alteration	R23-0366CB	10/9/2023	11576	1111 SW 2nd Street	\$47,866	Re-roof Anderson Wheelchair	Black Swan Real Estate/Nick Stageberg	C of O issued	7/1/2024
Alteration	R23-0355CB	10/31/2023	83045	10 East Center Street	\$420,000	Expansion of current fitness room into adjacent empty space	Anderson Wheelchair	Final	2/5/2024
Alteration	R24-0015CB	5/4/2023	85691	415 SW 2 Avenue	\$150,000	Relocation of 205 Cafe into Two Discovery Square	Legacy Fund I LLC	Final	3/21/2024
Alteration	R24-0016CB	3/8/2024	9274	512 SW 3rd Street	\$145,500	Removal of Shingles, install new roof system	First Presbyterian Church of Rochester	Final	11/13/2024
Alteration	R24-0017CB	3/8/2024	14306	321 S Broadway Ave	\$35,731.50	Remove existing fully adhered EPDM roof with a paver ballasted EPDM roof	JLB Properties LLC	Final	6/10/2024
Alteration	R24-0018CB	3/8/2024	14307	323 S Broadway Ave	\$35,731.50	Remove existing fully adhered EPDM roof with a paver ballasted EPDM roof	JLB Properties LLC	Final	11/22/2024
Demolition	R24-0019CB	2/12/2024	82430	206 S Broadway Ave	\$15,000	Demolition of structure. Foundation to be left and filled with dirt.	Bloom International Realty LLC	Final	5/8/2024
Demolition	R24-0020CB	6/3/2024	4984	507 NW 2 ST	\$35,000	Turning cubicle areas in to 2 separate offices	5th Avenue Rental Partners LLC	Closed	9/23/2024
Demolition	R24-0021CB	6/3/2024	4986	509 NW 2 ST	\$15,000	Demolition of structure. Foundation to be left and filled with dirt.	5th Avenue Rental Partners LLC	Closed	9/23/2024
Demolition	R24-0022CB	6/3/2024	4987	509 NW 5 AVE	\$15,000	Demolition of structure. Foundation to be left and filled with dirt.	5th Avenue Rental Partners LLC	Closed	9/23/2024
Demolition	R24-0023CB	6/3/2024	4988	215 NW 5 AVE	\$15,000	Demolition of structure. Foundation to be left and filled with dirt.	5th Avenue Rental Partners LLC	Closed	9/23/2024
Demolition	R24-0024CB	6/3/2024	4989	219 NW 5 AVE	\$15,000	Demolition of structure. Foundation to be left in place and filled with dirt.	5th Avenue Rental Partners LLC	Closed	9/23/2024
Demolition	R24-0025CB	6/18/2024	4990	512 NW 3 ST	\$15,000	Demolition of home structure and garage onsite. Foundation to be left and filled with dirt.	Aaron Horsman	Closed	9/23/2024
Demolition	R24-0026CB	6/18/2024	4991	221 NW 5 AVE	\$15,000	Demolition of home structure and garage onsite. Foundation to be left and filled with dirt.	Darren Peterson	Closed	9/23/2024
Demolition	R24-0027CB	6/3/2024	4993	516 NW 3 ST	\$15,000	Demolition of home structure and garage. Foundation to be left and filled with dirt.	6th Avenue Rental Partners LLC	Closed	9/23/2024
Demolition	R24-0028CB	6/3/2024	4994	522 NW 3 Street	\$15,000	Demolition of home structure and garage. Foundation to be left and filled with dirt.	6th Avenue Rental Partners LLC	Closed	9/24/2024
Demolition	R24-0029CB	6/3/2024	4995	210 NW 6 Avenue	\$15,000	Demolition of home and garage. Foundation to be left and filled with dirt.	6th Avenue Rental Partners LLC	Closed	9/23/2024
Demolition	R24-0030CB	9/23/2024	4998	513 NW 2 Street	\$15,000	Demolition of structure. Foundation to be left and filled with dirt.	6th Avenue Rental Partners LLC	Closed	9/23/2024
Alteration	R24-0031CB	1/29/2024	17882	150 S Broadway	\$725,000	Renovating the old Pescara Restaurant	BGD5 Hotel LLC	Closed	9/20/2024
Alteration	R24-0032CB	6/18/2024	17894	195 SW 1 Avenue	\$500,000	Renovation of existing bank to a new bank on the second floor	BGD5 Office LLC	Final	11/27/2024
Alteration	R24-0147CB	5/6/2024	56916	1105 SW 2 Street	\$200,000	Window replacement and structural repairs	Carpenier and Torgerson SSMR LLC	Final	9/10/2024
Alteration	R24-0212CB	7/19/2024	81707	40 SW 2 Avenue	\$350,000	Interior fit up of existing building	KAH 20 2nd Avenue LLC	C of C issued	12/10/2024
Alteration	R24-0213CB	6/27/2024	88155	401 N Broadway	\$100,000	Fit-up of leased space on the 1st level	Bryk Apartments Rochester LLC	C of O issued	11/25/2024

\$9,280,985



March 18, 2025

Matt Varilek  
Commissioner  
MN Department of Employment and Economic Development  
1<sup>st</sup> National Bank Building  
332 Minnesota Street, Suite E-200  
Saint Paul, MN 55101-1351

Dear Commissioner Varilek:

Enclosed is Mayo Clinic's certification of qualified expenditures of the Medical Business Entity for the Destination Medical Center (DMC) initiative from Jan. 1, 2024, to Dec. 31, 2024. The amount of qualified investment is approximately \$176.2 million. This represents an over 30% increase from 2023.

In November 2023, Mayo Clinic announced *Bold. Forward. Unbound.* in Rochester to advance our overall *Bold. Forward.* strategy to Cure, Connect and Transform healthcare for the benefit of patients everywhere. *Bold. Forward. Unbound.* in Rochester is a \$5 billion investment over six years, the largest in Mayo Clinic's history. In 2024, work began in earnest with the start of major utility and infrastructure work, including expansion of the Prospect Utility Plant, a facility critical to meeting future energy needs with sustainability at its core. In addition to progress on *Bold. Forward. Unbound.* in Rochester, we also celebrated the "topping-off" of the Andersen Building to meet the increasing demand of patients seeking advanced cancer treatment.

Mayo Clinic continues to make significant investments in our staff. In 2024, we welcomed 13,000 new staff to Mayo Clinic and provided salaries and benefits totaling \$10.5 billion. Together, our Mayo Clinic teams cared for patients from every state and 135 countries.

The scale of investment and opportunity in Rochester is unlike anywhere else in the state. We are confident that our investments in the transformation of healthcare and our staff demonstrate Mayo Clinic's deep commitment to our patients, staff and communities. We look forward to maintaining our ongoing DMC partnership with the city of Rochester, Olmsted County and the state of Minnesota.

Sincerely,

Natalie Caine  
Chief Administrative Officer – Rochester  
Mayo Clinic

# Permitted Expenditures from July 1, 2013 to December 31, 2024

Project/Equipment Name	2013 - 2023 Expenditures Reported	Prior Years Expenditures not previously reported	2024 Expenditures	Total Expenditures reported for 2024	Total Spent as of December 31st 2024
Mary Brigh East Expansion	\$ 2,065,139.65			\$ -	\$ 2,065,139.65
Dermatology Remodel	\$ 9,123,648.24			\$ -	\$ 9,123,648.24
Sports Medicine Center	\$ 5,666,939.49			\$ -	\$ 5,666,939.49
2915 Warehouse Infrastructure	\$ 693,219.52			\$ -	\$ 693,219.52
Core 200 SMH Operating Room Renovation	\$ 1,411,411.46			\$ -	\$ 1,411,411.46
Anatomic Pathology Office Remodel	\$ 476,041.94			\$ -	\$ 476,041.94
Psychiatry and Psychology Master Plan, Phase 1A - Generose Main	\$ 1,213,985.91			\$ -	\$ 1,213,985.91
Development Remodel	\$ 2,679,274.32			\$ -	\$ 2,679,274.32
Bed Tower Modernization MB east	\$ 44,118,257.74			\$ -	\$ 44,118,257.74
Domitilla 3 Modernization	\$ 7,762,425.78			\$ -	\$ 7,762,425.78
Remodeling laboratory space on Guggenheim 5.	\$ 265,065.75			\$ -	\$ 265,065.75
Saint Marys Hospital Chiller Addition	\$ 4,631,632.46			\$ -	\$ 4,631,632.46
Institute Hills Chiller Replacement	\$ 441,903.16			\$ -	\$ 441,903.16
Radiation Oncology Room "E" Linear Accelerator Replacement	\$ 188,793.94			\$ -	\$ 188,793.94
DLMP Phlebotomy Remodel	\$ 1,615,648.60			\$ -	\$ 1,615,648.60
Mary Brigh Electrical Upgrades (Phase 3)	\$ 2,002,781.62			\$ -	\$ 2,002,781.62
SDSC Expansion Construction Only	\$ 21,500,990.14			\$ -	\$ 21,500,990.14
Creation of the consolidated freezer and BAP facility at the 2915 Ware	\$ 4,006,693.46			\$ -	\$ 4,006,693.46
Remodeling of multiple laboratories on Guggenheim 8	\$ 774,090.58			\$ -	\$ 774,090.58
Four Operating Rooms Off Core 700	\$ 3,082,756.73			\$ -	\$ 3,082,756.73
Remodeling within the Metabolomics Core on Alfred 5	\$ 616,212.48			\$ -	\$ 616,212.48
Thermo TSQ Triple Quadrupole MS (assets 147506 & 145344)	\$ 596,292.00			\$ -	\$ 596,292.00
Remodeling within Opus 1 to accommodate space for a new CT machin	\$ 480,162.90			\$ -	\$ 480,162.90
Employee and Community Health Southeast Clinic	\$ 4,326,200.60			\$ -	\$ 4,326,200.60
Cardiac Catheterization Procedure Room 103 Remodel - Saint Marys, P	\$ 412,584.91			\$ -	\$ 412,584.91
Gonda 5, 5th PET/CT Installation & Uptake	\$ 301,874.69			\$ -	\$ 301,874.69
Executive, Development and International Program Expansion - Mayo E	\$ 1,389,522.23			\$ -	\$ 1,389,522.23
DOM 3/4 Infrastructure Revisions for Remodeling	\$ 2,109,759.78			\$ -	\$ 2,109,759.78
Clinical Genome Sequencing, Lab Expansion	\$ 296,600.82			\$ -	\$ 296,600.82
Varian Medical Systems (asset 145374)	\$ 3,334,879.00			\$ -	\$ 3,334,879.00
CMCT and Prev. Med. Relocation Gonda 18 to Mayo East 17	\$ 358,383.16			\$ -	\$ 358,383.16
Cancer Center Station Eisenberg 4-3	\$ 892,147.20			\$ -	\$ 892,147.20
CT Simulator I Replacement Charlton S-259, S-261	\$ 191,170.81			\$ -	\$ 191,170.81
CT Scanner - 5yr (Asset 162815)	\$ 687,812.80			\$ -	\$ 687,812.80
Charlton 2 Incremental 3T Body Scanner	\$ 749,773.48			\$ -	\$ 749,773.48
3T Siemens Skyra MRI (assess 166875, 167065-167082)	\$ 1,637,261.00			\$ -	\$ 1,637,261.00
SMC, Mary Brigh Main NH, MR-MCR 1.5T Replacement Scanner	\$ 448,573.83			\$ -	\$ 448,573.83
GE; 1.5T Optima MR450W (assess 165084, 165346-165359)	\$ 1,130,292.00			\$ -	\$ 1,130,292.00
SMC, Mary Brigh Main NH, MR-MCR 1.5T Replacement Scanner	\$ 595,824.88			\$ -	\$ 595,824.88
DISCOVERY MRI Mary Brigh (assets 169437,171643, 171651, 171661	\$ 1,513,704.55			\$ -	\$ 1,513,704.55
Renovation Mary Brigh Main, PACU - Phase 4	\$ 2,059,423.01			\$ -	\$ 2,059,423.01
SMH Mary Brigh East Corridor Relocation	\$ 4,918,632.07			\$ -	\$ 4,918,632.07
Dr. Lee Diamond Reactor Lab Remodel on Med Sci SL	\$ 226,408.57			\$ -	\$ 226,408.57
MR-RO-CN-1-MR/PET installation	\$ 781,558.09			\$ -	\$ 781,558.09
GE; DISCOVERY MR750 PET (Assets 149876, ,150145-150157, 1506	\$ 3,698,538.02			\$ -	\$ 3,698,538.02
CT Scanner Replacements (3L, 3Z & 4J) - somatom - CH 2	\$ 561,057.62			\$ -	\$ 561,057.62
Somatom Force CT (Asset 157628)	\$ 1,831,372.00			\$ -	\$ 1,831,372.00
Linear Acc Replace Rm "C"	\$ 185,937.00			\$ -	\$ 185,937.00
VARATHON MEDICAL; TRUE BEAM (Asset 162800)	\$ 2,895,908.00			\$ -	\$ 2,895,908.00
SIEMENS; CT EDGE (Asset 163463)	\$ 856,459.02			\$ -	\$ 856,459.02
SIEMENS; SOMATOM DEFINITION (Asset 164325)	\$ 862,578.20			\$ -	\$ 862,578.20
Incremental MRI Body Scanner	\$ 603,049.87			\$ -	\$ 603,049.87
SIEMENS; SKYRA 3TMRI (Asset 157191, 157322-157339)	\$ 1,859,239.00			\$ -	\$ 1,859,239.00
GO3 Build 2 CT Bays	\$ 656,293.35			\$ -	\$ 656,293.35
SIEMENS; SOMATOM FORCE CT (Asset 149843)	\$ 1,750,000.00			\$ -	\$ 1,750,000.00
PHILIPS; XPER FD20 (Assets 147302, 147339, 147392)	\$ 1,649,213.30			\$ -	\$ 1,649,213.30
Neurology Renovation, Mayo 8	\$ 4,989,615.93			\$ -	\$ 4,989,615.93
Mayo 8 - Lobby Remodel	\$ 1,137,290.91			\$ -	\$ 1,137,290.91
Vascular OR Core 801 SMH	\$ 1,059,949.88			\$ -	\$ 1,059,949.88
Rad Vascular Imaging Ste 90	\$ 144,461.29			\$ -	\$ 144,461.29
SIEMENS MEDICAL; ARTIS ZEE (Asset 146871,146872)	\$ 985,408.00			\$ -	\$ 985,408.00
CT MBM Incremental Interventional CT	\$ 1,268,114.01			\$ -	\$ 1,268,114.01
SIEMENS; DEFINITION EDGE CT (Asset 148622, 148623)	\$ 1,315,697.00			\$ -	\$ 1,315,697.00
CH N Neuro Scanner CN I-119C	\$ 561,796.54			\$ -	\$ 561,796.54
SIEMENS; PRISMA 3T MRI and Accessories (Asset 157677, 157935-	\$ 2,241,875.00			\$ -	\$ 2,241,875.00

# Permitted Expenditures from July 1, 2013 to December 31, 2024

Project/Equipment Name	2013 - 2023 Expenditures Reported	Prior Years Expenditures not previously reported	2024 Expenditures	Total Expenditures reported for 2024	Total Spent as of December 31st 2024
USPS Building Purchase (Asset 156757, 156758)	\$ 2,185,017.25			\$ -	\$ 2,185,017.25
Land for Ronald McDonald House (Asset 147588, 147589)	\$ 1,000,203.16			\$ -	\$ 1,000,203.16
GE; DISCOVERY 710 PET Scanner (Asset 148389)	\$ 2,103,046.58			\$ -	\$ 2,103,046.58
Fixed Wing Building	\$ 533,262.51			\$ -	\$ 533,262.51
Hematopathology Consolidation, Hilton Building 7th Floor	\$ 2,018,886.34			\$ -	\$ 2,018,886.34
Vacate Ei 7-1/7-2 Dermatology Phototherapy Relocation	\$ 439,830.58			\$ -	\$ 439,830.58
Relocation of Respiratory Care Unit	\$ 1,184,489.68			\$ -	\$ 1,184,489.68
Linen Service Depot-3939 Building	\$ 1,882,309.32			\$ -	\$ 1,882,309.32
Media On Demand Replacement Project	\$ 699,440.19			\$ -	\$ 699,440.19
Temporal Bone Lab remodel (original \$600K)	\$ 126,259.12			\$ -	\$ 126,259.12
Dr. Misra Laboratory, Gugg 6	\$ 314,232.69			\$ -	\$ 314,232.69
Lab Remodel Gugg 17 and 18	\$ 507,816.33			\$ -	\$ 507,816.33
Space assignment for Dr. Burns and Dr. Scarisbrick surgery – Guggenl	\$ 372,474.03			\$ -	\$ 372,474.03
Guggenheim 13 Space Remodel	\$ 286,997.78			\$ -	\$ 286,997.78
Charlton Desk R Lobby Remodel	\$ 397,223.24			\$ -	\$ 397,223.24
Jacobson Building Operating Rooms	\$ 23,568,520.11			\$ -	\$ 23,568,520.11
Charlton 1 PET/CT (DRX- 1 Replacement) E-3006	\$ 132,948.22			\$ -	\$ 132,948.22
GE - Discovery PET/CT 710 (Asset 178322)	\$ 1,500,726.20			\$ -	\$ 1,500,726.20
Gastroenterology & Hepatology Renovation	\$ 7,362,527.52			\$ -	\$ 7,362,527.52
Stryker Sales Corporation - Alfred 6 Integration (Assets 180598-180603)	\$ 1,126,322.95			\$ -	\$ 1,126,322.95
Philips Fluoroscopy (Assets 181122-181123)	\$ 1,335,625.38			\$ -	\$ 1,335,625.38
7T MRI Scanner	\$ 1,916,246.30			\$ -	\$ 1,916,246.30
SMH Campus Radiology Consolidation	\$ 23,568,544.51			\$ -	\$ 23,568,544.51
Mary Brigh East Tower Additional Floors	\$ 17,320,752.84			\$ -	\$ 17,320,752.84
Eisenberg 7-1 and 7-2	\$ 6,312,270.07			\$ -	\$ 6,312,270.07
Pre Post Expansion on Gonda 2 Gonda 2-467	\$ 266,028.69			\$ -	\$ 266,028.69
Franklin Heating Station Chiller #4 Replacement	\$ 2,286,167.61			\$ -	\$ 2,286,167.61
Mary Brigh 4, Room 106 Heart Rhythm Services Remodeling	\$ 538,995.91			\$ -	\$ 538,995.91
Siemens - Fluoroscopy 106 (Asset 172294)	\$ 1,508,299.00			\$ -	\$ 1,508,299.00
Mary Brigh 4, Room 111 Heart Rhythm for Equipment Replacement	\$ 217,834.13			\$ -	\$ 217,834.13
Siemens - Siemens fluoroscopy room 111 (Asset 179164)	\$ 801,942.00			\$ -	\$ 801,942.00
Charlton North MR-MCR NU 3T Replacement Scanner	\$ 354,930.50			\$ -	\$ 354,930.50
MAGNETOM Prisma 3T (asset 173601)	\$ 2,184,842.00			\$ -	\$ 2,184,842.00
Charlton North MR-MCR NT 1.5 Replacement Scanner	\$ 587,509.18			\$ -	\$ 587,509.18
SIEMENS; 1.5T OPEN 70CM (assets 169436,171642,171650,171652-	\$ 1,188,732.00			\$ -	\$ 1,188,732.00
Research Biplane Angiography System Replacement	\$ 78,970.28			\$ -	\$ 78,970.28
SIEMENS; ARTIS ZEE BIPLANE (asset 165045-165046)	\$ 1,158,442.00			\$ -	\$ 1,158,442.00
41st Street Professional Complex	\$ 9,831,862.38			\$ -	\$ 9,831,862.38
Precision Medicine Initiative	\$ 8,392,748.33			\$ -	\$ 8,392,748.33
Motoman (Asset 184543)	\$ 4,031,557.00			\$ -	\$ 4,031,557.00
Autogen (Assets 175437-175447)	\$ 2,023,074.27			\$ -	\$ 2,023,074.27
Hamilton Star (Assets 171685, 172326)	\$ 440,763.20			\$ -	\$ 440,763.20
Hamilton Bios Freezer (Asset 186447)	\$ 5,127,252.84			\$ -	\$ 5,127,252.84
PerkinElmer Spectrophotometer (Asset 169459)	\$ 39,920.00			\$ -	\$ 39,920.00
Hamilton Robotic Upgrades	\$ 45,951.00			\$ -	\$ 45,951.00
Hamilton Star (Asset 179090)	\$ 235,653.10			\$ -	\$ 235,653.10
Hamilton Tube Handler - REQ# 2027700	\$ 34,358.20			\$ -	\$ 34,358.20
Hamilton Capper/Decapper Motoman Line (Asset 183593)	\$ 77,010.00			\$ -	\$ 77,010.00
Hamilton Star EasyBlood Liquid Handler (Assets 181647-181649)	\$ 776,489.90			\$ -	\$ 776,489.90
Verso M2 - (Asset 179334)	\$ 729,256.34			\$ -	\$ 729,256.34
Hamilton EasyBlood Units (Assets 176522-176524)	\$ 721,818.90			\$ -	\$ 721,818.90
Hamilton Bios PMI #3 (PO 20028966)	\$ 4,030,363.09			\$ -	\$ 4,030,363.09
Hamilton Freezer Bios HL20 (PO 20031301)	\$ 2,509,226.94			\$ -	\$ 2,509,226.94
Mary Brigh East Operating Rooms	\$ 727,108.67			\$ -	\$ 727,108.67
Siemens - Artis Zeeg Card. Thorax (Asset 180570)	\$ 1,466,062.00			\$ -	\$ 1,466,062.00
GE - Discovery IGS 740 (Asset 179172)	\$ 1,363,946.45			\$ -	\$ 1,363,946.45
Gonda 14 Radiographic Room DR Conversion E15-3011 RAD-MCR-G	\$ 112,034.00			\$ -	\$ 112,034.00
Gonda 14-158 Duo DR Replacement, E15-3014 RAD-MCR-GO14-158	\$ 154,034.23			\$ -	\$ 154,034.23
West Pre/Post Remodel, Mary Brigh Main	\$ 2,022,954.79			\$ -	\$ 2,022,954.79
Radiology - Charlton 1, VG6 Replacement E15-3003	\$ 138,704.91			\$ -	\$ 138,704.91
GE; DISCOVERY 670 PRO	\$ 948,408.45			\$ -	\$ 948,408.45
Cardiovascular Diseases Patient Appointment Coordinator	\$ 200,409.53			\$ -	\$ 200,409.53
Reproductive Endocrinology and Infertility Relocation	\$ 2,378,634.23			\$ -	\$ 2,378,634.23
Remodel Mary Brigh 6 to increase Medical ICU capacity	\$ 1,954,174.55			\$ -	\$ 1,954,174.55
Mayo Building – Substation MA-E-5 Replacement	\$ 612,251.93			\$ -	\$ 612,251.93

# Permitted Expenditures from July 1, 2013 to December 31, 2024

Project/Equipment Name	2013 - 2023 Expenditures Reported	Prior Years Expenditures not previously reported	2024 Expenditures	Total Expenditures reported for 2024	Total Spent as of December 31st 2024
Pharmacokinetics Core Relocation	\$ 469,019.61			\$ -	\$ 469,019.61
Remodel Baldwin 1 for ISP / Baldwin 1 Entry Vestibule Replacement	\$ 4,186,165.25			\$ -	\$ 4,186,165.25
Mycology/TB Expansion Hilton 8	\$ 3,256,953.15			\$ -	\$ 3,256,953.15
CMIL/NIL Relocation and Expansion, Hilton 7	\$ 1,511,410.88			\$ -	\$ 1,511,410.88
Human Cellular Therapy N2 Tank Storage Facility	\$ 491,016.90			\$ -	\$ 491,016.90
Conversion of OR 609 from Hybrid OR to Coventional OR	\$ 496,613.67			\$ -	\$ 496,613.67
Gonda 2 Decontamination Space Remodeling	\$ 285,911.99			\$ -	\$ 285,911.99
Eisenberg AHU S-55 Replacement to Support REI Practice Relocation 41st Street.	\$ 803,858.23			\$ -	\$ 803,858.23
	\$ 4,892,701.70			\$ -	\$ 4,892,701.70
Guggenheim 15-02 integration of core facility and laboratory program\	\$ 368,357.82			\$ -	\$ 368,357.82
Aging Center Space Remodel, Guggenheim 7	\$ 551,139.89			\$ -	\$ 551,139.89
Stabile 11 Lab construction - Revzin	\$ 314,372.07			\$ -	\$ 314,372.07
Installation of Open MRI System, Opus 1	\$ 590,676.24			\$ -	\$ 590,676.24
Lab renovation ST 11, CRM recruit, Dr. Quinn Peterson	\$ 121,165.35			\$ -	\$ 121,165.35
Saint Marys Campus Complex Intervention Unit	\$ 2,237,613.54			\$ -	\$ 2,237,613.54
E16-3005 MR MCR-GO3 1.5 MR Scanner #1	\$ 1,276,416.38			\$ -	\$ 1,276,416.38
Siemens - MAGNETOM Aera (Asset 182886; 182863-182881)	\$ 1,688,565.00			\$ -	\$ 1,688,565.00
RMC S-8 AHU Replacement	\$ 599,281.36			\$ -	\$ 599,281.36
SMOP/Radiology Desk	\$ 3,571,641.14			\$ -	\$ 3,571,641.14
Mary Brigh Main SMC Radiology Hybrid Procedural Suite - MR Suite	\$ 2,180,505.45			\$ -	\$ 2,180,505.45
Philips - Ingenia 1.5T Omega HP R5 Q1 (Asset 183632; 183885-18389	\$ 1,474,847.09			\$ -	\$ 1,474,847.09
SMH Bulk Medical Gas Systems Replacement	\$ 977,452.73			\$ -	\$ 977,452.73
Mary Brigh Main West Entrance Upgrades	\$ 1,136,995.31			\$ -	\$ 1,136,995.31
Neurology EEG/Epilepsy Remodel - DO 2 & JO 2	\$ 1,149,596.73			\$ -	\$ 1,149,596.73
Gugg 13 Remodel	\$ 484,303.51			\$ -	\$ 484,303.51
Plummer Library Renovations Phase 3&4	\$ 433,105.21			\$ -	\$ 433,105.21
Philips Healthcare (Asset 196890)	\$ 423,890.40			\$ -	\$ 423,890.40
Office of Information Security Consolidation	\$ 1,117,001.99			\$ -	\$ 1,117,001.99
Brackenridge Education Room Build out	\$ 526,051.76			\$ -	\$ 526,051.76
USP 800 Haszardous Drug Handling Remodel	\$ 1,045,577.42			\$ -	\$ 1,045,577.42
SMC Chilled Water Distribution Loop	\$ 934,150.96			\$ -	\$ 934,150.96
Joseph Bldg Scope A Centralized Infrastructure	\$ 3,276,910.54			\$ -	\$ 3,276,910.54
RMC S-5 Air Handling Unit Replacement	\$ 952,822.05			\$ -	\$ 952,822.05
Tissue Typing Lab Pre-DNA Extraction Contamination Control	\$ 353,779.74			\$ -	\$ 353,779.74
Retrofitting Med Sci 5 large animal facility, DCM Phase I	\$ 637,314.97			\$ -	\$ 637,314.97
Consolidation/Relocation of Revenue Cycle	\$ 2,129,432.35			\$ -	\$ 2,129,432.35
Gonda 15 Conversation of Family Waiting Room to Pre/Post Space	\$ 587,084.72			\$ -	\$ 587,084.72
GU 5-Chakraborty lab construction, remodel west bay of GU 5	\$ 848,596.35			\$ -	\$ 848,596.35
SMC OR 604,608, and 600 Decontamination Room Remodel, MB 1	\$ 1,118,164.67			\$ -	\$ 1,118,164.67
E-18-3009 NM-MCR-CH1-R-PET/CT DRX2	\$ 159,572.79			\$ -	\$ 159,572.79
SC18-3002 RAD-MCR-MAE4-I-Thoracic Reading Rooms	\$ 253,593.73			\$ -	\$ 253,593.73
Medical Sciences 3 (Dr. A. Pandey and Proteomics Core)	\$ 231,534.87			\$ -	\$ 231,534.87
190234-190235)	\$ 13,362.24			\$ -	\$ 13,362.24
(Asset 192318)	\$ 12,000.00			\$ -	\$ 12,000.00
(Assets 190958-190960, 192300)	\$ 1,308,079.83			\$ -	\$ 1,308,079.83
(Assets 189861,190212,190906,193852)	\$ 57,209.39			\$ -	\$ 57,209.39
190242)	\$ 6,893.59			\$ -	\$ 6,893.59
190249)	\$ 18,799.83			\$ -	\$ 18,799.83
Centralized Distribution of Utilities 41st Street	\$ 4,944,173.53			\$ -	\$ 4,944,173.53
Hilton Substation Replacement	\$ 2,479,367.29			\$ -	\$ 2,479,367.29
E17-3006 CT-MCR-GO3-R-3V Scanner	\$ 59,889.05			\$ -	\$ 59,889.05
Siemens Somation Force (Asset 185457)	\$ 1,930,400.00			\$ -	\$ 1,930,400.00
Psychiatry & Psychology Master Plan Phase II	\$ 1,482,321.51			\$ -	\$ 1,482,321.51
Upgrade of Medium Voltage Switch Center	\$ 1,034,828.91			\$ -	\$ 1,034,828.91
Mary Brigh Kitchen Replacement East Tower Ground Level	\$ 1,646,319.22			\$ -	\$ 1,646,319.22
E16-3010 MCR-DT-I-Incremental Downtown CT Scanner #1	\$ 1,726,161.72			\$ -	\$ 1,726,161.72
Siemens; Somatom Force CT (Asset 188881)	\$ 2,084,921.00			\$ -	\$ 2,084,921.00
E16-3009 RAD-MCR-GO14 Radiographic Room DR Conversion	\$ 308,593.62			\$ -	\$ 308,593.62
Paitent Lifts for Mary Brigh PCU 5C & 5F	\$ 829,680.46			\$ -	\$ 829,680.46
Mary Brigh Shell Space Fit-Up (NICU & PICU)	\$ 411,886.88			\$ -	\$ 411,886.88
Antibody/Protein Immunology & Cincinal Immunoassay Lab Relocation	\$ 3,644,272.87			\$ -	\$ 3,644,272.87
Saint Marys Dialysis Unit	\$ 3,452,808.69			\$ -	\$ 3,452,808.69
E17-3005 MR-MCR-MBM-R-MR29 Replacement	\$ 780,175.64			\$ -	\$ 780,175.64
GE; Signa Artist 1.5T (Assets 188037-188049)	\$ 990,208.00			\$ -	\$ 990,208.00
Enhanced Critical Care Expansion	\$ 171,586.57			\$ -	\$ 171,586.57

# Permitted Expenditures from July 1, 2013 to December 31, 2024

Project/Equipment Name	2013 - 2023 Expenditures Reported	Prior Years Expenditures not previously reported	2024 Expenditures	Total Expenditures reported for 2024	Total Spent as of December 31st 2024
and V. Lowe, and C-SIG	\$ 280,649.20			\$ -	\$ 280,649.20
Gonda 19 space remodel	\$ 267,061.02			\$ -	\$ 267,061.02
SMC Mary Brigh Surgical Services AHU Replacement	\$ 2,047,419.63			\$ -	\$ 2,047,419.63
Mary Brigh 3rd Floor OR Rooms Fit Out	\$ 24,543,539.46			\$ -	\$ 24,543,539.46
Research PET/CT Charlton 6	\$ 2,291,819.29			\$ -	\$ 2,291,819.29
Biograph Vision 600 (asset 192309)	\$ 2,015,000.00			\$ -	\$ 2,015,000.00
REO Makeup and Export Water Tank	\$ 831,767.94			\$ -	\$ 831,767.94
Global Business Solutions Consolidation	\$ 353,569.35			\$ -	\$ 353,569.35
RST SMC/RMC Visitor Cafeteria	\$ 20,786.96			\$ -	\$ 20,786.96
Mail Order Pharmacy Relocation	\$ 7,545,680.99			\$ -	\$ 7,545,680.99
Pharmacy Automation - Innovation (Asset 195397)	\$ 2,722,535.76			\$ -	\$ 2,722,535.76
Discovery Square	\$ 11,282,293.00			\$ -	\$ 11,282,293.00
SMC Modernization and Growth	\$ 138,844,484.02			\$ -	\$ 138,844,484.02
Sports Medicine Relocaton to DAHLC 4	\$ 1,059,766.35			\$ -	\$ 1,059,766.35
Archives Warehouse Tissue Registry Expansion	\$ 6,288,919.63			\$ -	\$ 6,288,919.63
Redesign of Jacobson Locker Room	\$ 186,270.76			\$ -	\$ 186,270.76
Remodel of GIH Research Space GU 17, Phase 1	\$ 1,287,712.21			\$ -	\$ 1,287,712.21
SMH River Room	\$ 861,050.41			\$ -	\$ 861,050.41
RST E18-3008 MR-MCR-GO3-I-3T MR Scanner	\$ 851,472.87			\$ -	\$ 851,472.87
Discovery MI 25CM (Asset 189900)	\$ 2,697,744.00			\$ -	\$ 2,697,744.00
Radiology Office Space and 3D Lab on Joseph 6	\$ 3,470,339.73			\$ -	\$ 3,470,339.73
SMC Decontamination Remodel Equipment and Replacement	\$ 1,285,541.44			\$ -	\$ 1,285,541.44
RST Impact Lab Expansion CAR-T Cell Initiative	\$ 5,741,775.71			\$ -	\$ 5,741,775.71
0068-18 E18-3021-RAD-MCR-MSH-MMB-R-RAD DR Conversion	\$ 413,802.12			\$ -	\$ 413,802.12
Eisenberg Dumbwaiter Replaceme	\$ 2,743,257.67			\$ -	\$ 2,743,257.67
Administrative Drop In Center	\$ 799,099.21			\$ -	\$ 799,099.21
Dr. Pipe Lab-DiscSq1	\$ 849,865.92			\$ -	\$ 849,865.92
Mayo Clinic Food Service, RMC	\$ 531,733.01			\$ -	\$ 531,733.01
3D Metal Printer for Div of Engineering	\$ 720,429.73			\$ -	\$ 720,429.73
41st Street Complex Employee Cafeteria	\$ 5,716,239.14			\$ -	\$ 5,716,239.14
RMC Eisenberg AHU-S62 Replacement	\$ 1,020,508.13			\$ -	\$ 1,020,508.13
41st St Complex Infrastructure Upgrades- Phase 3	\$ 2,050,934.06			\$ -	\$ 2,050,934.06
Joseph 1 Northwest Local Infrastructure-SMC River Room Expansion	\$ 110,586.26			\$ -	\$ 110,586.26
0050-19 RST Creation of New MED 13 Hospital Service	\$ 5,028,032.77			\$ -	\$ 5,028,032.77
Mayo 11 Remodel	\$ 7,283,353.56			\$ -	\$ 7,283,353.56
RST SMC Sterile Processing Renovations	\$ 702,992.55			\$ -	\$ 702,992.55
Opus MRI install	\$ 153,097.45			\$ -	\$ 153,097.45
3T GE Sigma MRI (Assets 200174-200180; 200183)	\$ 1,506,529.08			\$ -	\$ 1,506,529.08
Healthcare Technology Management Expansion at 1937 Building	\$ 261,827.59			\$ -	\$ 261,827.59
RST Practice Optimization Acceleration	\$ 240,840.07			\$ -	\$ 240,840.07
E17-3007 DE-MCR-CT-MBM-I-MP Hybrid Suite Phase 2	\$ 1,292,174.34			\$ -	\$ 1,292,174.34
PHILIPS; AZURION 7 M20 (Asset 192750)	\$ 1,259,678.14			\$ -	\$ 1,259,678.14
Human Cellular Therapy Expansion	\$ 2,659,962.29			\$ -	\$ 2,659,962.29
Revenue cycle consolidation / relocation	\$ 3,978,716.31			\$ -	\$ 3,978,716.31
Subway Refresh Project	\$ 20,170,383.84			\$ -	\$ 20,170,383.84
GE; SIGMA PREMIER 3T (Assets 197210; 197272-197290)	\$ 2,635,208.68			\$ -	\$ 2,635,208.68
Remodel Mayo W15 Lobby and Reception	\$ 1,250,873.00			\$ -	\$ 1,250,873.00
Block 6 Parking Ramp Disco Square	\$ 34,009,608.09			\$ -	\$ 34,009,608.09
Saint Marys Hopsital Shared Procedural/Simulation/Technology	\$ 2,217,737.54			\$ -	\$ 2,217,737.54
RMC Surgical Remodel Phase 2 of 5	\$ 17,505,581.42		\$ 71,206.14	\$ 71,206.14	\$ 17,576,787.56
Patient Lift Installations Mary Brigh 6D	\$ 515,547.62			\$ -	\$ 515,547.62
Gonda 9 GIH Endoscopy Remodel	\$ 2,119,372.99			\$ -	\$ 2,119,372.99
E18-3004 CT-MCR-ETM-I-MP-HPS-Phase 3	\$ 2,494,978.88			\$ -	\$ 2,494,978.88
2018 Nurse Call System Replacement	\$ 271,831.84			\$ -	\$ 271,831.84
CV Echo/Stress Consolidation with Renovation on Joseph 4 Infrastruct	\$ 4,852,872.81			\$ -	\$ 4,852,872.81
E19-3007 MR-CMR-NCL-I 3T	\$ 714,188.30			\$ -	\$ 714,188.30
SIEMENS; MAGNETOM VIDA ( Assets 203494-203498; 203501)	\$ 2,303,782.00			\$ -	\$ 2,303,782.00
E19-3004 MR-MCR-CNLI-R-NP MR Scanner	\$ 517,723.41			\$ -	\$ 517,723.41
GE; SIGMA PREMIER 3T (Assets 206384,207102,207104,207105,207	\$ 2,350,807.00			\$ -	\$ 2,350,807.00
Saint Marys Campus Peace Garden Landscaping	\$ 1,414,062.95			\$ -	\$ 1,414,062.95
EI 07 Eisenberg 7-4 Remodel	\$ 2,965,890.17			\$ -	\$ 2,965,890.17
FF 01 Comprehensive Occupational Recovery and Care Coordinat	\$ 1,464,900.83			\$ -	\$ 1,464,900.83
GE Inpatient Units Safety Updates and Renovation	\$ 4,186,184.14			\$ -	\$ 4,186,184.14
GE 03 Generose 3W and 3E Safety and Renovations	\$ 3,624,730.31			\$ -	\$ 3,624,730.31
GO 12 Center for Aesthetic Medicine and Surgery	\$ 1,501,853.35			\$ -	\$ 1,501,853.35

# Permitted Expenditures from July 1, 2013 to December 31, 2024

Project/Equipment Name	2013 - 2023 Expenditures Reported	Prior Years Expenditures not previously reported	2024 Expenditures	Total Expenditures reported for 2024	Total Spent as of December 31st 2024
GO 03 SC19-3003 MR-MCR-GO3-I-Patient Prep Remodel	\$ 1,660,015.18			\$ -	\$ 1,660,015.18
GO 06 Exam Buildout	\$ 4,452,955.80			\$ -	\$ 4,452,955.80
GO Increase in Capacity for Chemo Chairs	\$ 2,332,557.63			\$ -	\$ 2,332,557.63
GO 12 Medivator Redesign	\$ 300,845.46			\$ -	\$ 300,845.46
JO Relocation of Occupants to Consolidate Echo Stress	\$ 96,170.24			\$ -	\$ 96,170.24
MB 01 Frozen Section Laboratory Remodel	\$ 3,067,679.01			\$ -	\$ 3,067,679.01
MB MN SC19-3002 DE-MCR-MBM-R-MP Reading Rooms	\$ 657,674.41			\$ -	\$ 657,674.41
MB Core 500 West OR Renovation - North and South	\$ 3,304,053.52			\$ -	\$ 3,304,053.52
SI 04 Conferencing Center Refurbish	\$ 3,386,764.63			\$ -	\$ 3,386,764.63
E19-3005 CT-MCR-DT#1-I-CT Scanner	\$ 631,036.71			\$ -	\$ 631,036.71
SIEMENS; SOMATOM DEFINITION (Asset 205102)	\$ 1,979,199.00			\$ -	\$ 1,979,199.00
Outpatient Hematology & CAR-T Move to Chariton-Eisenberg	\$ 4,258,056.97			\$ -	\$ 4,258,056.97
E21-3005 VNI-MCR-ETMN-R-Angio Rm 6	\$ 101,325.23			\$ -	\$ 101,325.23
SIEMENS; ARTIS Q (Asset 209373)	\$ 921,342.00			\$ -	\$ 921,342.00
GO 15 Pain Procedure Room Fluoro Equipment Replacement	\$ 201,242.61			\$ -	\$ 201,242.61
JB Shell Space to an Incremental OR	\$ 667,800.76			\$ -	\$ 667,800.76
RST SDSC Office to Lab Conversion	\$ 3,629,887.53			\$ -	\$ 3,629,887.53
OP SL Opus and Kellen Utility	\$ 17,237,128.47		\$ 2,336,076.45	\$ 2,336,076.45	\$ 19,573,204.92
Kellen Building	\$ 81,358,649.23		\$ 16,474,415.17	\$ 16,474,415.17	\$ 97,833,064.40
General Care Pediatric Unit PI	\$ 698,898.94			\$ -	\$ 698,898.94
E21-3009 Rad-MCR-BA-SL-137-&13	\$ 809,292.62			\$ -	\$ 809,292.62
CH E21-X-CH-R-Varian-Ethos Lin	\$ 580,632.11			\$ -	\$ 580,632.11
CH E20-X-CH-R-Siemens-CT Scann	\$ 397,363.12			\$ -	\$ 397,363.12
DO Domitilla Cart Washer	\$ 401,803.49			\$ -	\$ 401,803.49
EI Expanded Space for Home Dia	\$ 165,916.07			\$ -	\$ 165,916.07
E22-3032 NM-MCR-EI-I-Theranost	\$ 2,585,410.70			\$ -	\$ 2,585,410.70
FF ECH Northwest Clinic Phase	\$ 1,022,043.47			\$ -	\$ 1,022,043.47
FR GT Francis Staff Cafe & By	\$ 1,561,994.36			\$ -	\$ 1,561,994.36
FR 03 Lift Installation Peds E	\$ 362,341.50			\$ -	\$ 362,341.50
GO 10 Remodel Chemo Pharmacy f	\$ 552,363.88			\$ -	\$ 552,363.88
GO Remodel Oncology Team Space	\$ 653,195.81			\$ -	\$ 653,195.81
E22-3004 MR-MCR-GO3-R-NY Repla	\$ 1,063,914.65		\$ 105,050.96	\$ 105,050.96	\$ 1,168,965.61
HA 05 Data Center Cooling Equi	\$ 710,971.89			\$ -	\$ 710,971.89
HI 05 CGSL Expansion on Hilton	\$ 1,371,642.21			\$ -	\$ 1,371,642.21
MA 04 Remodel Finish Updates o	\$ 1,160,280.73		\$ 25,722.30	\$ 25,722.30	\$ 1,186,003.03
MA 04 Remodel of Instrumentati	\$ 267,719.42			\$ -	\$ 267,719.42
MA 17 International Exam Room	\$ 1,110,563.53			\$ -	\$ 1,110,563.53
E22-3012 CT-MCR-MA3-42W-I-CT S	\$ 338,070.40			\$ -	\$ 338,070.40
MB SMC Core 400 West OR Renova	\$ 2,241,314.18			\$ -	\$ 2,241,314.18
MB Nursing Simulation and Skil	\$ 1,830,242.93			\$ -	\$ 1,830,242.93
MB SMC IORT	\$ 448,448.02			\$ -	\$ 448,448.02
MB Procedure Room Remodel 108	\$ 495,331.60			\$ -	\$ 495,331.60
NT Nassef Tower Kitchen Remode	\$ 483,139.41			\$ -	\$ 483,139.41
Siebens 4 Food Services Server	\$ 1,173,299.18			\$ -	\$ 1,173,299.18
Language Services Space	\$ 487,370.93			\$ -	\$ 487,370.93
Palliative Medicine Outpatient	\$ 192,941.62			\$ -	\$ 192,941.62
Mayo Clinic Blood Donor Progra	\$ 813,128.87			\$ -	\$ 813,128.87
Gonda 6 Echo-Exam, Mayo 6 Core	\$ 2,862,089.69		\$ 14,960.00	\$ 14,960.00	\$ 2,877,049.69
Brace Shop Relocation from EI	\$ 195,079.60			\$ -	\$ 195,079.60
Relocation of Loading Dock for	\$ 13,163,067.43		\$ 180,466.77	\$ 180,466.77	\$ 13,343,534.20
Utility Tunnel Extension, Pede	\$ 14,530,031.46			\$ -	\$ 14,530,031.46
Mayo Clinic Store - Rochester	\$ 1,429,795.76			\$ -	\$ 1,429,795.76
IHF Infrastructure Phase 1	\$ 1,369,012.34		\$ 16,043.27	\$ 16,043.27	\$ 1,385,055.61
GO 15 Incremental Procedure Room	\$ 514,885.06			\$ -	\$ 514,885.06
SDSC Employee Cafeteria	\$ 4,919,859.04			\$ -	\$ 4,919,859.04
Allergy Procedural Area (L-15) Revnovation	\$ 910,183.44			\$ -	\$ 910,183.44
Outpatient Eisenberg Pharmacy Relocation	\$ 724,993.73			\$ -	\$ 724,993.73
CH 01 E19-3008 NM-MCR-CH1-265J-I-PET CT6 and Uptake Space	\$ 205,103.94			\$ -	\$ 205,103.94
GO Food Services Catering Area Remodeling	\$ 335,830.01			\$ -	\$ 335,830.01
HI Deionized Water Distribution	\$ 3,088,304.60			\$ -	\$ 3,088,304.60
Jo Infrastructure 2019 Scope B	\$ 1,027,364.71			\$ -	\$ 1,027,364.71
MB 07 Patient Lift Installation for MB 7BG	\$ 552,806.49			\$ -	\$ 552,806.49
MB Gamma Knife Upgrade	\$ 290,258.75			\$ -	\$ 290,258.75
MB 5D-E CONVERTING TO NICU	\$ 2,813,613.24			\$ -	\$ 2,813,613.24
PP SMC Essential Power Controls	\$ 1,770,669.72			\$ -	\$ 1,770,669.72

# Permitted Expenditures from July 1, 2013 to December 31, 2024

Project/Equipment Name	2013 - 2023 Expenditures Reported	Prior Years Expenditures not previously reported	2024 Expenditures	Total Expenditures reported for 2024	Total Spent as of December 31st 2024
Exterior LED Lighting Energy Efficiency Improvement - Expens	\$ 547,189.43			\$ -	\$ 547,189.43
IV Transfusion Specialty Team Space	\$ 611,332.26			\$ -	\$ 611,332.26
NovaSeq	\$ 792,850.00			\$ -	\$ 792,850.00
CT-MCR-MA3-42W-I-CT Scanner and Inj	\$ 1,000,000.00			\$ -	\$ 1,000,000.00
NM-MCR-EI-I-Theranostics Treatment Center- Phase 2 - Equipment	\$ 1,248,423.99			\$ -	\$ 1,248,423.99
RAD-MCR-MA16-R-Siemens Peds Fluoro Rm	\$ 499,797.00			\$ -	\$ 499,797.00
Rapids Food Service	\$ 210,072.77			\$ -	\$ 210,072.77
RAD-MCR-BA-SL-137-&138 R-Rad Rm DR Conv (2)	\$ 343,005.00			\$ -	\$ 343,005.00
Varian	\$ 77,000.01			\$ -	\$ 77,000.01
Mayo Loading Dock Safety and Parking	\$ 1,128,693.38		\$ -	\$ -	\$ 1,128,693.38
City Water Connection to IHRF	\$ 1,374,908.08		\$ 45,235.33	\$ 45,235.33	\$ 1,420,143.41
RST Francis 4th Tower Remodel	\$ 101,433.42		\$ 464,708.40	\$ 464,708.40	\$ 566,141.82
Patient Lift Installation Mary Brigh 5B&G	\$ 46,493.08		\$ -	\$ -	\$ 46,493.08
AW Slide Scanning Expansion	\$ 205,103.82		\$ -	\$ -	\$ 205,103.82
BA DOE Micro-fabrication and SLS 3D Printer Facility	\$ 759,335.47		\$ 1,747,800.66	\$ 1,747,800.66	\$ 2,507,136.13
DA DAHLC Locker Room Renovation	\$ 145,765.28		\$ 1,456,790.62	\$ 1,456,790.62	\$ 1,602,555.90
DO DS-4 and DS-6 AHU Replacement	\$ 3,517,165.00		\$ 1,856,206.95	\$ 1,856,206.95	\$ 5,373,371.95
EI LO RMC Eisenberg Lobby Coffee Kiosk	\$ 310,765.00		\$ -	\$ -	\$ 310,765.00
EI RMC Core 8 Renovations - East	\$ 10,936,750.10		\$ 7,820,408.96	\$ 7,820,408.96	\$ 18,757,159.06
FF Air Handler Replacement	\$ 1,710,815.92		\$ 268,506.92	\$ 268,506.92	\$ 1,979,322.84
GE DHW DCW Waste and Vent Piping	\$ 1,008,762.19		\$ 122,254.83	\$ 122,254.83	\$ 1,131,017.02
GO Return Fans Replacement	\$ 2,246,644.39		\$ 1,258,051.82	\$ 1,258,051.82	\$ 3,504,696.21
BI-MCR-GO2-BI MP-Reading Rooms	\$ 110,105.73		\$ 463,738.15	\$ 463,738.15	\$ 573,843.88
HA Kitchen Hood and Exhaust System	\$ 36,555.44		\$ 161,467.91	\$ 161,467.91	\$ 198,023.35
Harwick Cafeteria Remodel	\$ 233,113.19		\$ 674,259.56	\$ 674,259.56	\$ 907,372.75
HI Lab Automation-Digital Microbiology	\$ 627,158.89		\$ 1,422,773.92	\$ 1,422,773.92	\$ 2,049,932.81
JB 01 RMC OR 27 Soffit Remova	\$ 145,400.51		\$ 13,991.98	\$ 13,991.98	\$ 159,392.49
JB UPS Replacement	\$ 11,303.62		\$ 136,609.49	\$ 136,609.49	\$ 147,913.11
MA 05 Finishes Refresh	\$ 905,488.04		\$ 629,691.75	\$ 629,691.75	\$ 1,535,179.79
Mayo 11 Office Space Reconfiguration	\$ 293,309.10		\$ 728,583.03	\$ 728,583.03	\$ 1,021,892.13
MB 03 Pediatric CV-ICU	\$ 3,000,590.47		\$ 7,028,277.36	\$ 7,028,277.36	\$ 10,028,867.83
MB ED Behavioral Health Unit	\$ 125,064.72		\$ 465,715.69	\$ 465,715.69	\$ 590,780.41
MB Procedure Room Remodel 107	\$ 138,087.19		\$ 528,149.17	\$ 528,149.17	\$ 666,236.36
MB Procedure Room Remodel 112	\$ 236,148.80		\$ 513,996.53	\$ 513,996.53	\$ 750,145.33
MB Procedure Room Remodel 110	\$ 724,259.50		\$ 33,752.23	\$ 33,752.23	\$ 758,011.73
MB Helipad AFFF Fire Suppression	\$ 308,407.26		\$ 410,722.50	\$ 410,722.50	\$ 719,129.76
E22-3014 RAD-MCR-MBM-R-Incr. CT Phase 1	\$ 191,963.55		\$ 802,388.85	\$ 802,388.85	\$ 994,352.40
ST 12 Lab Remodel	\$ 64,249.70		\$ 909,987.92	\$ 909,987.92	\$ 974,237.62
SDSC Remaining Thin-Walled Sprinkler	\$ 276,263.48		\$ -	\$ -	\$ 276,263.48
TN Marvin Security Enhancements	\$ 201,998.66		\$ 245,251.80	\$ 245,251.80	\$ 447,250.46
Chilled Water Supply to B201	\$ 31,956.26		\$ 17,550.73	\$ 17,550.73	\$ 49,506.99
Proton Therapy Expansion	\$ 9,502,610.63		\$ 59,857,218.47	\$ 59,857,218.47	\$ 69,359,829.10
Proton Specific Equipment	\$ 13,660,000.00			\$ -	\$ 13,660,000.00
MB and FR Domestic Water Heater	\$ 880,727.13		\$ 1,743.95	\$ 1,743.95	\$ 882,471.08
Outpatient Ambulatory Patient and Visitor	\$ 420,889.48		\$ 80,672.19	\$ 80,672.19	\$ 501,561.67
DLMP Master Space Plan Phase 2	\$ 15,349,099.28		\$ 1,551,091.37	\$ 1,551,091.37	\$ 16,900,190.65
2021 Annual Elevator Modernization	\$ 385,100.09		\$ 692,862.16	\$ 692,862.16	\$ 1,077,962.25
2021 Annual Fire Alarm System	\$ 176,196.67		\$ 4,508.29	\$ 4,508.29	\$ 180,704.96
Biomufacturing Facility	\$ 2,561,440.70		\$ 8,659,058.92	\$ 8,659,058.92	\$ 11,220,499.62
E22-3001 DE-MCR-I-Children's Imaging Center	\$ 370,432.75		\$ 4,889,657.98	\$ 4,889,657.98	\$ 5,260,090.73
Avaya Gateway Infrastructure	\$ 548,410.23		\$ 88,697.23	\$ 88,697.23	\$ 637,107.46
SMC Medical and Lab Vacuum Pump	\$ 76,303.26		\$ 370,866.14	\$ 370,866.14	\$ 447,169.40
Magnetoencephalography (MEG)	\$ 129,424.10		\$ 1,908,528.53	\$ 1,908,528.53	\$ 2,037,952.63
Communication Closet Security	\$ 197,325.75		\$ 2,242,524.43	\$ 2,242,524.43	\$ 2,439,850.18
EI Center Street Kitchen and SMC FR	\$ 755,494.47		\$ 301,782.36	\$ 301,782.36	\$ 1,057,276.83
Discovery Walk Snowmelt System	\$ 190,796.00		\$ 36,926.39	\$ 36,926.39	\$ 227,722.39
IHF Infrastructure Phase 2	\$ 136,106.04		\$ 1,193,093.62	\$ 1,193,093.62	\$ 1,329,199.66
GU HI ST Building Lab Vacuum	\$ 28,053.57		\$ 465,748.04	\$ 465,748.04	\$ 493,801.61
2023 Annual Roof Replacement	\$ 1,369,502.07		\$ 649,975.93	\$ 649,975.93	\$ 2,019,478.00
2023 Annual Fire Suppression	\$ -		\$ 1,572,402.21	\$ 1,572,402.21	\$ 1,572,402.21
Demolition of 2nd Street Hotel	\$ 93,720.04		\$ 806,174.28	\$ 806,174.28	\$ 899,894.32
SMC M&G 2B NICU Expansion on MB 3B			\$ 1,293,775.63	\$ 1,293,775.63	\$ 1,293,775.63
SMC M&G 3E: Renovate MB 5D/E			\$ 1,965,959.15	\$ 1,965,959.15	\$ 1,965,959.15
Office of Access Management Op		\$ 19,820.00	\$ 702,077.40	\$ 721,897.40	\$ 721,897.40
SC23-3001 NM-MCR-CHI-I-PET Upt		\$ 75,390.00	\$ 1,297,417.72	\$ 1,372,807.72	\$ 1,372,807.72

# Permitted Expenditures from July 1, 2013 to December 31, 2024

Project/Equipment Name	2013 - 2023 Expenditures Reported	Prior Years Expenditures not previously reported	2024 Expenditures	Total Expenditures reported for 2024	Total Spent as of December 31st 2024
E23-3010 MR-MCR-CNLO-R-MR41 Replacement			\$ 425,349.34	\$ 425,349.34	\$ 425,349.34
E24-3004 MR-MCR-CNL-R-1.5T (MR28)			\$ 92,395.93	\$ 92,395.93	\$ 92,395.93
EI 80kva UPS Replacement	\$ 4,267.45		\$ 32,345.09	\$ 36,612.54	\$ 36,612.54
Eisenberg 5-3, 6-3, 2-4 Install Patient Lifts	\$ 22,024.73	\$ 22,024.73	\$ 33,955.04	\$ 55,979.77	\$ 55,979.77
Eisenberg 9-3 Install Patient Lifts	\$ 16,985.50	\$ 16,985.50	\$ 157,651.73	\$ 174,637.23	\$ 174,637.23
RST Incremental PET-MR on Eisenberg Subway			\$ 149,066.36	\$ 149,066.36	\$ 149,066.36
FF 41st Street Campus Exterior	\$ -		\$ 447,648.94	\$ 447,648.94	\$ 447,648.94
Psychiatric Emergency Services			\$ 409,858.71	\$ 409,858.71	\$ 409,858.71
GO Automatic Transfer Switch R	\$ 629.89	\$ 629.89	\$ 688,894.34	\$ 689,524.23	\$ 689,524.23
GO Stryker Installation and In	\$ 468.75	\$ 468.75	\$ 82,753.41	\$ 83,222.16	\$ 83,222.16
GO Comprehensive Cancer Center	\$ 76,640.05	\$ 76,640.05	\$ 3,044,090.20	\$ 3,120,730.25	\$ 3,120,730.25
GO 02 Fixed Fluoroscopy	\$ 28,684.19	\$ 28,684.19	\$ 357,866.45	\$ 386,550.64	\$ 386,550.64
E24-3010 BI-MCR-GO2-BI-Master Planning US-Tomo Refit			\$ 102,936.06	\$ 102,936.06	\$ 102,936.06
GU 15 Neurology Condo Remodel & Expansion	\$ -	\$ -	\$ 263,514.30	\$ 263,514.30	\$ 263,514.30
GU 07 - 27, 27A, 27B - Remodel	\$ 14,591.50	\$ 14,591.50	\$ 435,277.79	\$ 449,869.29	\$ 449,869.29
HI Laboratory Equipment Compr	\$ 13,965.23	\$ 13,965.23	\$ 654,978.93	\$ 668,944.16	\$ 668,944.16
E24-3006 CT-MCR-MA3E-I-CT Scanner, Injector #2, & Reading Rm			\$ 72,967.35	\$ 72,967.35	\$ 72,967.35
MB Procedure Room Remodel 102	\$ 15,017.20	\$ 15,017.20	\$ 731,936.76	\$ 746,953.96	\$ 746,953.96
MB Procedure Room Remodel 105	\$ -	\$ -	\$ 182,496.57	\$ 182,496.57	\$ 182,496.57
SMC SSSMP (A) - Incremental West Locker Room & Break Room	\$ -	\$ -	\$ 1,563,566.70	\$ 1,563,566.70	\$ 1,563,566.70
RST IONM Workroom Remodel			\$ 22,990.76	\$ 22,990.76	\$ 22,990.76
RST SMC Core 400 Washer & Sterilizer Replacement Project			\$ 78,705.60	\$ 78,705.60	\$ 78,705.60
E24-3001 CT-MCR-MBM-648-I-CT Scanner & Injector			\$ 107,195.89	\$ 107,195.89	\$ 107,195.89
E24-3002 RAD-MCR-MBMN-650-R-DR Rm			\$ 117,376.03	\$ 117,376.03	\$ 117,376.03
ED Lobby, Welcome Area Security Enhancement Project			\$ 738,420.64	\$ 738,420.64	\$ 738,420.64
SI SL Barbara Woodward Lips Pa	\$ 97,460.34	\$ 97,460.34	\$ 911,763.73	\$ 1,009,224.07	\$ 1,009,224.07
SU Infectious Handling Room Expansion	\$ -	\$ -	\$ 416,045.31	\$ 416,045.31	\$ 416,045.31
Research Pharmacy Move from Br	\$ 2,245.00	\$ 2,245.00	\$ 884,610.52	\$ 886,855.52	\$ 886,855.52
Security St Marys Campus Staff	\$ 6,328.75	\$ 6,328.75	\$ 556,355.68	\$ 562,684.43	\$ 562,684.43
2022 Annual Elevator Moderniza	\$ 36,073.77	\$ 36,073.77	\$ 757,718.37	\$ 793,792.14	\$ 793,792.14
Charlton Innovation Suite + Li	\$ 101,393.81	\$ 101,393.81	\$ 2,547,064.74	\$ 2,648,458.55	\$ 2,648,458.55
LN2 Tank Space Expansion	\$ 21,331.25	\$ 21,331.25	\$ 63,423.15	\$ 84,754.40	\$ 84,754.40
2023 Annual Elevator Modernization	\$ 36,903.18	\$ 36,903.18	\$ 979,292.38	\$ 1,016,195.56	\$ 1,016,195.56
2023 Annual Fire Alarm System Replacement	\$ 46,960.00	\$ 46,960.00	\$ 992,795.65	\$ 1,039,755.65	\$ 1,039,755.65
2023 Annual Restroom Upgrades	\$ 23,409.16	\$ 23,409.16	\$ 724,593.05	\$ 748,002.21	\$ 748,002.21
Herman Home Reopening	\$ 95,842.96	\$ 95,842.96	\$ 104,860.99	\$ 200,703.95	\$ 200,703.95
2023 Annual Nurse Call Replacements	\$ 4,896.30	\$ 4,896.30	\$ 1,152,256.65	\$ 1,157,152.95	\$ 1,157,152.95
Space for Charlton SRS Linac Edge & Northfield TrueBeam	\$ 85,305.31	\$ 85,305.31	\$ 670,089.74	\$ 755,395.05	\$ 755,395.05
E22-3002 VNI-MCR-I-GO2 VIR-GI			\$ 1,863,223.97	\$ 1,863,223.97	\$ 1,863,223.97
E22-3005 MR-MCR-GO3-I-3T and A	\$ 922,616.57	\$ 922,616.57	\$ 32,105.39	\$ 954,721.96	\$ 954,721.96
E23-3005 MR-MCR-MBMN-736B-R-3T MR34 Replacement			\$ 832,700.85	\$ 832,700.85	\$ 832,700.85
E23-3001 CT-MCR-DT-I-CT Scanne			\$ 1,432,695.25	\$ 1,432,695.25	\$ 1,432,695.25
Equipment - E22-3005 MR-MCR-GO3-I-3T and A			\$ 507,993.07	\$ 507,993.07	\$ 507,993.07
Equipment -E22-3002 VNI-MCR-I-GO2 VIR-GI			\$ 1,707,315.60	\$ 1,707,315.60	\$ 1,707,315.60
Equipment-E23-3010 MR-MCR-CNLO-R-MR41 Replacement			\$ 1,832,644.80	\$ 1,832,644.80	\$ 1,832,644.80
Equipment - E23-3001 CT-MCR-DT-I-CT Scanne			\$ 1,944,960.00	\$ 1,944,960.00	\$ 1,944,960.00
Equipment - MR-MCR-MBMN-736B-R-3T MR34 Replacement			\$ 2,458,751.20	\$ 2,458,751.20	\$ 2,458,751.20
	\$ 1,068,354,719.37	\$ 1,769,250.89	\$ 174,451,075.52	\$ 176,220,326.41	\$ 1,244,575,045.78

**EXHIBIT**

**D**

**ANNUAL  
CERTIFICATION  
OF CITY EXPENDITURES**

**CITY OF ROCHESTER'S  
CERTIFIED  
EXPENDITURES  
JUNE 2013 THROUGH  
DECEMBER 2024**



**Total Expenditures**

## Certification of Contributions

### City of Rochester

For Calendar Year 2024

Due to Commissioner of Employment and Economic Development (DEED) by April 1

The City of Rochester hereby submits to the Department of Employment and Economic Development (DEED) the following report for Contributions that relate to the Destination Medical Center (DMC) Development for the calendar year 2024, as required by the City of Rochester Commissioner of Employment and Economic Development State Infrastructure Aid Agreement. The city may revise this certification based on audit adjustments prior to June 1.

#### GENERAL STATE AID

##### General Aid Contributions Reported this Year

TOTAL Contributions Reported This Year by the City of Rochester <sup>1</sup>	\$ 5,861,825.71	1
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##### General State Aid Qualified for this Year (Medical Entity/DMCC match as so required)

General State Infrastructure Aid Qualified for (Annual Exp. multiplied by \$2.55)	\$ 14,947,655.56	2
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##### Cumulative City General Aid Contributions

Cumulative Previous Contributions	\$ 67,110,278.47	3
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Contributions This Year	\$ 5,861,825.71	4
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Cumulative Contributions as of 12/31/2024	\$ 72,972,104.18	5
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Cumulative State Aid Qualified for as of 12/31/2024	\$ 185,968,492.27	6
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State GSIA expended this year	\$ 14,075,071.91	7
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#### TRANSIT AID

##### Transit Aid Contributions Reported this Year

Transit Aid Contributions Reported This Year by the City of Rochester <sup>1,2</sup>	\$ 4,895,266.94	8
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##### Transit State Aid Qualified for this Year (Medical Entity/DMCC match also required)

State Transit Aid Aid Qualified for	\$ 7,342,900.41	9
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##### Cumulative City Transit Aid Contributions

Cumulative Previous Contributions	\$ 10,048,215.06	10
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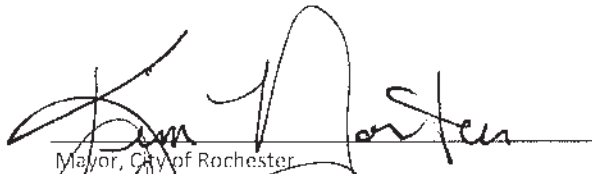
Contributions This Year (from Box 8)	\$ 4,895,266.94	11
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Cumulative Contributions as of 12/31/2024	\$ 14,943,482.00	12
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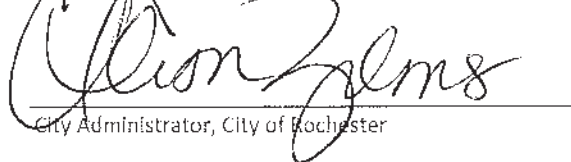
Cumulative State Aid Qualified for as of 12/31/2024	\$ 22,415,223.00	13
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State Transit Aid expended this year	\$ 4,037,196.71	14
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By providing my signature below, I am hereby certifying the information stated herein is accurate, true and complies with the provisions of Statute 469.47 of the State of Minnesota and the approved methodology as outlined in the City of Rochester Commissioner of Employment and Economic Development State Infrastructure Aid Agreement.

  
 \_\_\_\_\_  
 Mayor, City of Rochester

5-28-25  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 City Administrator, City of Rochester

5-28-25  
 \_\_\_\_\_  
 Date

<sup>1</sup> Funds expended need to be after June 30, 2013

<sup>2</sup> Transit Aid match may come from the City or Olmsted County

**EXHIBIT**

**E**

**DEED  
CERTIFICATIONS**

June 16, 2025

Pamela Wheelock, Chair  
Destination Medical Center Corporation  
201 4<sup>th</sup> Street SE  
Rochester, MN 55904

Dennis Dahlen, Chief Financial Officer  
Mayo Clinic  
200 First Street SW  
Rochester, MN 55905

Dear Ms. Wheelock and Mr. Dahlen:

Thank you for submitting the 2024 Certification of Expenditures for Destination Medical Center (DMC). We are excited to assist with this initiative to make the Mayo Clinic, Rochester, and Minnesota a premier medical destination.

Your certification listed \$176,220,326.41 in Mayo Clinic expenditures and \$9,280,985.00 in other expenditures. The Mayo Clinic provided DEED with information on all invoices and payments (more than 14,000 entries) to account for their certification amount. You also provided an independent third party report from Ernst & Young LLP stating the law and procedures for certifying expenditures are being followed properly. Additionally, DEED staff reviewed invoices and payments in your certification. We selected 57 expenditures totaling \$7,206,790. We selected one expenditure from each of the 47 new projects listed. All invoices for the selected expenditures were on file and payments were made in a timely fashion. DEED staff also confirmed that projects had building permits after June 30, 2013. DEED acknowledges the expenses and payments met guidelines and the internal accounting and auditing system the Mayo Clinic has in place is sufficient.

Additionally, the DMCC and the City of Rochester provided DEED with a list of 39 projects for \$9,280,985 in expenditures. DEED randomly selected 10 permits and was provided the permit application, permit, project closeout, and map of projects. From this information, DEED confirmed 10 projects' values, dates, eligibility, and completion. DMCC contracted with Clifton Larson Allen (CLA) to complete a review on its Certification to insure it is correct. CLA issued an opinion that the DMCC certification process was correct.

As required by law, I have determined that the amount of 2024 Destination Medical Center Expenditures are the \$185,501,311.41 as you certified. DMC cumulative Expenditures are now \$1,792,869,641. As directed by statute, \$200 million is subtracted from this amount to provide Qualified Expenditures of \$1,592,869,641. Based on this figure and adequate general aid Contributions from the city, I have determined the City of Rochester has qualified for \$28,487,678 of General State Infrastructure Aid in 2025. As per state statute, this payment will be made prior to September 1.

Also based on Qualified Expenditures of \$1,592,869,641 and Transit Aid Contributions from the city, I have determined the City of Rochester has qualified for \$5,650,176 of Transit State Aid in 2025. This payment will be made prior to September 1.

Thank you again for your efforts on this groundbreaking economic development effort.

Regards,



Matt Varilek  
Commissioner

CC: Patrick Seeb, Economic Development Agency Executive Director  
Brent Svenby, City of Rochester



June 16, 2025

The Honorable Kim Norton  
Mayor, City of Rochester  
201 4<sup>th</sup> Street SE – Room 281  
Rochester, MN 55904-3708

Dear Mayor Norton:

Thank you for submitting the 2024 Certification of Contributions for Destination Medical Center (DMC). We are excited to assist with this initiative to make the Mayo Clinic, Rochester, and Minnesota a premier medical destination.

Your revised 2024 Certification listed \$5,861,825.71 in city general aid contributions between July 1, 2013 and December 31, 2024. You provided a detailed listing of 802 expenditures. These expenditures consisted of direct DMC expenses paid by the city as well as DMC Corporation and DMC Economic Development Authority expenses paid for by the city. From that list, DEED randomly selected 19 expenses for review. We reviewed invoices, payments and city payroll files for accuracy and eligibility.

Your 2024 Certification also listed \$4,895,267 in city transit contributions between July 1, 2013 and December 31, 2024. You provided a detailed listing of 217 expenditures. These expenditures consisted of DMC expenses paid by the city for transit projects. From that list, DEED randomly selected 5 expenses for review. We reviewed invoices, payments and city payroll files for accuracy and eligibility.

Additionally, the city provided DEED with an independent third party report from Clifton Larson Allen stating the law and procedures for certifying contributions are being followed properly.

The amount of your general aid contributions qualifies you for \$28,487,678 of general state infrastructure aid and state transit aid of \$5,650,176. We will be providing these payments prior to September 1 as mandated by statute.

Thank you again for your efforts on this groundbreaking economic development effort.

Regards,



Matt Varilek  
Commissioner

CC: Pamela Wheelock, Chair of Destination Medical Center Corporation  
Dennis Dahlen, Chief Financial Officer Mayo Clinic  
Patrick Seeb, Economic Development Agency Executive Director



## DMC DEVELOPMENT PLAN — 2025 FIVE-YEAR UPDATE

FEBRUARY 2026

### Requested Board Action

Adopt the second five-year update to the DMC Development Plan.

### Highlights & Key Considerations

#### Funding

The DMCC Board and City Council approved \$750,000 in the 2025 DMC Capital Improvement Plan to support the statutory update. Staff are tracking expenditures and milestones to ensure the update remains on schedule and within budget.

#### Alignment and Coordination

The update keeps Rochester's next decade of DMC investment and policy decisions coordinated among the City, County, Mayo Clinic, and community partners. It will align with the City's Comprehensive Plan 2040 update and Mayo Clinic's *Bold. Forward. Unbound. in Rochester.* strategy as well as many additional public plans that have been completed in the past 10 years.

The City Council received and discussed the draft update to the DMC Development Plan during its November 24, 2025 Study Session and the DMCC Board did the same during its December 10, 2025 meeting. On January 21, 2026 the City Council voted to adopt the DMC Development Plan Update.

#### Risks and Mitigation

Delays or misalignment across jurisdictions could create uncertainty for investors, developers, entrepreneurs, and others. Staff integrated feedback from themes identified during the November 24, 2025 City Council Study Session and the DMCC Board December 10, 2025 discussion.

#### Outcomes and Value

The update reaffirms DMC's statutory goals, documents measurable progress, and renews the vision positioning Rochester as America's City for Health. The process reinforces transparency, collaboration, and adaptability—core to sustaining DMC's momentum into its second decade.

### Background

The Destination Medical Center initiative, authorized by the Minnesota Legislature in 2013, positions Rochester as a global center for health and innovation while enhancing quality of life for residents, workers, and visitors.

The 2015 DMC Development Plan established that framework: defining six subdistricts, five statutory goals (vision, investment, jobs, tax base, and experience), and the funding structure that leverages local and state investment to attract private development.

The 2020 five-year update documented early progress—nearly \$1 billion in private investment and 7,700 jobs—and introduced priorities including Discovery Walk, mobility and transit corridor planning, workforce housing, and the Heart of the City public realm. That update also incorporated emerging lessons from the COVID-19 pandemic, emphasizing resiliency and adaptability.

By 2025, the DMC initiative has surpassed \$1.8 billion in private investment, completed three signature public-realm projects, and begun Link Bus Rapid Transit implementation. The University of Minnesota Rochester has grown to more than 1,000 students, One and Two Discovery Square have matured into an active innovation district, and Rochester has earned designation as Minnesota’s first LEED Gold-certified city.

The 2025 update does not replace the original Development Plan; it refines it. The updated document interprets the DMC mission through three interlocking strategic lenses:

Accelerate Health Innovation

Expanding Discovery Square and the regional innovation ecosystem through entrepreneurship, education, and capital formation.

Design for Well Being

Embedding health, sustainability, and equity into infrastructure, urban design, and public investment.

Drive Purposeful Growth

Advancing Rochester’s livability, culture, and visitor experience to recruit and retain talent.

**Attachments / Exhibits**

- The five-year update to the DMC Development Plan and appendix
- DMCC board resolution
- DMC EDA resolution endorsing and recommending approval of the plan update.

**DESTINATION MEDICAL CENTER CORPORATION**

**RESOLUTION NO. \_\_\_\_\_-2026**

**A RESOLUTION APPROVING THE FIVE-YEAR UPDATE 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 a Development Plan on April 23, 2015, as amended (the “**Development Plan**”). Minnesota Statutes Section 469.43, Subdivision 4 requires that the DMCC update the Development Plan not less than every five years.

B. Commencing on November 19, 2025, the DMCC made copies of the five-year update to the Development Plan (the “**Five-Year Update**”) available to the public at the DMCC’s, City’s, and EDA’s offices and on the DMCC’s and City’s websites.

C. The Rochester City Council approved the Five-Year Update in a Resolution passed and adopted on January 21, 2026, a copy of which is attached as Exhibit A.

D. Following multiple public meetings and careful review of written comments, public testimony, comments from the City of Rochester, and endorsement from the EDA, the DMCC makes the following Resolution.

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED**, by the DMCC Board of Directors, that the DMCC adopts the Five-Year Update, attached as Exhibit B and on file with the DMCC, based on the following findings of fact:

1. The Five-Year Update, in conjunction with the Development Plan, provides a framework for implementing the mission of the DMCC.
2. The Five-Year Update comports with the goals and objectives adopted by the DMCC, in Resolution 02-2013, as further detailed in Section 1.1.2 of the Development Plan.
3. The Five-Year Update, together with the Development Plan, provides an outline for the development of the City of Rochester (the “**City**”) as a destination medical center, and the Five-Year Update is sufficiently complete, including the identification of planned and anticipated projects, to indicate its relationship to definite state and local objectives.
4. The proposed development 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.
5. The proposed development conforms to the general plan for the development of the City and is consistent with the City comprehensive plan. For purposes of this finding, the “proposed development” means the conceptual general framework for development outlined in the Five-Year Update.

6. The Five-Year Update, in conjunction with the Development Plan, includes:
  - a. Strategic planning consistent with a destination medical center in the core areas of commercial research and technology, learning environment, hospitality and convention, sports and recreation, livable communities, including mixed-use urban development and neighborhood residential development, retail/dining/entertainment, and health and wellness;
  - b. Estimates of short- and long-range fiscal and economic impacts;
  - c. A framework to identify and prioritize short- and long-term public investment and public infrastructure project development and to facilitate private investment and development, including the criteria and process for evaluating and underwriting development proposals;
  - d. Land use planning;
  - e. Transportation and transit planning;
  - f. Operational planning required to support the medical center development district; and
  - g. Ongoing market research plans.
7. Pursuant to the Resolution passed and adopted on January 21, 2026, attached as Exhibit A, the City approved the Five-Year Update.
8. Pursuant to the Resolution passed and adopted on January 21, 2026, attached as Exhibit C, the EDA Board of Directors endorsed the Five-Year Update and recommended the DMCC adopt the Five-Year Update.

**BE IT FURTHER RESOLVED**, that the DMCC Chair and Vice Chair are authorized to take such other actions as are necessary and appropriate to effectuate the adoption of the Five-Year Update and to transmit this Resolution to the City.

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**EXHIBIT A**

[City Resolution]



## RESOLUTION

### **Five-Year Update to the Destination Medical Center Development Plan.**

WHEREAS, on March 23, 2015, the Common Council of the City of Rochester adopted Resolution No. 133-15 approving the Destination Medical Center (DMC) Development Plan; and,

WHEREAS, Minnesota Statutes, section 469.43, subd. 4 requires that the Destination Medical Center Corporation (DMCC) update the Development Plan not less than every five years; and,

WHEREAS, on November 19, 2025, the DMCC formally submitted the Five-Year Update to the Development Plan to the City of Rochester for its review and action within 60 days; and,

WHEREAS, the DMC Economic Development Agency (EDA) has coordinated ongoing community engagement activities; received additional feedback and input from community members, City and County staff, City Council, stakeholders, and professional advisory firms; and,

WHEREAS, the DMC EDA has advised the City that the most substantive subsequent additions include more detailed financial impact analysis, projections of market demand and potential measures of success, and lessons learned; and,

WHEREAS, the DMC EDA has incorporated these additions into the submission provided by the DMCC and recommends that the Common Council of the City of Rochester adopt this updated version; and,

WHEREAS, the City has reviewed the Five-Year Update to the Development Plan as updated by the DMC EDA;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Rochester that the City approves the Five-Year Update to the Development Plan, including the additions provided by the DMC EDA.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF  
ROCHESTER, MINNESOTA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2026.

\_\_\_\_\_  
PRESIDENT OF SAID COMMON COUNCIL

ATTEST: \_\_\_\_\_  
CITY CLERK

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2026.

\_\_\_\_\_  
MAYOR OF SAID CITY

(Seal of the City of  
Rochester, Minnesota)

**EXHIBIT B**

[Five-Year Update]



# DESTINATION MEDICAL CENTER DMC DEVELOPMENT PLAN 5-YEAR UPDATE



CITY OF  
**ROCHESTER**  
MINNESOTA

**SMITHGROUP**

JLP+D

**ESI** ECONSULT  
SOLUTIONS INC.

# DMC PLAN UPDATE

## EXECUTIVE SUMMARY

Destination Medical Center (DMC) began with a bold vision: to position Rochester as a global center for health and innovation, while enhancing quality of life for everyone who lives, works, or visits here.

Now, **10 years in**, we've reached the **halfway point** of a 20-year journey. This is an opportunity to assess progress, recognize new opportunities, and to envision an even bolder future.

### Why is there a 5-year update?

The 2025 Development Plan Update is a key part of the DMC legislation that ensures this work stays transparent and accountable – it is both a legislative requirement and a great opportunity to reflect, realign, and refresh our shared direction. This is the moment to sharpen our focus as we look to the future. The path forward is about deepening our collective understanding of what guides our decisions and how our values show up in the built environment, economy, and daily life.



### What happened in the first 10 years of DMC?



#### New Jobs

Employment in the district increased from approximately 36,900 in 2015 to 54,400 in 2022—a gain of about 17,500 jobs. Of those, 16,000 were in the Health Care and Social Assistance sector, while 1,500 jobs were added in other sectors. This represents a 47% increase in jobs in downtown Rochester since 2015, while the statewide growth rate during the same time period was around 1%, making Rochester a significant anchor of employment growth in the state. This is also on track with the DMC goal to add 35,000 - 45,000 new jobs by 2035.



#### New Investment

The DMCC Board of Directors and Rochester City Council have directed investments totaling \$277 million of public funding. This public investment has successfully attracted over \$1.8 billion in private investment. These numbers do not include Mayo Clinic's planned \$5 billion investment in Bold.Forward.Unbound. in Rochester that commenced construction in 2025.



#### New Tax Revenue

A core DMC objective is to generate sustained public revenue growth by supporting private investment, job creation, and long-term economic development. The DMC plan sets a target of \$7.5 to \$8.0 billion in new net tax revenue over 35 years, benefiting the City of Rochester, Olmsted County, and the State of Minnesota. As of 2024, the DMC District is estimated to have generated approximately \$1.6 billion in new net tax revenue. The majority of that new tax revenue is from payroll taxes on the new jobs that have been generated.



### Coordinated Planning

To create the DMC Development Plan, the DMC EDA recruited a group of the nation's leading development and planning consultants to work in collaboration with the City of Rochester, Olmsted County, Mayo Clinic, and community stakeholders. More detailed planning exercises with numerous organizations have also occurred, focused particularly on public realm planning, mobility options, housing needs, and downtown district energy planning.



### Transforming Experiences

Over the past decade, strategic investments in public spaces have been transforming the downtown experience: Heart of the City fostered a year-round gathering place, Discovery Walk connected clinical corridors to innovation energy, and Soldiers Memorial Field evolved as a modern recreation hub with a new aquatic center. These physical improvements came alive through diverse public programming—from seasonal markets to outdoor performances—while cultural anchors like the restored Chateau Theatre enhanced hotels, and an expanding array of restaurants gave people more reasons to explore. Programs like the Main Street Economic Revitalization Grant Program helped entrepreneurs grow businesses, Community Co-Design gave residents direct input into shaping their downtown, Business Forward provided tools for commercial success through construction, and the Coalition for Rochester Area Housing partnership worked on the fundamental challenge of creating more homes at multiple price points. Together, these efforts began answering the essential question: what makes people not just visit downtown, but return, explore, invest, and stay?

### America's City for Health, From Tagline to Competitive Strategy

With 10-years of demonstrable progress and many new public and private projects underway, this update considers Rochester's unique advantage as a health-centric city. In doing so it considers how we innovate, how we build, and how we live.

### America's City for Health as Competitive Strategy:



#### Accelerate Health Innovation

We will expand Rochester's leadership in health discovery, technology, and entrepreneurship to fuel economic growth. By connecting research, startups, and investment, we'll cultivate new ideas, businesses, and careers that improve lives and strengthen Minnesota's economy.



#### Design for Well-being

We will design and invest in a city where health and wellness are embedded in the built environment, from housing and mobility to public spaces and climate resilience. Each project will enhance livability, sustainability, and inclusion, ensuring that health is reflected in the daily experience of residents and visitors alike.



#### Drive Purposeful Growth

We will use Rochester's distinct health identity and partnerships to attract people, investment, and services that align with our vision for a thriving, values-driven community. Growth will be intentional, rooted in health, opportunity, and quality of life, so that prosperity benefits both residents and the state.

Anchored by Mayo Clinic, the world's number one hospital, and powered by DMC, this model leverages health as a shared value. It's a one-of-a-kind economic development strategy, unmatched by any other city in the world for combining this level of medical excellence with an intentional plan to grow through health itself.

Health is our advantage. It fuels our economy, shapes how we build, and drives the purposeful growth that inspires people to call Rochester home.

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# DESTINATION MEDICAL CENTER DMC DEVELOPMENT PLAN 5-YEAR UPDATE

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NOVEMBER 2025 DRAFT

PREPARED FOR DMC EDA BY:

**SMITHGROUP**

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# 01. CONTEXT



# 01. CONTEXT

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The following section provides essential context on the Destination Medical Center (DMC) initiative, the State of Minnesota’s largest public-private economic development partnership. The chapter highlights the initiative's origins, governance structure, and implementation timeline, while exploring the collaborative relationship between Mayo Clinic, the City of Rochester, Olmsted County, state government, and broader community stakeholders.

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# CONTEXT

## WHAT IS DESTINATION MEDICAL CENTER?

### What is Destination Medical Center (DMC)?

Rochester's growth as a global center for health and healing reached a turning point in the early 2010s. While Mayo Clinic's reputation drew patients and talent from around the world, the city's infrastructure and urban experience were not keeping pace. There was a funding gap; public investment had not matched the scale of private and institutional growth. There was also an experience gap; the city needed more housing, transportation options, and vibrant public spaces to support the people who live, work, and visit here.

To close those gaps and plan for the future, the State of Minnesota, City of Rochester, Olmsted County, and Mayo Clinic formed a bold public-private partnership: the Destination Medical Center (DMC) initiative. With Mayo Clinic at its heart, DMC was established as a catalyst to position Rochester as the world's premier destination for health and wellness. The focus was to attract people, investment, and jobs to "America's City for Health" while strengthening Minnesota's economy and biosciences sector.

The enabling legislation was passed by the Minnesota Legislature in 2013, launching a 20-year initiative (2015-2035) supported by a \$585 million public infrastructure investment designed to leverage \$5.6 billion or more in private development within the DMC District and by Mayo Clinic in Rochester.

### What is the timeline of DMC?

The DMC Development Plan was completed in 2015 and serves as a strategic business plan and framework for implementation of the initiative. DMC is required to update its development plan every five years to assess progress, identify new opportunities, and guide future investment and infrastructure aligned with this strategic vision. All planning and investments must be approved by both the Rochester City Council and the DMC Corporation Board (DMCC) to ensure alignment and partnership in the vision for downtown Rochester.

### Where are we at today?

If the first five years of the DMC initiative (2015-2019) were characterized by a burst of new investment that demonstrated that the economic development model was working as intended, the first 5-year update to the DMC development plan (2020) occurred at a moment no one could have anticipated, amidst the COVID-19 pandemic and the subsequent impacts. Rochester has emerged from those uncertain times with an over \$5 billion commitment from Mayo Clinic to expand their facilities in downtown Rochester, as well as numerous large infrastructure investments also underway. This represents the largest construction project the State of Minnesota has ever seen in its history. For DMC, this means that we are leaning even more into Rochester's identity as America's City for Health - it's a competitive strategy that positions health as our shared value and economic driver. This plan advances a city where health shapes how we innovate, how we build, and how we live.

## FIVE DMC PLAN GOALS



### Create a Comprehensive Strategic Plan

Create a comprehensive strategic plan with a compelling vision that harnesses the energy and creativity of the entire region.



### Attract Private Investment

Leverage public investments to attract more than \$5 billion in private investments to Rochester.



### Create Jobs

Create more than 35,000 - 45,000 new jobs, with workforce development strategies that support that growth.



### Generate Additional Tax Revenue

Generate approximately \$7.5 - \$8 billion in new net tax revenue over 35 years



### Become the Destination for Health & Wellness

Achieve the highest quality patient, visitor, and community member experience now and in the future.



# CONTEXT

## DMC SUBDISTRICTS

### The Six Subdistricts of DMC

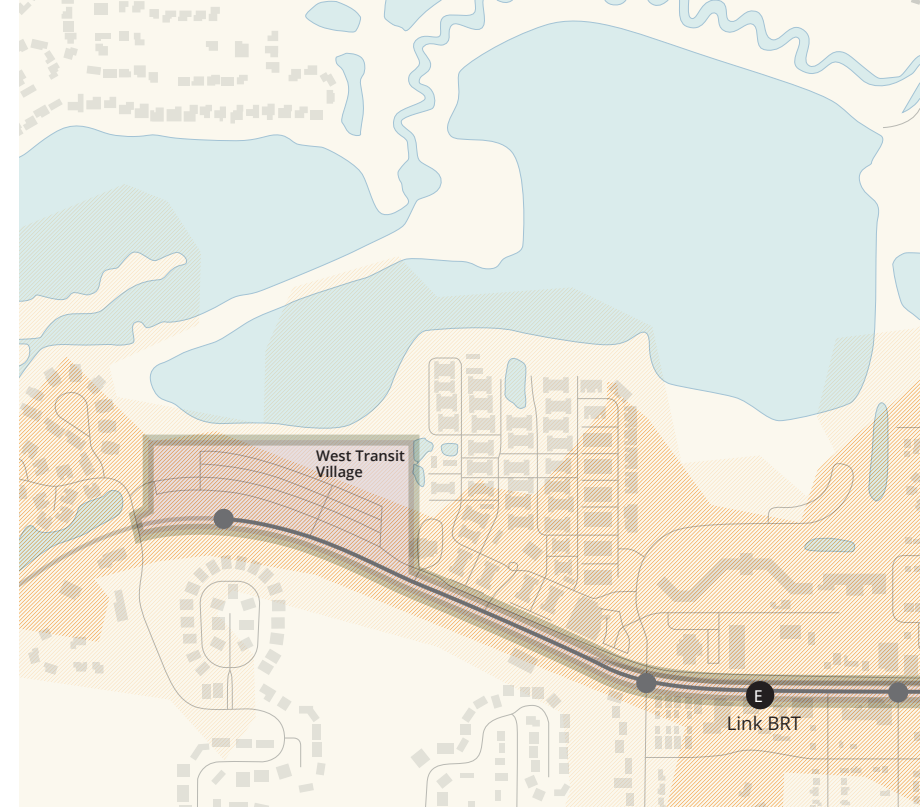
DMC's one square mile footprint is divided into six subdistricts. Each with a distinct plan, vision, and a signature public realm investment.



Heart of the City



Discovery Square



#### 1 Discovery Square

A new address for the future of bio-medical, research, education and technology innovation, Discovery Square is the economic engine of the DMC strategy and the core of the projects entrepreneurial system.

#### 2 Saint Marys Place

Saint Marys Place establishes a civic gateway at one of the primary entry points to Rochester and also includes the western end of the Link BRT corridor. The district embraces its relationship to the surrounding neighborhoods creating opportunities to connect Kutsy Park, St. Marys Hospital and the Historic Pill Hill Neighborhood.

#### 3 Central Station

Central Station is a cornerstone of the plan for future growth in Rochester. The location is ideal as a mixed-use area to support the community, visitors, and patients and has seen new housing, hotel, and retail development.

#### 4 Heart of the City

At the heart of downtown Rochester, the Heart of the City forms the true center of the city. The district is anchored by the Mayo Clinic, commercial, and residential development. The Heart of the City is a central public space, which includes the Peace Plaza to create active gateways to the other subdistricts.

#### 5 Downtown Waterfront

By embracing and activating the waterfront, investment along the water will bring new life to Rochester to a vibrant destination. The district is anchored by multiple public spaces and new investment will encourage mixed-use development, spurring mixed-use development in the downtown area.

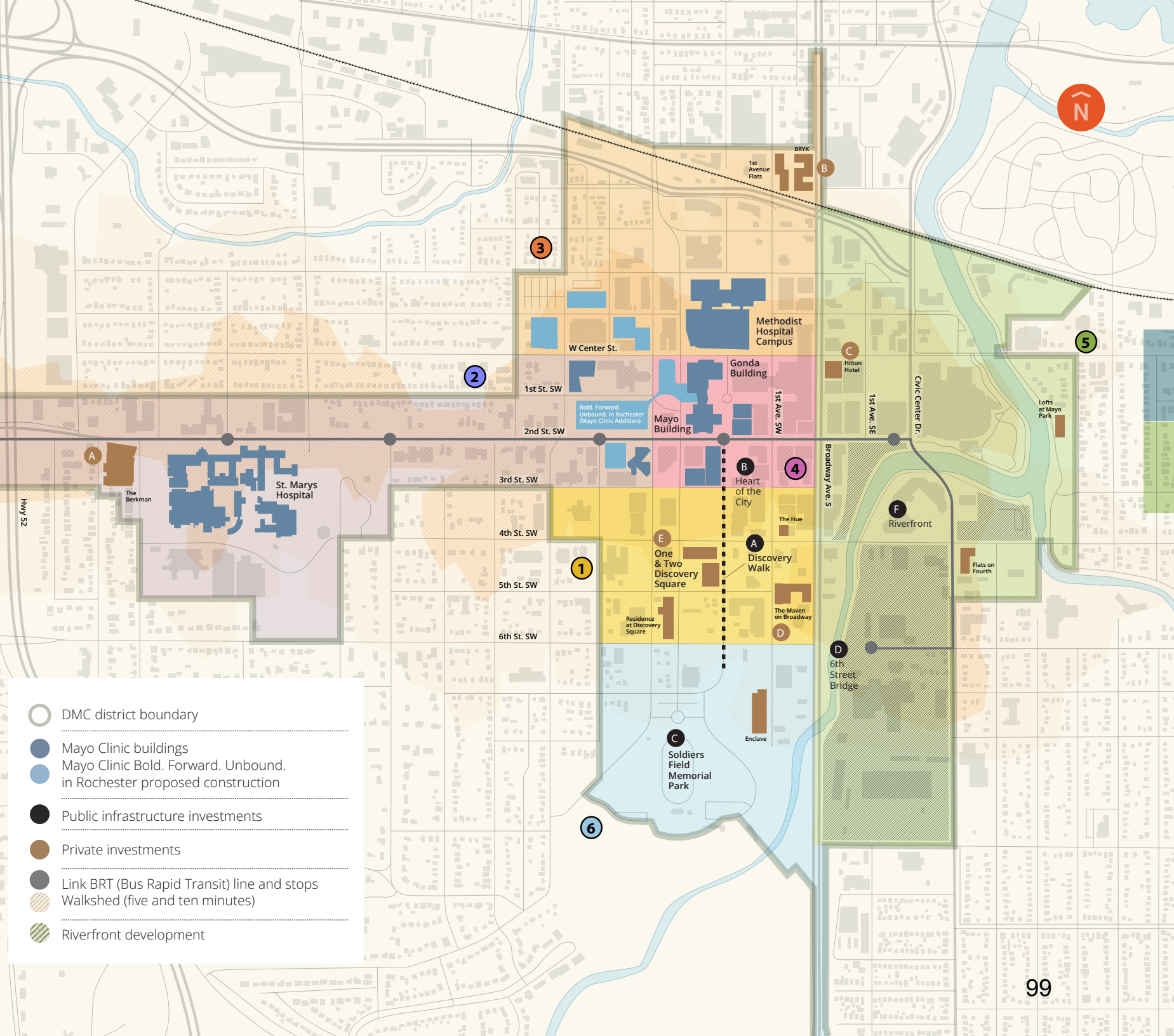
#### 6 Education and Recreation

This district is anchored by the University of Rochester Field and includes sites on the University of Rochester Master Plan. UMR owns part of the new Master Plan focus on the downtown, opening up new opportunities for this subdistrict.

is a subdistrict that  
the city. It is where  
hospitality, and retail  
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y Soldiers Memorial  
originally conceived as  
Minnesota - Rochester  
properties in this district;  
ses on the core area of  
ew opportunities



- DMC district boundary
- Mayo Clinic buildings
- Mayo Clinic Bold. Forward. Unbound. in Rochester proposed construction
- Public infrastructure investments
- Private investments
- Link BRT (Bus Rapid Transit) line and stops
- Walkshed (five and ten minutes)
- Riverfront development

# CONTEXT

## DMC GOVERNANCE AND FUNDING MODEL

**Three characteristics make the DMC unique:** it has a formal governance structure, a long-term commitment, and dedicated resources in the form of the public infrastructure funding committed to the initiative.

### Governance Structure

The DMC legislation, signed into law by Minnesota Governor Mark Dayton in May 2013, created two distinct bodies to implement the initiative:

#### DMC Corporation (DMCC)

The DMC Corporation is an oversight body that approves the DMC Development Plan and specific funding requests. The 8-member governing board consists of four members appointed by the governor of Minnesota, Rochester’s Mayor, a selected Rochester City Council member, a selected Olmsted County Commissioner, and a representative from Mayo Clinic.

#### DMC Economic Development Agency (DMC EDA)

The DMC EDA is a private nonprofit economic development agency that contracts with the DMC Corporation Board to act as its staff, working with the City of Rochester and other stakeholders to develop and execute DMC plans and strategy. Mayo Clinic appoints the Board of Directors of the DMC EDA.



### Total Investment Framework

DMC operates as a public-private partnership, combining private development by Mayo Clinic and other developers with public funding from the City of Rochester, Olmsted County, and the State of Minnesota to facilitate and support public infrastructure. The initiative includes \$585 million in public investment designed to catalyze \$5.6 billion in private investment over a 20-year period through 2035.

### Performance-Based State Funding

State law requires private investments made by Mayo Clinic and other businesses in the DMC District to be reported annually to the Minnesota Department of Employment and Economic Development (DEED). These investments determine the amount of state infrastructure funding Rochester receives, with a maximum of \$30 million available annually based on qualifying private investment levels.

### Infrastructure-First Approach

DMC employs an "infrastructure-first" approach to redevelopment, using public funds to support roads, transit, utilities, and public spaces that enable private development.

This unique governance and funding structure creates accountability through multiple oversight levels while providing the long-term financial stability needed for transformational economic development.



# CONTEXT

## ANCHOR STRATEGIC PARTNER: MAYO CLINIC

### What is Mayo Clinic?

Mayo Clinic is the world's largest integrated, not-for-profit medical group practice — a global leader in patient care, research, and education. Founded in 1864 in Rochester, Minnesota, Mayo Clinic was built on a simple yet revolutionary idea: that medicine works best when doctors collaborate across specialties to focus on the needs of the patient. Today, that model of team-based care serves more than 1.3 million patients each year from all 50 states and over 130 countries.

Represented by the three shields in its logo, symbolizing clinical practice, research, and education, Mayo Clinic's mission is to inspire hope and contribute to health and well-being by integrating these disciplines in every aspect of its work. Each shield strengthens the others, ensuring that discoveries made in the lab translate to better treatments at the bedside and that learning is woven into every patient interaction.

### A Legacy of Leadership

For more than 150 years, Mayo Clinic has defined what it means to deliver team-based, patient-centered care. Its pioneering model integrates research and practice to continually improve outcomes and inspire trust. Today, Mayo Clinic's work extends far beyond its campuses — improving health worldwide through collaboration, data, and digital innovation.



### Mayo Clinic: Catalyst for Transformation

Mayo Clinic is the foundation and future of Destination Medical Center. As Rochester's defining institution and the world's leading hospital, Mayo Clinic is not simply a partner in DMC, it is the reason DMC exists. The partnership was built on a shared vision: to ensure that Mayo Clinic can continue to thrive and expand in Rochester for generations to come, and that the city grows with it — as a global destination for health, innovation, and discovery.

### Bold. Forward. Unbound. in Rochester — A Vision for the Future

Bold. Forward. Unbound. in Rochester is an integral part of Mayo Clinic's strategic initiative to transform healthcare for the benefit of patients everywhere. Mayo Clinic is reimagining the downtown Rochester campus and introducing a combination of innovative care concepts, digital technologies and, new facilities that will enable transformation and accelerate the future of care.

In downtown Rochester, this vision is taking a dramatic physical and strategic form. Through DMC, the city has laid the groundwork by creating the infrastructure, partnerships, and civic environment necessary for Mayo Clinic to realize its ambitions. The investment in Discovery Square, Heart of the City, and public infrastructure has enabled Mayo Clinic to expand its research, innovation, and care capabilities in ways that connect patients, clinicians, staff, and entrepreneurs in a shared ecosystem of health innovation.

## BOLD.FORWARD.UNBOUND. IN ROCHESTER

Bold. Forward. Unbound. in Rochester is Mayo Clinic's vision for the future of healthcare infrastructure. Every aspect of Bold. Forward. Unbound. in Rochester considers the needs of the patient first —not only the patients of today, but also the patients Mayo Clinic will serve 100 years from now.

- **Five new buildings and major utility upgrades** — adding 2.4 million square feet of flexible, future-ready space.
- **Flexible design** that allows spaces to evolve with emerging treatments and technologies.
- **Care neighborhoods** designed to transform how healthcare is delivered and to elevate the experience of both patients and staff.
- **Digital systems** intuitively integrated with automation, robotics, and AI-powered tools that further Mayo Clinic's collaborative model of care.
- **\$5 billion investment** anchoring Rochester's role in global health innovation and driving local economic impact.

Construction is now underway, with phased openings of the first new buildings beginning as early as 2026. Bold. Forward. Unbound. in Rochester serves as a testament to Mayo Clinic's commitment to Rochester and its future. This isn't just about new construction; it's about transforming healthcare and expanding a vibrant, thriving community that attracts and retains top talent, fosters innovation, and enhances the lives of our patients, staff, and visitors.

# CONTEXT

## MEDICAL ALLEY

**Minnesota's Medical Alley is more than an industry—it's a powerful regional ecosystem that fuels global health innovation.**

Stretching from Rochester to the Twin Cities and across southern Minnesota, Medical Alley is one of the world's most concentrated clusters of healthcare, MedTech, and life science expertise. It is home to more than 15,000 companies employing over 500,000 people, including global leaders like Mayo Clinic, Medtronic, Boston Scientific, and 3M, alongside hundreds of startups driving next-generation health solutions.

Rochester anchors this ecosystem, where research, discovery, and patient care converge. DMC's investments in innovation, infrastructure, and workforce expand the region's capacity to collaborate across disciplines, from data and diagnostics to devices and delivery.

The strength of Medical Alley lies in its density of expertise and culture of partnership. By connecting Rochester's world-leading clinical environment with the manufacturing, finance, and technology assets of the broader region, DMC transforms ideas into real-world applications that improve lives and strengthen Minnesota's economy.

This geography is central to DMC's success: it ensures discoveries made in Rochester scale statewide and globally, positioning Minnesota as a premier destination for health innovation and investment.





	Rochester, MN	Medical Alley Geographic area*
60-Minute drive-time population	1,085,828	4,271,269
60-Minute drive-time population working in healthcare industry	100,186 (20%)	405,345 (18%)
Percent of working population in healthcare industry**	51%	18%

Notable companies residing within the Medical Alley geography



The Medtronic world headquarters in Fridley, Minnesota. Medtronic employs 11,000 employees throughout the state.



**"Medical Alley"**\*\* refers to the geographic region containing the Minneapolis-St Paul MSA, the Rochester MSA, and some selected counties in between the two metros located along Minnesota's Highway 52.

Mayo Clinic, which employs more than 49,000 people in the state, remains the largest employer in Minnesota.

# CONTEXT

## HOW WE WORK: A MODEL FOR INCLUSIVE AND SUSTAINABLE GROWTH

DMC is more than a development initiative; it's a partnership model designed to grow Rochester in ways that reflect its people, purpose, and plan. Our approach combines public and private investment, guided by principles that ensure every dollar contributes to long-term community health, economic vitality, and environmental sustainability.

### **1. Establish a bold and compelling vision for Rochester and Destination Medical Center**

DMC began with a transformative idea: to make Rochester the world's premier destination for health and innovation. That bold vision continues to guide decisions today, inspiring projects that enhance well-being, advance discovery, and strengthen Minnesota's economy.

### **2. Sustain Rochester and Southeast Minnesota as a destination medical center and economic engine for the state**

Anchored by Mayo Clinic, DMC is growing a diverse ecosystem of employers, entrepreneurs, and educators that drives statewide prosperity. Sustaining this success means investing in both innovation and inclusion—ensuring opportunity reaches every corner of the region.

### **3. Implement a comprehensive strategy to drive economic development and investment**

DMC coordinates public and private investment through a shared plan that creates jobs, attracts new businesses, and expands the tax base. Equity, sustainability, and workforce participation are built into this strategy, ensuring growth benefits the people who power it.

### **4. Align development with market-driven framework and strategies**

Each project responds to real market needs and long-term community value. By aligning development with economic demand and public purpose, DMC helps ensure resources are directed where they can have the greatest social, fiscal, and environmental return.

### **5. Create a dynamic and accessible urban core**

Downtown Rochester is designed for people—a walkable, welcoming, and connected city center that reflects the health of the community itself. Investments in housing, parks, public art, and small business vitality make this urban core vibrant, equitable, and inclusive.

## **6. Develop mobility and transit solutions to support growth**

DMC promotes a connected, multimodal transportation network that reduces car dependence and expands access for everyone. Projects like the Link Bus Rapid Transit system and Discovery Walk demonstrate how mobility can improve health, equity, and sustainability.

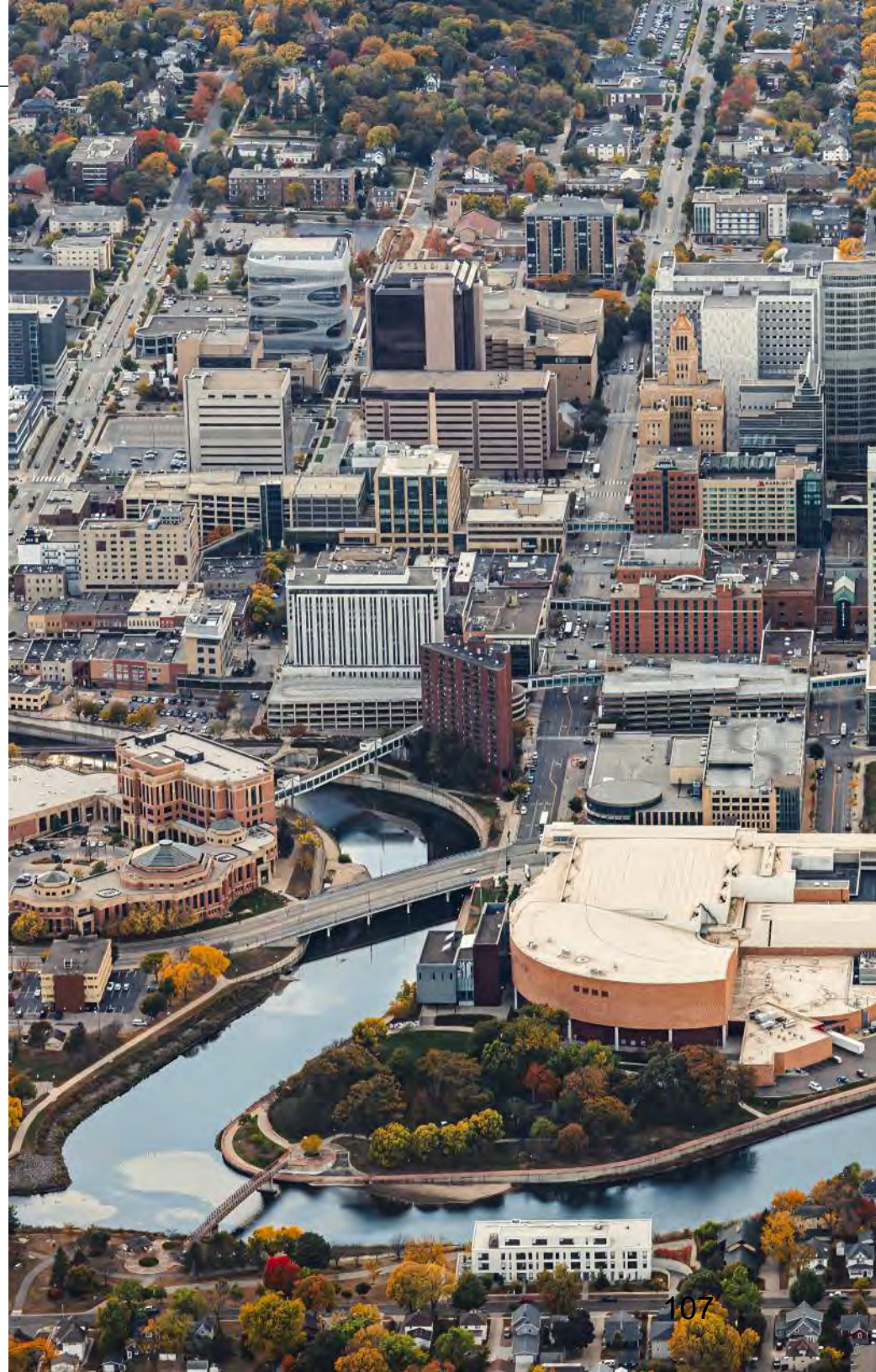
## **7. Create a model for sustainability**

Sustainability is woven into every DMC investment—from climate-resilient design and renewable energy infrastructure to green building standards and expanded tree canopy goals. Together, these efforts create a city that supports both human and environmental health.

## **8. Deploy technology and innovation to promote a globally competitive destination**

Innovation drives DMC's future. From advanced data systems to digital health, smart infrastructure, and community co-design, technology is used to expand access, improve performance, and ensure that progress is shared equitably across Rochester's growing community.

Through these principles and values, DMC continues to model how visionary planning, inclusive partnerships, and sustainable design can create a healthier, more equitable city, and a stronger Minnesota.



# CONTEXT

## A DECADE OF PROGRESS

The state statute that established the DMC initiative outlines eight key areas for strategic development, ensuring a comprehensive and balanced approach to urban transformation. These areas include:

- Commercial research and technology
- Learning environments
- Hospitality and convention
- Sports and recreation
- Livable communities (encompassing mixed-use, urban, and neighborhood residential development)
- Retail, dining, and entertainment
- Health and wellness
- Transportation

Together, these categories serve as a framework for guiding investment and planning decisions that support Rochester's evolution into a globally competitive, inclusive, and vibrant city.

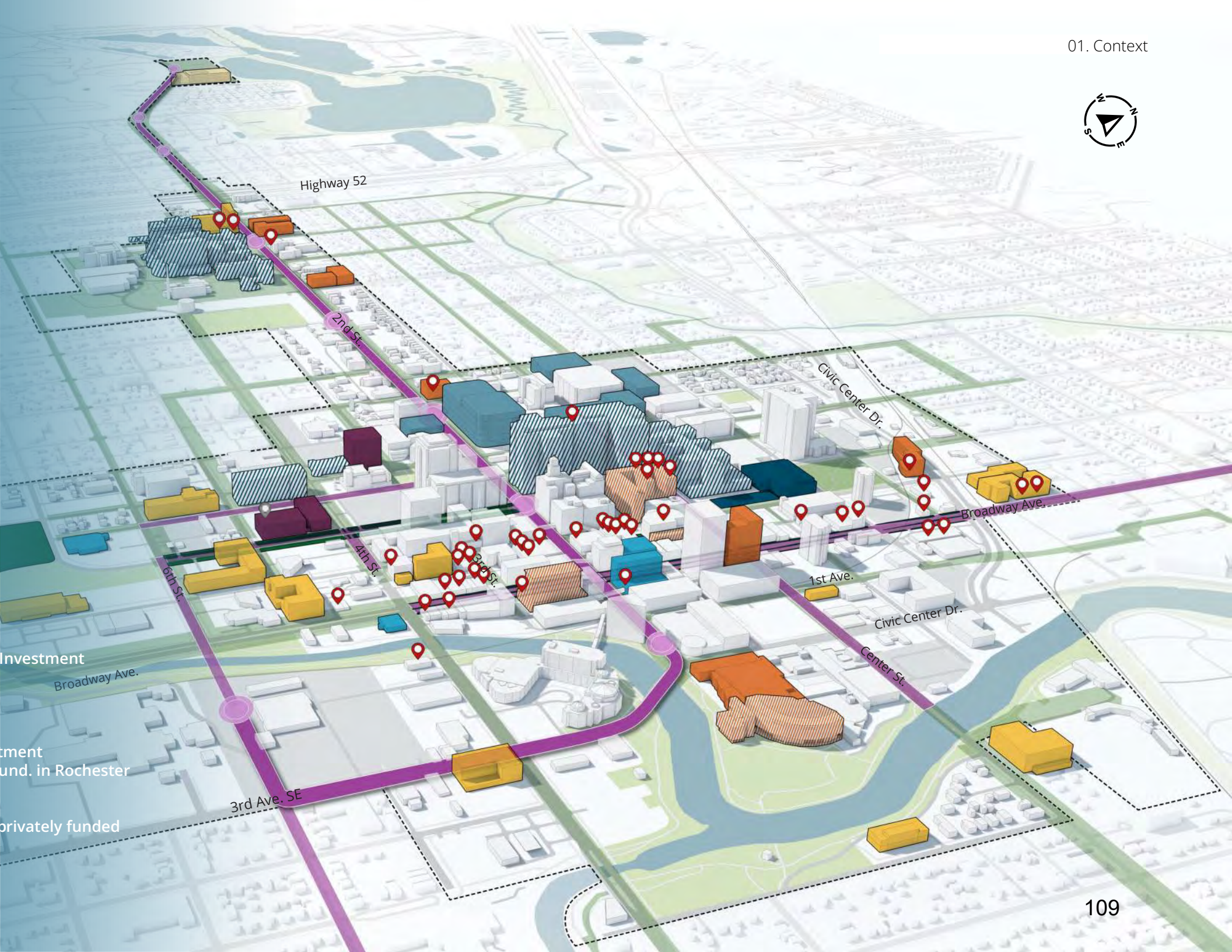
The following map outlines the built and planned public and private investments that have been made in these 8 key areas over the past decade.

### Capital Investments

From 2015 to 2024, over \$1.8 billion in private construction investments were made within the DMC district. Over that same time period, DMC and Rochester City Council authorized \$277 million of public infrastructure spending to support the continuous growth of the downtown.

# Capital Investments to Date

- 
- Commercial Research & Technology Built
  - Commercial Research & Technology Unbuilt
  - Learning Environments Built
  - Hospitality & Convention Built
  - Hospitality & Convention Significant Renovation
  - Sports & Recreation Built
  - Livable Communities Built
  - Retail, Dining & Entertainment Built
  - Health & Wellness Built
  - Health & Wellness - Significant Renovation Investment
  - Health & Wellness Unbuilt - Bold. Forward. Unbuilt.
  - Transportation
  - Horizontal infrastructure (streets and sewers) investments in the Downtown - both public and private



Investment  
ment  
und. in Rochester  
privately funded

# CONTEXT

## A DECADE OF PROGRESS

### The Model is Working

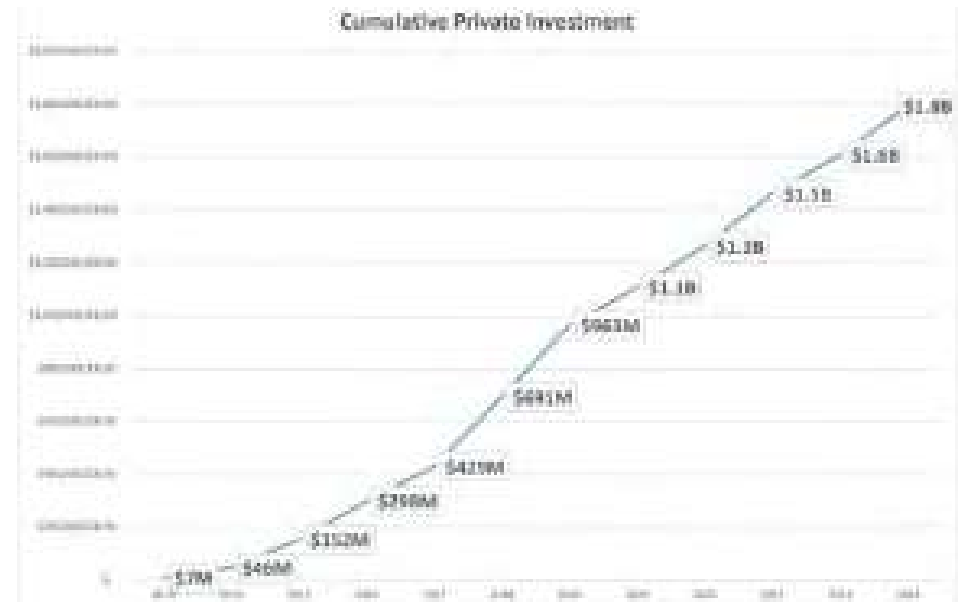
The DMC investment model delivers measurable results. Each dollar of public funding invested in infrastructure and public realm improvements has unlocked multiple private dollars in new development. A return that continues to grow year over year.

Since 2015, DMC has demonstrated that strategic public investment can catalyze sustained private confidence. The result is a thriving urban core, expanded business and innovation opportunities, and new housing and hospitality choices that strengthen Rochester's position as a global destination for health and innovation.

The numbers tell the story:

- Public investment lays the foundation for long-term growth, in streets, utilities, mobility, and shared public spaces.
- Private investment follows, bringing jobs, tax base, and vitality.
- The outcome is a balanced, self-reinforcing model that continues to exceed expectations.

The DMC approach is working. It is driving tangible economic, social, and physical transformation in Rochester, and that impact can be felt across Minnesota.



## PROGRESS, MEASURED



**\$1.8B** in private investment



**400,000**

square feet of new research and innovation space delivered



**47%** increase in new jobs



new net state and local tax revenue

**\$1.6B**



**2x** Number of downtown residents since 2015



**15** Vacant or underutilized blocks downtown developed






Discover Discovery Walk  
A community shelter  
with heating  
& cooling.

When there is beauty in yo

## 02. DMC TODAY

An outdoor night scene featuring a wooden bench with a dark base. The base of the bench has the text "our speech, you widen your reach." illuminated in white. To the right, a blue pillar stands next to another dark base with the text "The har" illuminated. The background shows a grassy area, trees, and city lights.

our speech, you widen your reach.

The har

# 02. DMC TODAY

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This chapter assesses the DMC district today through four lenses: Rochester's demographic profile, change we can see in the built environment and how we got there, the current state of key core areas, and a review of significant planning exercises conducted over the past decade. The analysis establishes a comprehensive baseline—examining who makes up the community, how the economy functions today, what infrastructure exists, and what previous studies have revealed about opportunities and challenges. This foundation enables informed strategic thinking about Rochester's next phase of development.

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# Demographic Snapshot

---

**Understanding who we are and who we're becoming is essential to shaping a community that works for everyone.**

## **What is in this section:**

Rochester's population is growing rapidly and becoming more diverse, educated, and globally connected. The following pages present a picture of Rochester's changing demographics: population growth, age distribution, diversity, income, and household trends. These data points help DMC and its partners plan for a future that meets the needs of residents, workers, patients, and visitors alike.

## **Why it matters:**

Understanding who lives, works, and invests here is essential to shaping policies and investments that ensure inclusive growth. These trends influence how we plan housing, transit, and workforce programs. By tracking change and anticipating what's next, Rochester can remain a place where innovation thrives and people of all backgrounds can live, work, and belong.

# DEMOGRAPHIC SNAPSHOT

## COMMUNITY PROFILE

For more than 150 years, Rochester, MN has been the home of Mayo Clinic. An ambitious family of doctors and an order of Catholic sisters created what has become the #1 hospital in the world. With a singular focus on the needs of the patient, Mayo Clinic continues to be the standard bearer for healthcare innovation in solving medicine's most serious and complex problems.

Rochester has developed alongside the world's premier medical institution, creating a unique partnership that brings together small-city livability, big-city amenities, rich cultural diversity, and economic prosperity that's rare in the United States.

When we zoom in further to the downtown DMC District itself, the DMC District is one of the most racially and ethnically diverse areas in Olmsted County. Its median age is 39, slightly higher than the City of Rochester's median age of 36.3. Adults aged 55 and older make up 35.9% of the DMC population, compared to 28.1% citywide and just 23.3% on average across peer cities.

### **Economic Growth**

With an area median household income of \$85,240, Rochester outpaces both Minnesota and national medians. Combined with a poverty rate of just 9.1% and low unemployment at 2.1%, Rochester enjoys unusual economic stability for a non-coastal, mid-sized city. However, this

high average income obscures some of the lower income households that exist in a higher proportion in the downtown and DMC district, including two census tracts where at least 50% of households have an income below 60% of the Area Median Gross Income (AMGI), or that have a poverty rate of 25% or more. Almost half of the households who rent in Rochester are cost-burdened (meaning they spend more than 30% of their income on housing).

### **International Character in the Upper Midwest**

14% of residents are foreign-born, and 17.8% speak a non-English language at home, while over 90 languages are spoken within the Rochester Public Schools. This diversity is notable for a Minnesota city of this size, driven largely by Mayo Clinic's international reputation attracting medical professionals, researchers, and patients from around the world.

### **White Collar Employment Concentration**

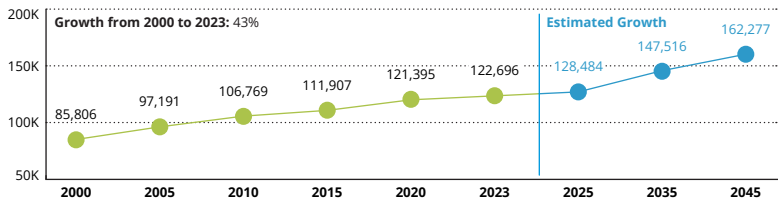
86.2% of workers are in professional or administrative positions - an extraordinarily high proportion that rivals major metropolitan areas and reflects the medical, research, and knowledge-based economy.

### **Rapid Growth in a Stable Region**

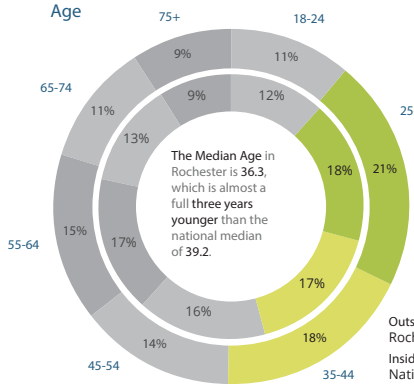
Rochester's population has grown 44.1% since 2000, making it one of the fastest-growing communities in Minnesota and the Upper Midwest - a region where many cities face stagnation or decline.

# Rochester by the Numbers

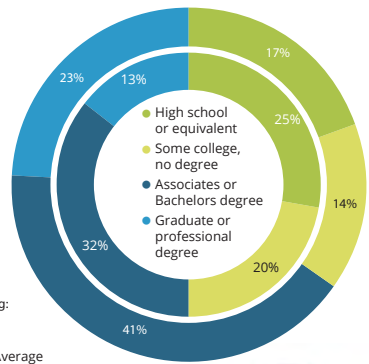
## Population



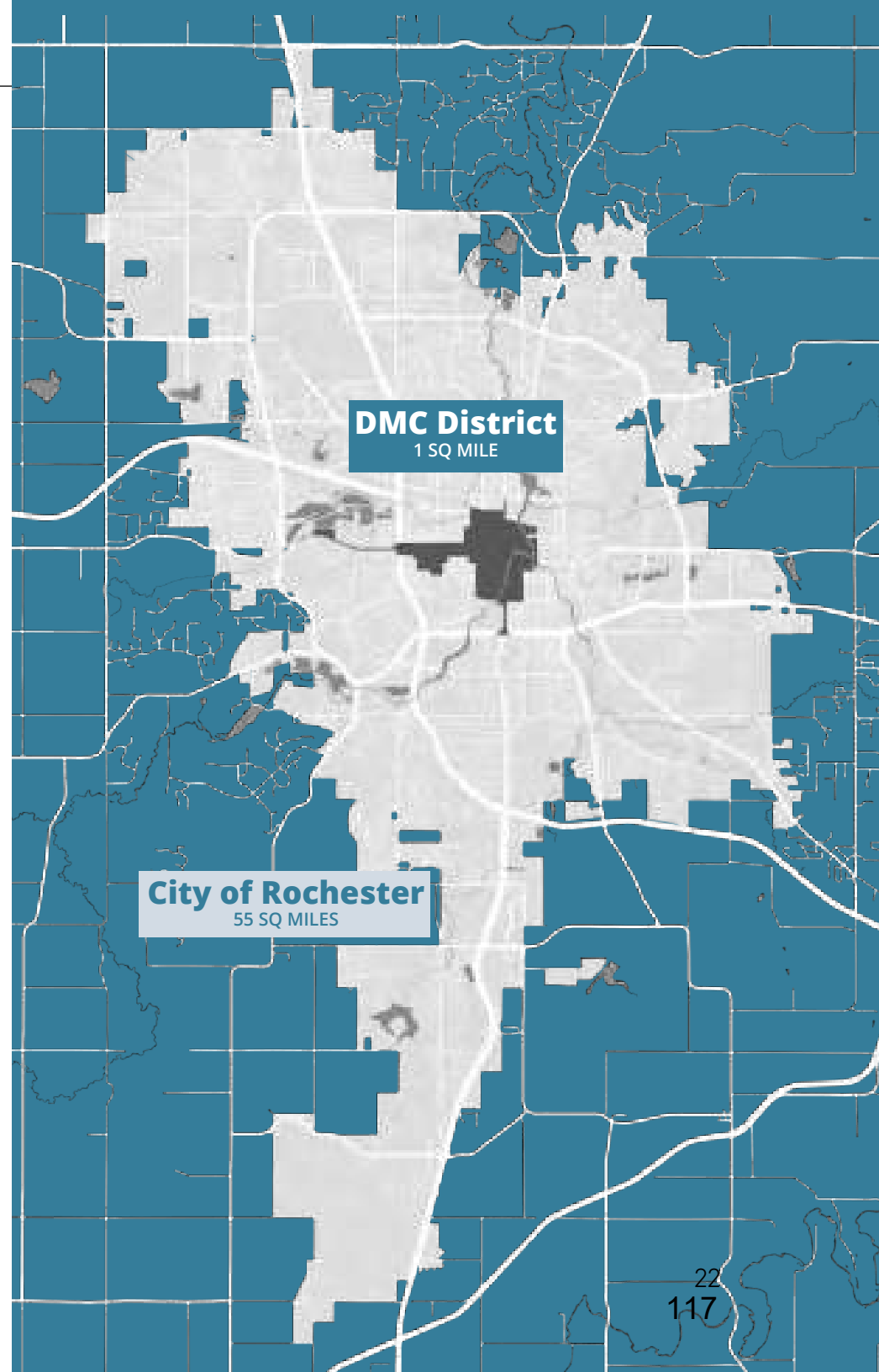
## Age



## Education



AMI  
\$85,240\*



# DEMOGRAPHIC SNAPSHOT

## COMMUNITY PROFILE

### Employment

Employment in the DMC District grew by 76% from 2003 to 2022, with 75% of that growth occurring after the DMC plan launched in 2015. Between 2015 and 2022, the district added 17,500 jobs, including 1,500 in non-healthcare sectors. Rochester outpaced peer cities like Sioux Falls, SD and Madison, WI in job growth, signaling its emergence as a strong regional employment center. The DMC District's expanding research ecosystem is drawing more diverse economic activity, especially in biotech, MedTech, and healthcare innovation.

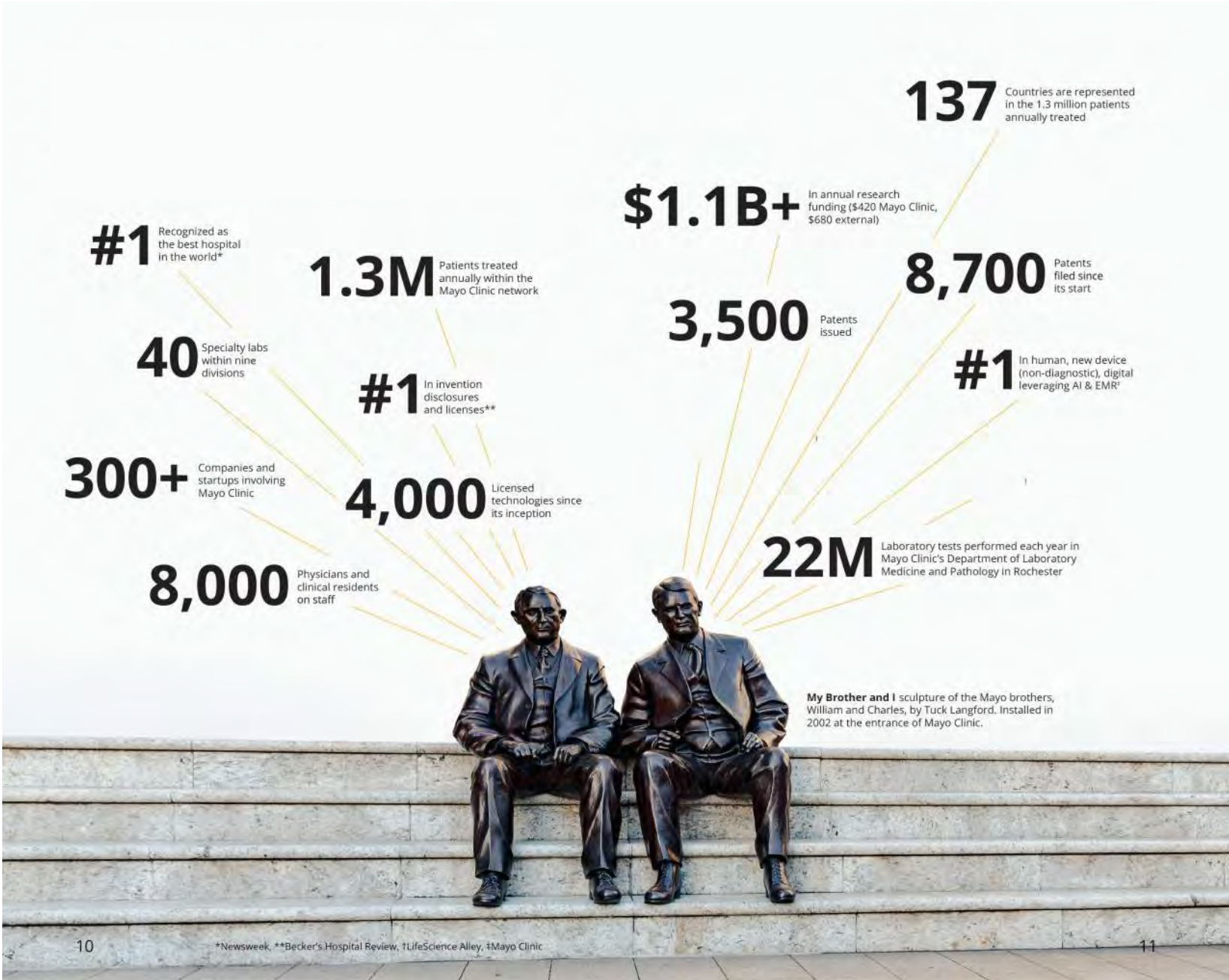
Rochester ranks first in the nation for average physician pay and NIH funding per capita, reinforcing its role as a premier destination for medical professionals.

### Healthcare

Rochester leads the nation in healthcare density, with 2,400 physicians per 100,000 residents. This exceeds the average of peer counties such as Hennepin (Minneapolis) at 585 and Ramsey (St. Paul) at 327. The city also supports 38 healthcare workers per 100 residents, compared to just 4 nationally, reflecting a deeply embedded medical workforce and high patient volumes.

### Education

DMC has a unique opportunity to attract and retain talent across industries. University of Minnesota Rochester (UMR) has grown from 57 students in 2009 to around 1,200 undergraduates today. As of 2024, over 30% of UMR graduates stayed in Rochester, more than double the retention rate of the University of Iowa. Nearly 25% of UMR alumni are employed by Mayo Clinic, and graduates earn a median salary of \$69,020, significantly above the national midpoint of \$53,747. With an annual cost of \$15,193, well below the four-year college average, UMR offers a high-value, healthcare-focused education that directly feeds Rochester's innovation economy. Luther College's Rochester Semester, launched in 2020, offers students from all majors immersive internships with Mayo Clinic and local organizations, building on a 40-year legacy of nursing clinical placements in the city. Since 2017, Winona State has expanded its downtown Rochester presence to co-locate graduate nursing and social work programs, fostering interdisciplinary collaboration and aligning with regional workforce needs. Rochester Community and Technical College (RCTC), Minnesota's oldest community college founded in 1915, serves over 8,000 students annually with 70+ programs and healthcare-focused pathways, many in partnership with Mayo Clinic and Winona State University, playing a critical role in supporting Rochester's Destination Medical Center vision by developing a skilled workforce for its growing healthcare and innovation economy.



# DEMOGRAPHIC SNAPSHOT

## COMMUNITY PROFILE

### Infrastructure

Seventy one percent of roadways in the DMC District boundary have seen investment in public infrastructure since the founding of the DMC initiative in 2015. That level of investment is extraordinary when compared to national trends, where aging infrastructure often languishes due to limited funding and slow project timelines. In contrast, the DMC District's transformation reflects a rare and concentrated commitment to revitalization that far exceeds the pace and scale of typical U.S. infrastructure upgrades.

### Mobility

The average commute time is just 17.2 minutes, well below the national average of around 26 minutes, suggesting a compact, well-planned city where people live close to work. With a doubling of the number of residents living downtown over the last 10 years, the population that has a walkable commute to work is increasing too.

### Community Resilience

Rochester ranks in the 8th national percentile for climate vulnerability, indicating strong resilience compared to similar-sized cities. Its social vulnerability score of 0.2 matches leading peers like Madison, WI (Dane County). These indicators reflect a community that is well prepared to adapt to environmental and social challenges.

### Housing

The DMC District is projected to grow in population by 52% by 2030, increasing demand for diverse housing options. While over 1,000 new units have been added since 2020, Olmsted County still needs 18,000 more by 2035. Nearly half of Rochester renters are cost burdened, and the DMC district is predominantly renter-occupied. Rising costs, limited supply, and an aging population are driving the need for affordable, inclusive housing, especially for seniors, low-income residents, and communities of color.

# HOUSING

DMC anticipated population growth rate (2020-2030)

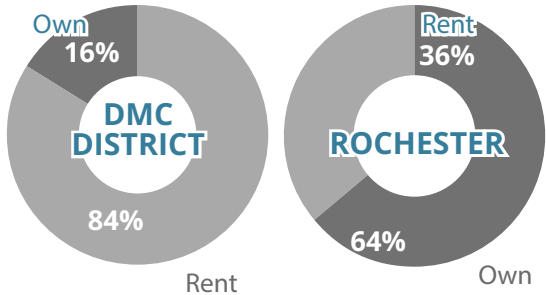
**52%**

Share of Rochester renter households with cost burdens\*



**49%**

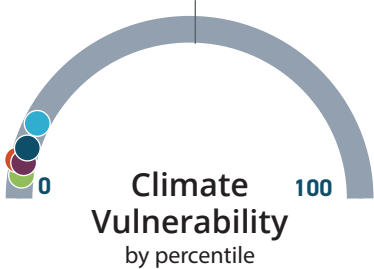
Tenure Breakdown (2020)



**4.7k** Rochester rental housing demand by 2035

Source: [Maxfield Olmsted County Housing Study](#)  
 \*(Cost burdened households pay 30-50% of income for rent/utilities)

# COMMUNITY RESILIENCE



- Olmsted County, MN (Rochester): 8th
- Dane County, WI (Madison): 6th
- Johnson County, IA (Iowa City): 6th
- Cass County, ND (Fargo): 2nd
- Minnehaha County, SD (Sioux Falls): 11th

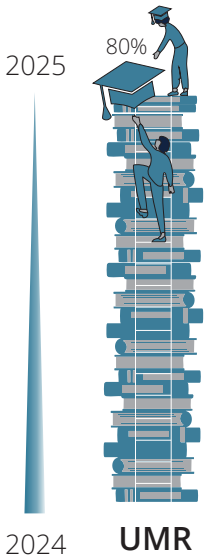
Source: [U.S. Climate Vulnerability Index](#)



- Rochester, MN (0.2)
- Dane County, WI (Madison): 0.2
- Johnson County, IA (Iowa City): 0.4
- Cass County, ND (Fargo): 0.3
- Minnehaha County, SD (Sioux Falls): 0.4

Source: [Center for Disease Control Social Vulnerability](#)

# EDUCATION



University of Minnesota Rochester (UMR) has grown from 57 students in 2009 to around 1,200 undergraduates today. As of 2024, over 30% of UMR graduates stayed in Rochester, more than double the retention rate of the University of Iowa.

Increase in New Undergrad Students **121**

# Change We Can See

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**The results of a decade of investment are visible across Rochester's skyline, streets, and shared spaces — proof that the DMC model is working.**

## **What is in this section:**

The following pages highlight the transformation of downtown Rochester through public and private investment. Once underutilized blocks have become vibrant places to live, work, and gather. From Discovery Walk to the Heart of the City, from new housing and hotels to research and innovation spaces, each project represents visible progress and lasting impact.

## **Why it matters:**

Physical change builds momentum and confidence. Every completed project demonstrates how coordinated public and private investment drives economic growth, improves livability, and attracts new talent and opportunity. This transformation is more than construction. It's a reflection of Rochester's shared commitment to being America's City for Health.



# CHANGE WE CAN SEE **A DECADE OF INVESTMENT**

Rochester's transformation over the past decade is visible in its built environment. Fifteen formerly vacant or underutilized downtown blocks have been redeveloped, signaling a new era of vitality. Over 400,000 square feet of research and innovation space, including One and Two Discovery Square and the Anna-Maria and Stephen Kellen Building, have been delivered. More than 1,000 new housing units, including Bryk Apartments, and 690 hotel keys, such as the Hilton Rochester Mayo Clinic Area, have been added. These investments reflect Rochester's emergence as a dynamic hub for innovation, quality of life, and economic growth.

## INNOVATION



Discovery Square Before



Discovery Square After

# HOSPITALITY



Hilton Rochester Mayo Clinic Area Before



Hilton Rochester Mayo Clinic Area After

# HOUSING



Bryk on Broadway Before



Bryk on Broadway After

## CHANGE WE CAN SEE

### **LEVERAGING FUNDING SOURCES**

Over the past decade, Rochester has maximized its public investment strategy by leveraging a diverse mix of funding sources to accelerate transformation. In addition to the core DMC funding, the city secured support from the Minnesota Main Street Economic Revitalization Program and major federal contributions, including an \$84.9 million grant from the Federal Transit Administration for the Link Bus Rapid Transit project. DMC has also supported a Historic District Commercial Rehabilitation Fund to preserve and activate key properties. This layered approach to financing has amplified the impact of local dollars, enabling catalytic investments in infrastructure, mobility, and economic development.



### **MAIN STREET GRANT PROGRAM**

Rochester's Main Street Grant offered matching funds to help businesses improve buildings and surrounding sites. Funds support repairs, renovations, construction, landscaping, design, and other site-related improvements. Pictured above is Anderson Wheelchair, a shop that sells, rents, customizes, and services mobility products, which received an \$88,548 grant to improve their facility.



## INCREASING FUNDING FROM STATE, FTA

Rochester received an \$84.92 million federal grant to build the Link Bus Rapid Transit system, a key step in transforming regional mobility. The project will connect major destinations with fast, reliable service and support sustainable growth. Link BRT is designed to reduce congestion, improve access, and strengthen Rochester's role as a regional hub.



## HISTORIC DISTRICT COMMERCIAL FUND

Rochester launched a Historic District Commercial Fund offering three financial tools to support property upgrades: a Pre-renovation Grant, Economic Development Loan, and Infrastructure Investment. These programs provided up to \$500,000 per property for design, construction, and infrastructure, with matching funds and required approvals.

# CHANGE WE CAN SEE

## UNIQUE TOOLS DEVELOPED

To support inclusive and adaptive growth, Rochester has pioneered tools like community co-design, Business Forward, rapid prototyping, and the Housing Coalition, each designed to elevate local voices, accelerate innovation, and align development with community needs.



### COMMUNITY CO-DESIGN

Co-design is a collaborative approach that elevates voices most impacted by development, ensuring their experiences shape outcomes. It identifies and compensates community members as co-designers, engages them in design sprints, and integrates feedback to refine solutions. This method guided projects like Discovery Walk, producing inclusive, responsive, and community-aligned results.



### BUSINESS FORWARD

Business Forward is community-centered construction mitigation. It's a methodology that prioritizes people and businesses, working proactively and intentionally with those most affected by construction. Through early engagement, coordinated communication, and responsive support, Business Forward helps minimize disruption and maintain vitality in areas experiencing major investment. The approach ensures that progress on public infrastructure also strengthens local businesses, builds trust, and sustains the character of Rochester's downtown and districts during times of change.



### BLOOMBERG MAYORS CHALLENGE WINNER

Rochester secured \$1 million in the Bloomberg Global Mayors Challenge for a proposal that expands economic mobility for BIPOC women through careers in construction and the built environment, using co-design and partnerships to create a replicable model for inclusive workforce development.



## PROTOTYPING

Rochester uses prototyping to test public space elements, such as furniture and design features, before final implementation. This iterative approach gathers community feedback and real-world performance data to refine solutions that better serve residents and visitors. For example, seating prototypes in the Heart of the City were evaluated for comfort, durability, and public response before final selection.



## COALITION FOR ROCHESTER AREA HOUSING

The Coalition for Rochester Area Housing emerged as a collaborative platform to advance housing equity, affordability, and stability. It brings together diverse partners to align strategies, share data, and support informed decision-making. Its BIPOC Homeownership Report, which highlights racial disparities and recommends targeted actions, reflects the coalition's data-driven and community-informed approach.

# Core Areas

---

**Rochester's strength comes from the connection between its core areas — healthcare, research and education, innovation and technology, hospitality, and housing — all working together to power a resilient and inclusive economy.**

## **What is in this section:**

The following pages highlight the eight core areas that shape Rochester's growth and define DMC's impact. Each area, from health and discovery to community life, plays a role in advancing DMC's mission to make Rochester a global destination for health and innovation. These snapshots show how public and private investments across sectors intersect, creating a stronger foundation for economic vitality and quality of life.

## **Why it matters:**

A thriving city depends on balance. Between innovation and inclusion, growth and livability, understanding the interdependence of Rochester's core areas helps DMC and its partners direct investment, attract talent, and create opportunities that benefit the entire community. Together, these areas form the ecosystem that drives Rochester's future as America's City for Health.



# CORE AREAS

## CAPITAL INVESTMENT

The state statute that established the DMC initiative outlines eight key areas for strategic development, ensuring a comprehensive and balanced approach to urban transformation. These areas include:

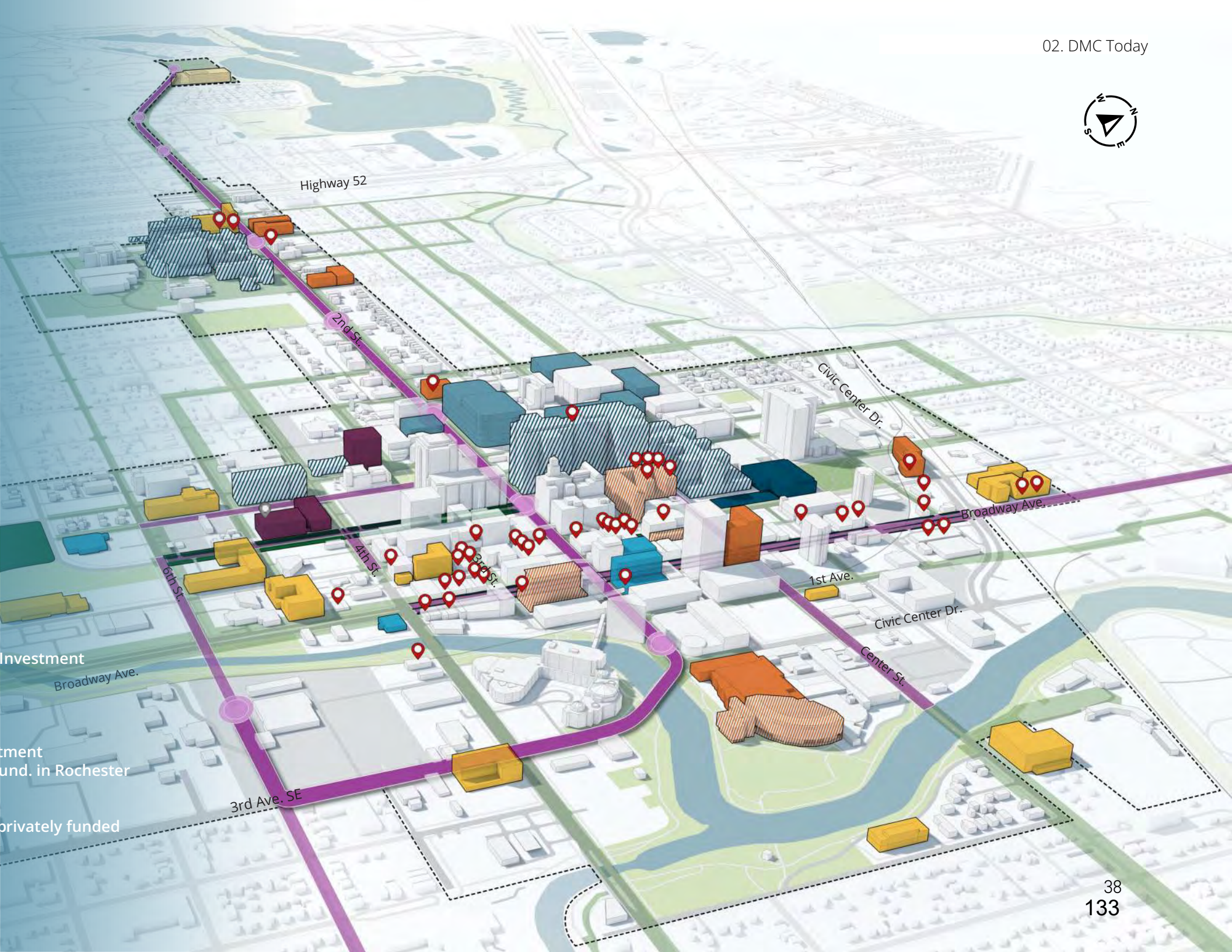
- Commercial research and technology
- Learning environments
- Hospitality and convention
- Sports and recreation
- Livable communities (encompassing mixed-use, urban, and neighborhood residential development)
- Retail, dining, and entertainment
- Health and wellness
- Transportation

Together, these categories serve as a framework for guiding investment and planning decisions that support Rochester's evolution into a globally competitive, inclusive, and vibrant city.

The following map outlines the built public and private investments that have been made in these 8 key areas over the past decade.

# Capital Investments to Date

- 
- Commercial Research & Technology Built
  - Commercial Research & Technology Unbuilt
  - Learning Environments Built
  - Hospitality & Convention Built
  - Hospitality & Convention Significant Renovation
  - Sports & Recreation Built
  - Livable Communities Built
  - Retail, Dining & Entertainment Built
  - Health & Wellness Built
  - Health & Wellness - Significant Renovation Investment
  - Health & Wellness Unbuilt - Bold. Forward. Unbuilt
  - Transportation
  - Horizontal infrastructure (streets and sewers)
  - Investments in the Downtown - both public and private



Highway 52

2nd St.

4th St.

3rd St.

3rd Ave. SE

Civic Center Dr.

1st Ave.

Civic Center Dr.

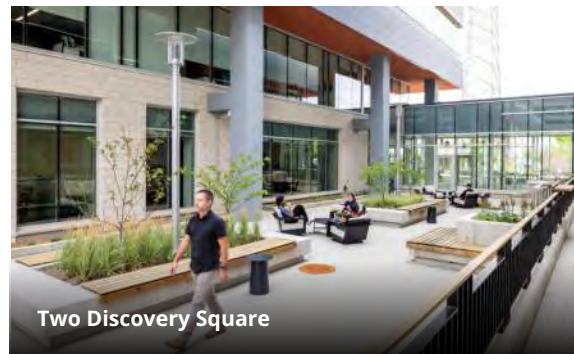
Center St.

Broadway Ave.

Investment  
 Investment  
 fund. in Rochester  
 privately funded

# CORE AREA: COMMERCIAL RESEARCH & TECHNOLOGY

In under a decade, Rochester's innovation ecosystem has made remarkable strides, transforming from a bold vision into a growing reality. What started in 2015 with limited infrastructure and few formal partnerships has become a dynamic network of programs, institutions, and companies. Today, new ventures are taking root, student enrollment is climbing, and higher education is becoming a visible force in the downtown core. With a stronger foundation in place, Rochester is now seeing clear momentum toward a more connected, collaborative, and innovation-driven future.



## Key Investments

- ① One Discovery Square
- ② Two Discovery Square
- ③ Anna-Maria and Stephen Kellen Building
- ④ Discovery Walk
- ⑤ BioLabs Rochester

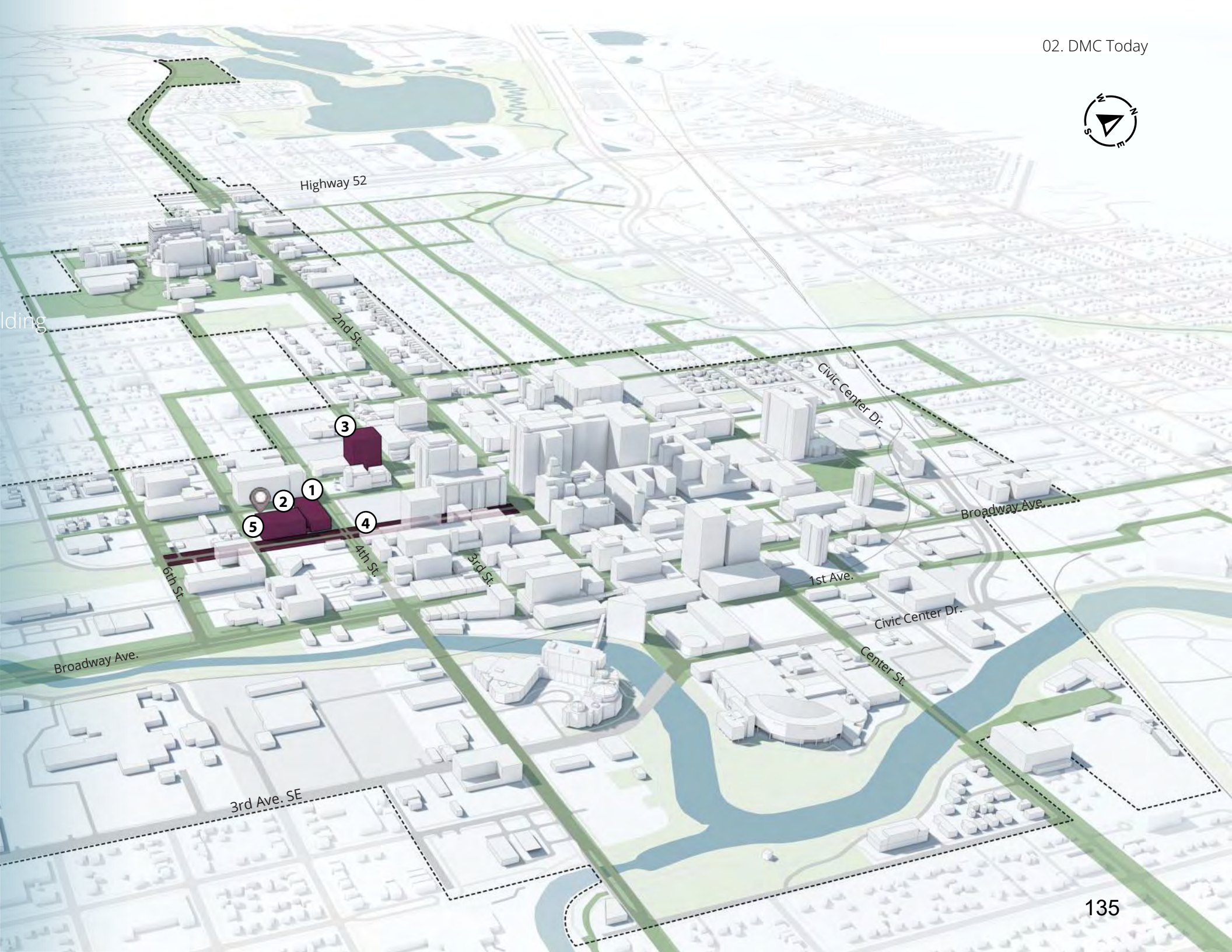
## Looking Forward:

BioLabs is expanding to Rochester with a new 16,000 square-foot facility to provide shared lab space for HealthTech startups and accelerate innovation in the region

■ built investments from the last 10 years

📍 unbuilt, funded and approved investments

■ horizontal infrastructure (streets and sewers) investments in the Downtown - both public and privately funded



# CORE AREA:

## COMMERCIAL RESEARCH & TECHNOLOGY

### **2015: Foundations and Early Vision**

In 2015, Rochester's innovation ecosystem was more vision than reality. The Discovery Square Master Plan had outlined a bold idea for a connected district that would bring researchers, clinicians, entrepreneurs, and industry partners into close proximity with Mayo Clinic, but the physical and organizational infrastructure to support that vision was still emerging.

The Mayo Clinic Employee Entrepreneurship Program (EEP) had just launched and was beginning to test new ways to support internal innovators. There were no local angel funds, no public labs, and no shared spaces designed for early stage HealthTech teams. Discovery Square existed only on paper, and the DMC initiative was in its first year of building the partnerships and governance structures needed for long-term impact. Global awareness of Rochester as a health innovation destination was minimal, and there were no formal outreach efforts or partnerships that connected the city to national or international networks.

The University of Minnesota Rochester enrolled fewer than 600 students and had not yet developed the health sciences focus it carries today. Workforce programs, technical training, and HealthTech contracting capacity were limited. Rochester's HealthTech community consisted of roughly two dozen companies, most of which operated quietly and were tightly tied to Mayo Clinic without a broader ecosystem to scale their work.

The region's innovation identity was aspirational, guided by a strong vision but lacking the physical assets, talent infrastructure, and coordinated activity needed to bring it to life

### **Current State: Early Momentum and Structure**

A decade later, Rochester has taken meaningful steps from concept to momentum. The EEP now produces new ventures each year and has strengthened the culture of internal innovation at Mayo Clinic. The Southern Minnesota Initiative Foundation and the Southern Minnesota Capital Fund have anchored early angel activity and created a pathway for regional investors to participate in HealthTech growth. Discovery Square has begun to take physical shape, with two completed buildings totaling nearly 200,000 square feet and a growing mix of startups, researchers, and industry teams using the district as a home base. Lab capacity remains limited but now exists in prototype form, and the forthcoming BioLabs Rochester facility will be a transformational addition to the district's infrastructure.

The University of Minnesota Rochester has grown to roughly 1,000 students and is building academic programs aligned with health sciences, data, and emerging technology fields. New partnerships are forming around workforce development and experiential learning, with stronger Links between higher education and industry.

The HealthTech community has expanded to more than 50 companies, including emerging ventures at the Rochester Technology Campus and firms that have established deeper ties to Mayo Clinic. Capacity remains early-stage, but the network is broader, more visible, and better connected to local and regional partners.

DMC's Business Development team has grown and established a structured approach to global outreach, industry engagement, and ecosystem activation. Over the past several years, the team has conducted nearly 2,000 engagements, built relationships with more than 50 national and international trade organizations, and significantly expanded Rochester's reach into global markets. These efforts directly address the gaps identified in the 2022 Awareness and Perception Study, which called for stronger visibility, clearer market positioning, and a more unified story about Rochester's innovation opportunity.

In 2025, DMC advanced Rochester's profile through targeted outreach and selective partnership development. This included hosting and participating in major industry events, securing an \$8 million capital commitment for BioLabs Rochester, conducting more than 60 strategic meetings with academic and industry leaders, and connecting with over 500 companies and organizations worldwide. These efforts help attract mission aligned firms, strengthen the activity within Discovery Square, and position Rochester as a credible and emerging global center for health innovation.

Rochester's innovation ecosystem is still early in its development, but the city now has a foundation, a clearer identity, growing infrastructure, and a coordinated strategy to build the conditions where discovery can grow into impact tech firms and position Rochester as a premier destination for life sciences.



# CORE AREA: LEARNING ENVIRONMENTS

A strong talent pipeline is essential to support Mayo Clinic and Rochester's growing innovation ecosystem. While Mayo Clinic has long attracted talent to the region, broader growth depends on helping students in healthcare, research, and related fields find clear paths to stay, build careers, and grow with the community. The 2015 DMC plan forecasted demand for 354,000 square feet of education space to support this vision. About 40 percent has been built so far, led by the University of Minnesota Rochester and Mayo Clinic. Luther College and Winona State University have also expanded downtown, enriching Rochester's educational landscape.



## Key Investments

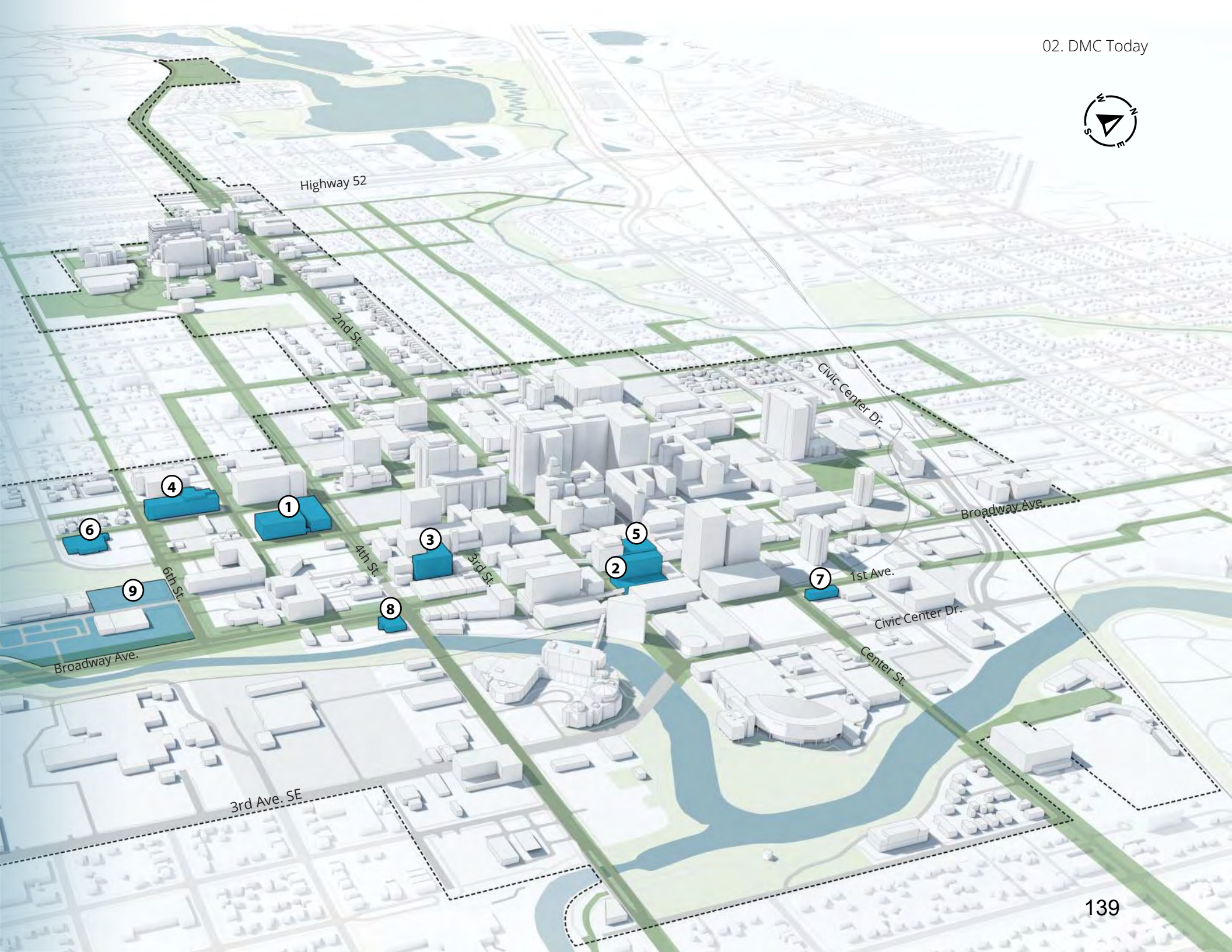
- ① Discovery Square
- ② UMR Student Life Center
- ③ 318 Commons
- ④ Residence at Discovery Square
- ⑤ University Square
- ⑥ Luther College classrooms\*
- ⑦ Luther College housing\*
- ⑧ Winona State University on Broadway
- ⑨ UMR land investment

\*programmatic investment

■ built investments from the last 10 years

■ unbuilt, planned

■ horizontal infrastructure (streets and sewers) investments in the Downtown - both public and privately funded



Highway 52

2nd St.

Civic Center Dr.

Broadway Ave.

4

1

6

3

5

7

9

6th St.

4th St.

3rd St.

1st Ave.

Civic Center Dr.

Broadway Ave.

Center St.

3rd Ave. SE

# CORE AREA: **LEARNING ENVIRONMENTS**

## **University of Minnesota Rochester**

After years of hovering just below the milestone, the University of Minnesota Rochester (UMR) has officially surpassed 1,000 students, enrolling approximately 1,200 in Fall 2025. This marks an 80% increase in new undergraduates, jumping from 200 to 400 in a single year. "I was so happy," said Chancellor Lori Carrell, reflecting on the achievement. The milestone aligns with UMR's strategic growth plan, which outlines three phases: "bold" (1,000 students), "bolder" (1,500), and "boldest" (2,500). With current enrollment, UMR is firmly in the "bold" phase and approaching "bolder."

The university's 400-bed Student Living Center, converted from the downtown DoubleTree Hotel, is now full, supporting the expanded student body. Carrell noted that while housing can accommodate up to 1,500 students, academic infrastructure is strained: "We are out [of classrooms and labs]... We've been creative. We're done with that."

UMR's growth is fueled by its strong healthcare focus and outcomes. Graduates have a 68% medical school acceptance rate, far above the national average of 44%.

Carrell also credited the success of the "College in 3" initiative, which allows students to complete degrees in three years.

"The prototype was done here by faculty," she said, noting that over 60 campuses nationwide now offer similar programs. *Source: Matthew Stolle, Post Bulletin, "UMR surpasses 1,000-student milestone, eyes next phase of growth," September 30, 2023*

## **CASE STUDY**

### **UMR Campus & Climate Action Plan**

UMR's Campus and Climate Action Plan outlines partnerships with the City and DMC to advance shared climate resiliency targets through smart leasing, transit, and infrastructure strategies. Efforts include connecting campus buildings to a planned Thermal Energy Network and supporting Link BRT to improve mobility and reduce emissions. These actions align with broader resiliency plans focused on access to essentials and sustainable utilities. To learn more visit:

<https://tinyurl.com/2krrsewt>



### **University of Minnesota Rochester: State of the Campus**

The University of Minnesota Rochester is entering a period of rapid, mission-driven growth—expanding enrollment, facilities, and partnerships to meet the rising demand for talent in health sciences. UMR's latest State of the Campus address outlines major milestones and bold plans that strengthen its role as a key contributor to Rochester's innovation ecosystem.

### **Growing to Meet the Moment: Campus Expansion Plans**

The University of Minnesota is pursuing strategic investment for near-term facilities expansion of the Rochester campus, with an RFP expected in early 2026 for a portion of the needed facilities. The University plans to grow the campus to accommodate 2,500 students through:

- A lab classroom expansion in Discovery Square.
- New academic space, a learning innovation center, and campus gathering space in a downtown location.
- A student residence and recreation district on University-owned land adjacent to Soldiers Memorial Field.
- Expanded academic offerings
- UMR faculty are advancing new academic programs to meet regional and statewide workforce needs, including:
  - Biomedical Health, supporting the growing population of pre-med and health sciences students.
  - Mental Health and Well-being, responding to shortages of mental health professionals in more than 80% of Minnesota's counties.

Together, these investments position UMR as a key partner in building Rochester's next generation of talent and discovery.

# "We are entrepreneurs in education"

*- Chancellor of the University of Minnesota Rochester, Lori Carrell*

## CORE AREA: **LEARNING ENVIRONMENTS**

### **Winona State University (WSU)**

Winona State University began its downtown Rochester expansion in 2017 by leasing space in the DMC district. In 2020, WSU deepened its presence by relocating Graduate Nursing faculty to the second floor of its Broadway campus, co-locating with the Graduate Social Work program to foster interdisciplinary collaboration.

"Winona State is now a part of downtown," said Jeanine Gangeness, then Associate Vice President of Academic Affairs. "Our Graduate Nursing faculty is excited to be immersed in the downtown community, which allows them closer contact and deeper collaboration with our community partners."

*Source: Winona State University News, "WSU expands downtown Rochester footprint," 2020.*

### **Luther College – Rochester Semester**

Launched in February 2020, Luther College's Rochester Semester offers students from all majors immersive, career-focused learning experiences in Rochester. Participants engage in internships and active learning with organizations including DMC, the Gift of Life Transplant House, the City of Rochester, and multiple Mayo Clinic departments including biomedical research, informatics, finance, and IT.

This initiative builds on Luther's longstanding relationship with Rochester, where nursing majors have trained at Mayo Clinic and affiliated hospitals for nearly 40 years. The Rochester

Semester expands that legacy, allowing students to integrate academic learning with real-world experience in one of the country's leading healthcare and innovation hubs. It also strengthens the pipeline between regional higher education and Rochester's workforce needs, aligning with broader goals of talent retention and ecosystem development.

*Source: Luther College News Release, "Luther College launches Rochester Semester," February 2020.*

### **Rochester Community and Technical College**

Rochester Community and Technical College (RCTC) was founded in 1915 on a motion by Charles Mayo to the Rochester School Board and is Minnesota's oldest original community college. Today, RCTC serves more than 8,000 students annually and offers more than 70 programs and over 130 credential options with varying delivery options. The college has also partnered with Winona State University to establish more than a dozen Path to Purple programs that allow students to complete a four-year degree without leaving Rochester.

**Healthcare-Focused Programs:** Because of the proximity of Mayo Clinic to RCTC, many of the programs offered are medically focused, and a few are awarded in conjunction with the Mayo School of Health Sciences. While not located in the DMC District, RCTC is part of Rochester's broader educational infrastructure that supports the DMC vision. The ecosystem includes partnerships between RCTC, the University of Minnesota-Rochester, Winona State University,

and Mayo Clinic, creating pathways for students at all levels to contribute to Rochester's healthcare and innovation economy.

The college's role is essential to ensuring that DMC's ambitious economic development goals are matched by a workforce capable of filling the growing number of healthcare, technical, and service positions in what's becoming America's premier medical destination.

### **Mayo Clinic College of Medicine and Science**

At the heart of the DMC District, Mayo Clinic's College of Medicine and Science trains more than 4,000 students, residents, and fellows each year across its five schools — including the Alix School of Medicine, Graduate School of Biomedical Sciences, and School of Health Sciences. Ranked among the nation's best for research and clinical training, Mayo Clinic's integrated education model links learning directly to discovery and patient care. This world-class academic ecosystem attracts talent from around the globe and anchors Rochester's reputation as America's City for Health.

### **K-12 Education Opportunities**

A cradle-to-career approach recognizes that K-12 education serves as the foundation for building the skilled, diverse workforce necessary to support Rochester's transformation into a global health and wellness destination. Rochester Public Schools serves more than 18,100 students with over 90 spoken languages, reflecting the city's growing

diversity alongside the DMC initiative. The K-12 system is essential for preparing students for careers in healthcare, bioscience, construction, technology, and other sectors critical to DMC's success.

Rochester's 2021 Bloomberg Global Mayors Challenge win launched the "Equity in the Built Environment" program, creating pathways for women of color into built environment careers through early K-12 engagement and co-design. By integrating experiential learning and initiatives like Downtown Pitch Day, the city is building a diverse, homegrown talent pipeline that supports DMC's long-term growth.

## **CASE STUDY**

### **The Big Dig**

DMC, Kraus-Anderson, and the City hosted "The Big Dig," a free hands-on event at Soldiers Memorial Field where families explored upcoming improvements and youth engaged with construction equipment and professionals to spark curiosity about how public spaces are designed and built. To learn more visit: <https://www.postbulletin.com/news/local/dmcs-big-dig-draws-big-crowd>

# CORE AREA: HOSPITALITY & CONVENTION

Rochester's hospitality and convention sector has become a cornerstone of the city's identity as a global medical destination. With nearly 60 lodging options across hotels and short-term rentals, the DMC district now offers a diverse and growing network of accommodations that support patients, families, business travelers, and conference guests. These spaces do more than provide comfort; they shape visitor experiences, influence public perception, and contribute directly to the local economy. As the city continues to grow, strategic investment in high-quality, well-located lodging will be essential to sustaining Rochester's momentum and ensuring that the benefits of tourism and medical travel are felt across the region.



Spyhouse Coffee, TownPlace Suites by Marriott



Rochester Farmers' Market




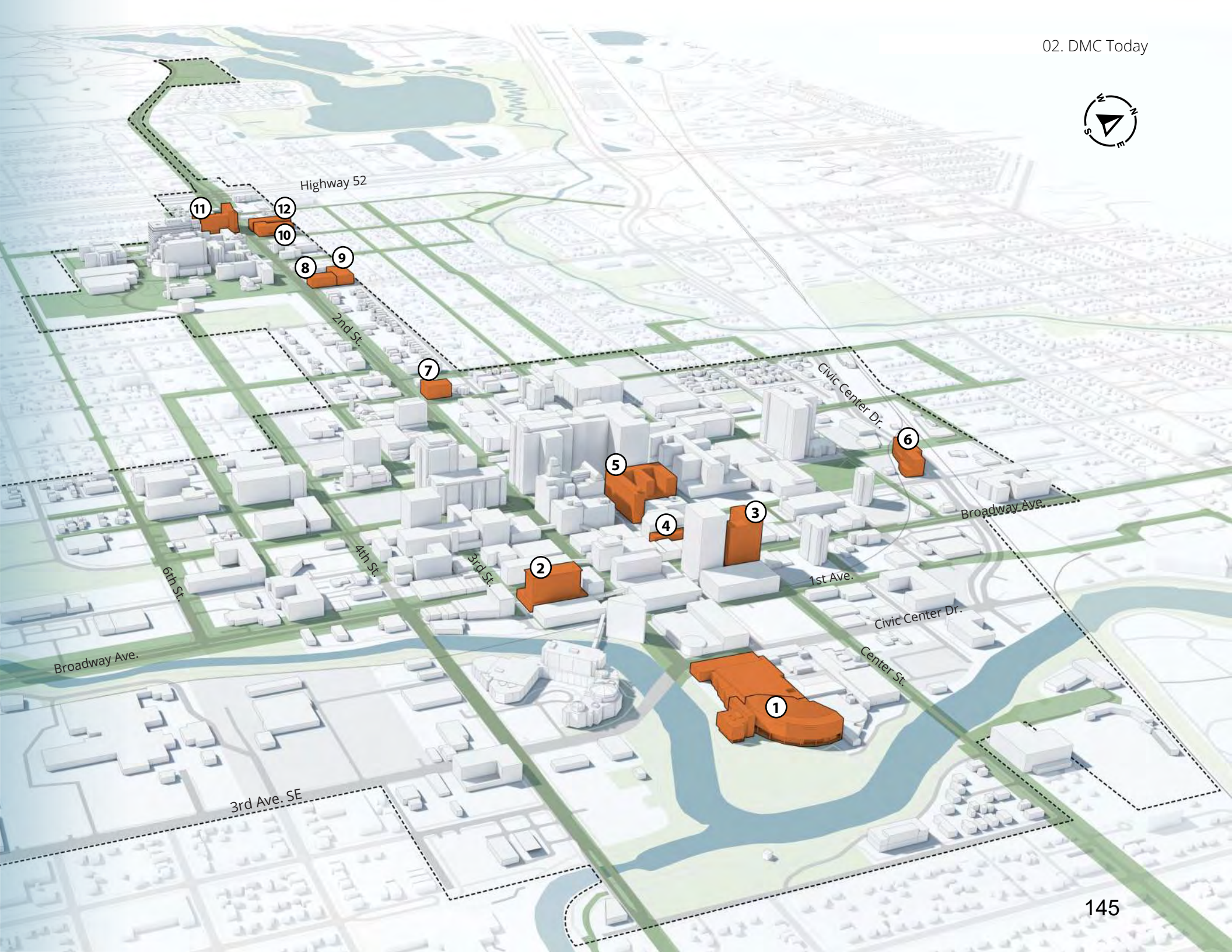
Chateau Theatre Renovation

## Key Investments

- ① Mayo Civic Center
- ② Hotel Indigo Rochester Mayo Clinic Area
- ③ Hilton Rochester Mayo Clinic Area
- ④ Historic Chateau Theatre
- ⑤ The Kahler Grand Hotel
- ⑥ Hyatt House
- ⑦ TownePlace Suites by Marriott
- ⑧ EVEN Hotels
- ⑨ Staybridge Suites
- ⑩ Courtyard by Marriott Rochester
- ⑪ The Berkman Hotel
- ⑫ Homewood Suites

 built investments from the last 10 years

 horizontal infrastructure (streets and sewers) investments in the Downtown - both public and privately funded



# CORE AREA: **HOSPITALITY & CONVENTION**

## **Built to Stay**

The DMC district's growing hospitality sector, featuring approximately 27 hotels and 30 readily available short-term rentals, plays a vital role in supporting Rochester's status as a premier medical destination, while also contributing meaningfully to the local and regional economy. These accommodations serve a wide range of visitors, including patients and their families, conference attendees, and business travelers.

While the world-class medical facilities and renowned practitioners remain the prime draw for visitors, the availability of high-quality accommodation equipped with modern amenities and proximity to key destinations is a critical component of the overall visitor experience. Comfortable, accessible, and well-situated lodging can ease the stress of medical travel, enhance the appeal of business and leisure trips, and encourage longer stays—amplifying the economic benefits to the city, county, and region. These individual user experiences, in aggregate, shape public perception of the DMC district. Positive impressions can significantly enhance Rochester's reputation, supporting broader objectives of economic diversification and talent attraction. Conversely, subpar hospitality experiences may hinder return visits, limit word-of-mouth promotion, and dampen the potential for sustained business growth. As such, the hospitality sector's performance has direct and indirect implications for workforce opportunities, household economic stability, and the region's long-term competitiveness.

Continued investment in high-quality, strategically located accommodation will be essential to maintaining Rochester's momentum as a destination of choice and ensuring that the city's growth benefits are shared widely.



### Recent Development and Continued Progress

The original 2015 DMC Development Plan set out a vision to both expand the quantity of hotel accommodation within the DMC district and elevate the overall quality of the hospitality network. With a focus on meeting the needs of both short-term and extended stays—and ensuring a diverse range of options for visitors—recent development efforts have prioritized higher-tier offerings, including upper midscale to luxury-rated hotels.

At the 10-year midpoint, combined public and private investments have delivered nearly 700 new hotel rooms to the DMC district, reaching half of the plan’s forecasted demand of approximately 1,400 rooms. In addition to new construction, several related projects have upgraded and modernized existing hospitality properties, further strengthening the district’s appeal to a wide range of travelers.

**New Hotel Rooms in DMC District in the last 10 Years**

Property Name	Hotel Class	Number of Units
Hilton Rochester Mayo Clinic Area	Upper Upscale	264
EVEN Hotels and Staybridge Suites	Upscale	250
Hyatt House	Upscale	172
TownePlace Suites	Upper Midscale	110
The Berkman Hotel	Luxury	83
UMR Student Housing Conversion		-186
<b>Total Hotel Rooms</b>		<b>693</b>

# CORE AREA: SPORTS & RECREATION

Parks and open spaces are essential to Rochester's livability, offering places for recreation, relaxation, and community connection. Within the DMC district, Soldiers Memorial Field, Central Park, St. Marys Park, and Mayo Park enhance the experience for residents and visitors alike. These green spaces foster a sense of belonging and identity, while also contributing to the district's appeal as a vibrant, inclusive destination for all.

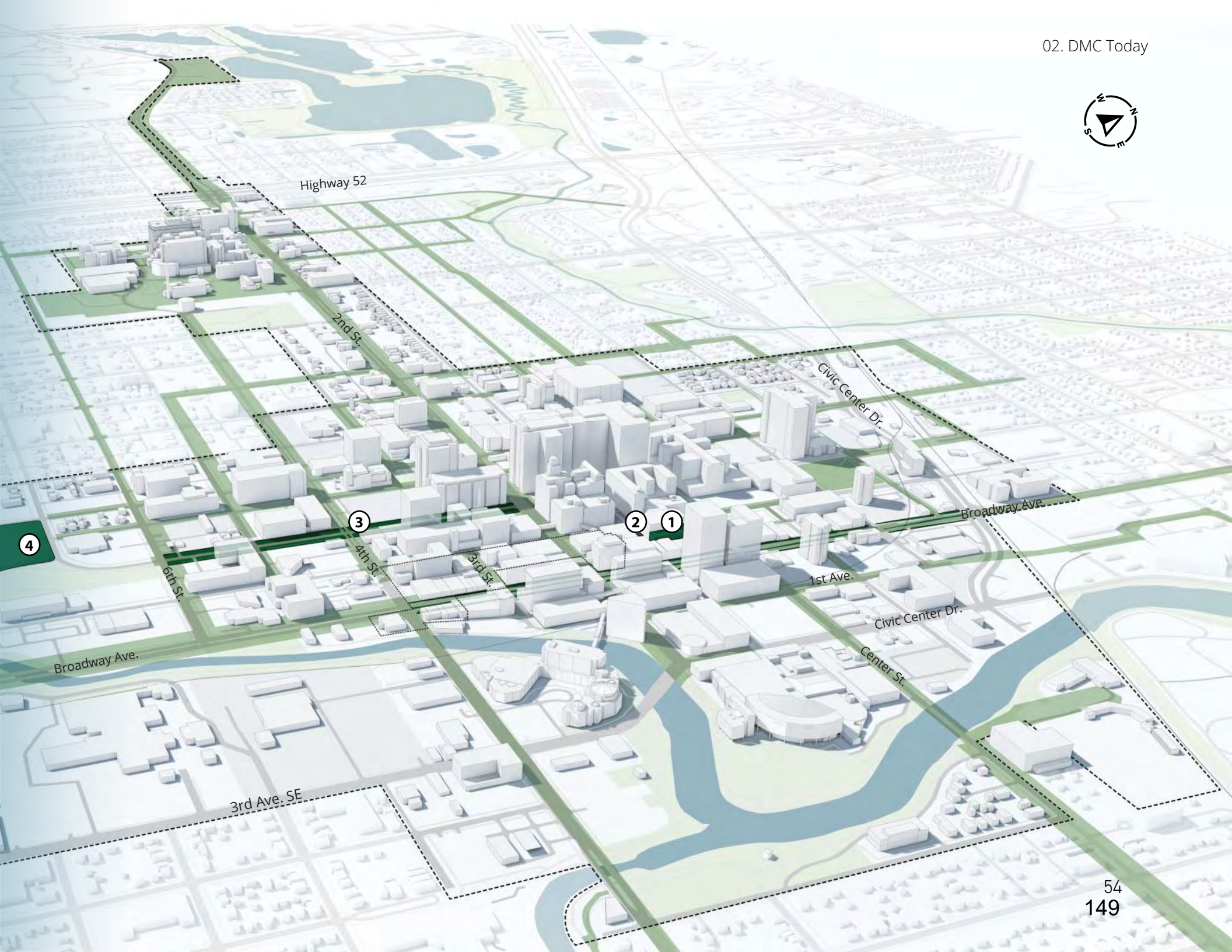


## Key Investments

- 1 Chateau Theatre
- 2 Heart of the City
- 3 Discovery Walk
- 4 Soldiers Field Park

■ built investments from the last 10 years

■ horizontal infrastructure (streets and sewers) investments in the Downtown - both public and privately funded



# CORE AREA: **SPORTS & RECREATION**

## Heart of the City

Heart of the City's Phase 1 received over \$17 million in public-private investment via the DMC initiative. Peace Plaza was redesigned with curbsless streets, heated sidewalks, native landscaping, and interactive art. It now hosts events like Thursdays Downtown and community celebrations, reinforcing its role as a civic and cultural anchor.



## Discovery Walk

Discovery Walk's \$18.9 million transformation reimagines four downtown blocks as a pedestrian-first corridor with heated sidewalks, public art, stormwater swales, and flexible civic spaces. It links Mayo Clinic to Soldiers Field and Discovery Square, strengthening connections between clinical care and emerging health tech innovation. Interactive lighting and seating zones support informal gatherings and programmed activities year-round.



### Soldiers Memorial Field

Soldiers Memorial Field received a \$22 million investment from federal (\$5M), state (\$250K), DMC (\$10M), and local referendum (\$7M) sources. Improvements include a new aquatics center, inclusive playgrounds, basketball courts, nature play areas, and trail connections. The upgrades enhance accessibility, recreation, and community engagement across the 150-acre park.



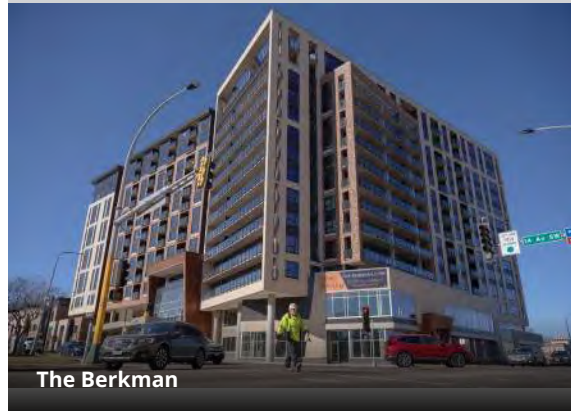
### Chateau Theatre

The historic Chateau Theatre was purchased by the City of Rochester using DMC funds for \$6 million and subsequently received an additional \$1.1 million in capital improvement funds from the DMC initiative to support essential renovations. Upgrades included removing the escalator and second floor, repairing the roof and windows, and updating restrooms to meet code. These investments aimed to reactivate the venue for concerts, lectures, and community events.



# CORE AREA: LIVABLE COMMUNITIES

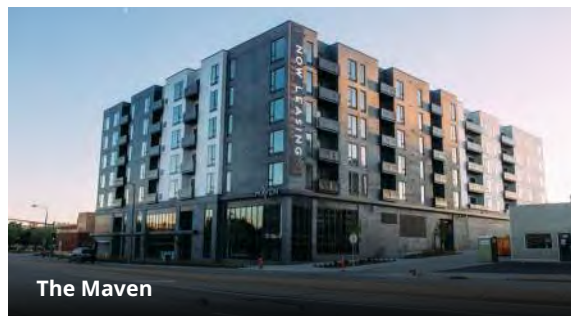
The expansion of multi-family, mixed-use residential offerings within the DMC district has significantly contributed to its quality-of-life offerings, where residents can conveniently access work, essential services, and amenities within a short distance. By increasing the number of housing units, including multi-family residences and student housing, the district has made it easier for people to live closer to their workplaces, enhancing work-life balance.



The Berkman



Lofts at Mayo Park

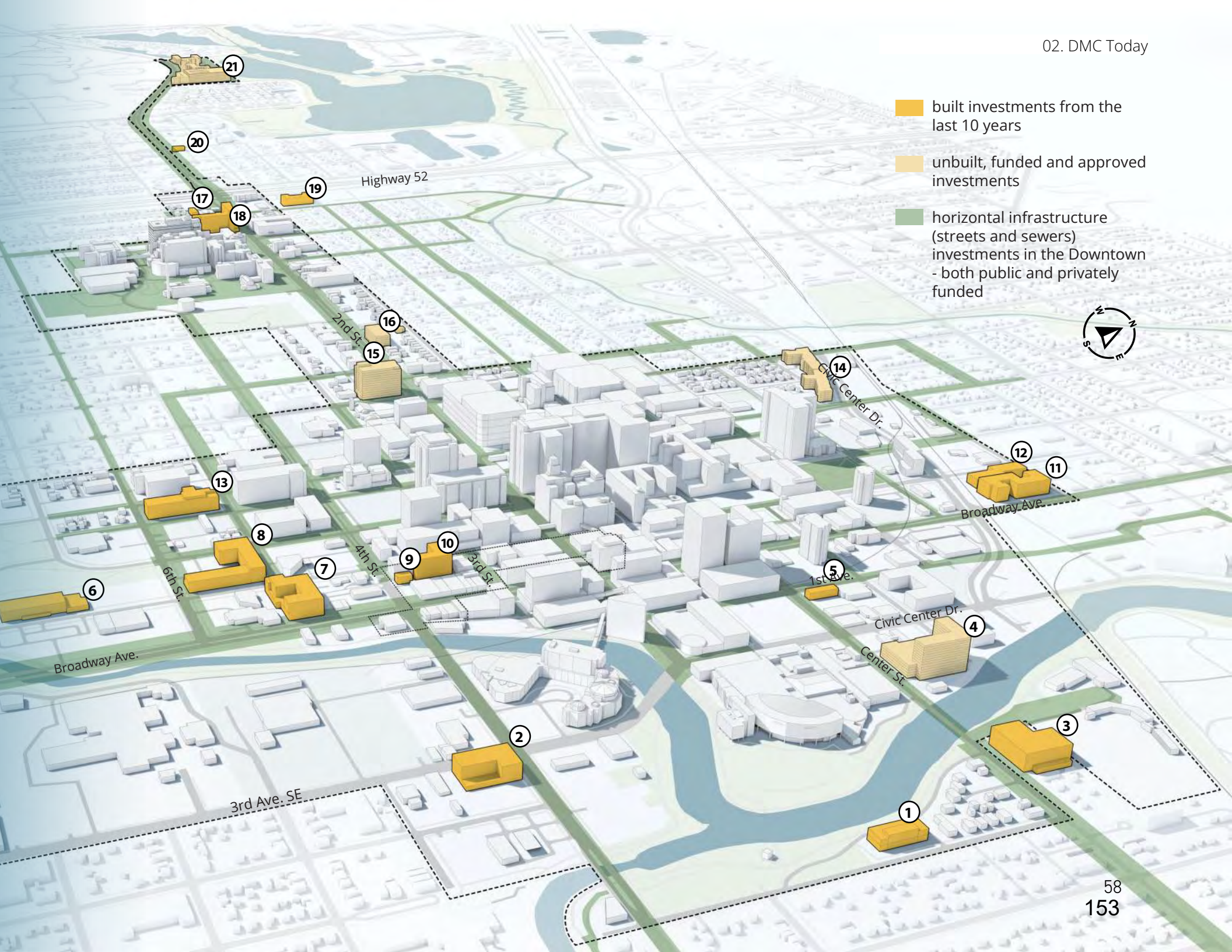


The Maven

## Key Investments

- ① Lofts at Mayo Park
- ② Flats on 4th
- ③ Riverwalk Rochester
- ④ Civic Center North
- ⑤ The Parker\*
- ⑥ First & Banks Apartments
- ⑦ The Maven on Broadway
- ⑧ 501 on First
- ⑨ The Hue
- ⑩ 318 Commons
- ⑪ Bryk on Broadway
- ⑫ 1st Avenue Flats
- ⑬ Residence at Discovery Square
- ⑭ Loom Apartments
- ⑮ Citywalk
- ⑯ The Mayflower + First Homes Condos
- ⑰ Med City Apartments
- ⑱ The Berkman
- ⑲ Avani Living Apartments
- ⑳ The Gryff Apartments
- ㉑ West Transit Village

\*programmatic investment



- built investments from the last 10 years
- unbuilt, funded and approved investments
- horizontal infrastructure (streets and sewers) investments in the Downtown - both public and privately funded



# CORE AREA: **LIVABLE COMMUNITIES**

The integration of housing and office space within the DMC district fosters a vibrant urban environment, encouraging people to engage with nearby dining, entertainment, and cultural activities. As more professionals and residents choose to live and work downtown, demand for retail and restaurant offerings grows, contributing to the district's overall vitality. At the same time, housing costs are rising due to national trends and local investment.

To support anticipated growth, the 2015 DMC plan forecasted demand for 2,850 new residential units by 2035. So far, approximately 1,600 units have been added, marking significant progress in expanding housing options. The district also welcomed 400 student housing units through the conversion of UMR's Student Life Center. Housing diversity has further increased with companion and patient hospitality houses, which provide essential accommodations for individuals receiving extended medical care and their families. In 2019, the Ronald McDonald House expansion added 28 rooms, bringing the total supply of extended stay units in the district to around 220.

These developments reflect a growing emphasis on creating a mixed-use, live-work environment that supports a wide range of residents, from students and healthcare workers to patients and caregivers. As the district evolves, this blend of housing, employment, and amenities continues to shape a more inclusive and dynamic urban core.

## **CASE STUDY**

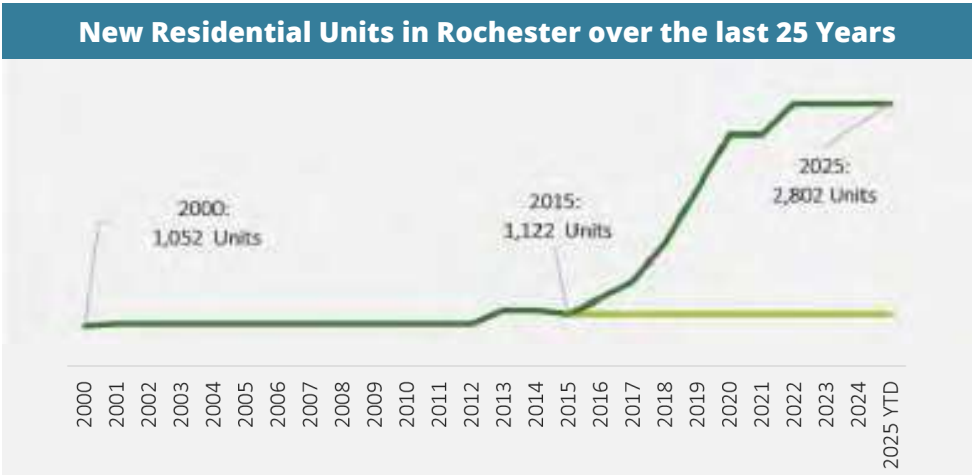
### **Bryk on Broadway Apartments**

The Bryk Apartments project is a \$39.3 million mixed-use development featuring 180 units of workforce housing across 50%, 60%, and 80% AMI levels, plus 7,260 square feet of commercial space. Located along a major transit corridor near downtown Rochester, it integrates housing, retail, and transit access to support neighborhood revitalization and economic diversity. To learn more visit: <https://www.brykonbroadway.com/>

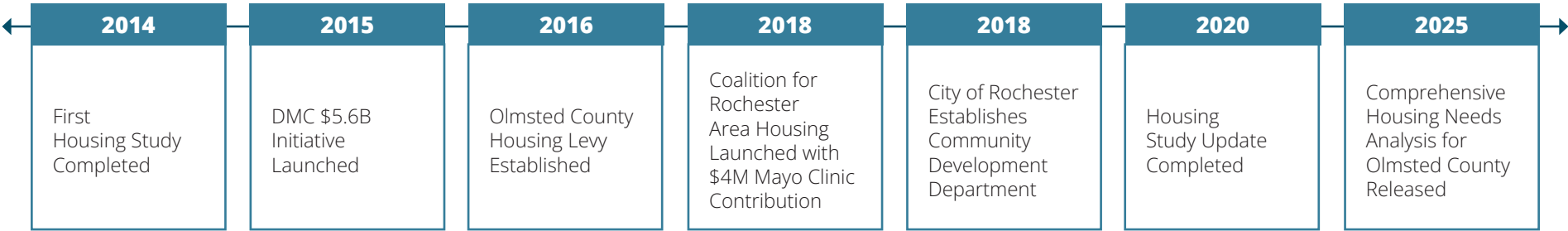


New Downtown Housing in Rochester Since 2015				
Year	Project	Units	Rent Restricted	
2017	Lofts at Mayo Park	29	No	
2017	1st Avenue Flats	68	Yes	all 60% AMI units
2018	501 on First	84	No	
2018	Flats on Fourth	92	Yes	19 units at 50% AMI
2018	Riverwalk	152	No	
2018	Avani Living	107	Yes	22 units at 60% AMI
2019	Ronald McDonlad House	32	Yes	Philanthropic
2019	The Maven	155	No	
2020	Residences at Discovery Square	138	Yes	29 units at 60% AMI
2020	The Berkman	347	No	
2020	The Hue	50	No	
2023	Bryk on Broadway	180	Yes	54 units @ 50% AMI 18 units @ 60% AMI 108 units @ 80% AMI
2025	Enclave Project (YMCA)	219	No	
<b>Total Housing Units</b>		<b>1,653</b>		

### Affordable Living in Rochester Means...

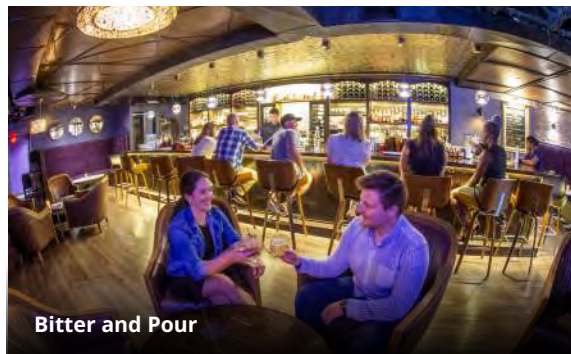


### Rochester Housing Coalition \$20 Million Dollars Invested and 20 Programs & Policies Launched



# CORE AREA: RETAIL, DINING, & ENTERTAINMENT

A key goal of the DMC plan is to enhance the experience for everyone in Rochester, including patients, employees, visitors, and residents. The 2015 plan proposed expanding retail, dining, entertainment, arts, and cultural offerings. Since then, the district has added about 126,300 square feet of new retail space, nearly 40% of its 320,000-square-foot target. This growth occurred despite a challenging retail climate shaped by shifting consumer habits, e-commerce, and COVID-19. Nationally, many communities saw declines in traditional retail, but a rebound is underway. Retailers are adapting by creating experience-driven spaces that attract people with more than just transactions.



# Over 49 new restaurant openings in the last 10 years

public realm built  
investments from the last  
10 years

new restaurant openings in  
the last 10 years

horizontal infrastructure  
(streets and sewers)  
investments in the  
Downtown - both public  
and privately funded



Highway 52

2nd St.

Civic Center Dr.

Broadway Ave.

1st Ave.

Civic Center Dr.

Center St.

Broadway Ave.

3rd Ave. SE

6th St.

4th St.

# CORE AREA: RETAIL, DINING, & ENTERTAINMENT

## Energizing the Urban Core

Retail development, paired with investments in arts and entertainment, continues to strengthen downtown Rochester’s vitality and sense of place. A prime example is the renovation of the historic Chateau Theatre near Peace Plaza, now a cultural anchor that hosts regular events and draws thousands of visitors annually.

Retail space in the DMC district has largely emerged through mixed-use developments that combine residential, office, and hotel uses. These projects foster dynamic environments by meeting varied needs and encouraging activity throughout the day. As a result, mixed-use development has been a key driver of retail expansion and a major contributor to the district’s overall appeal.

Over the past decade, the DMC initiative has helped attract new retail and business investment to downtown Rochester. Strategic planning and targeted development have steadily increased available retail space in the district’s core. However, citywide trends reveal a more complex picture. Between 2012 and 2022, Rochester saw a 14.2% decline in retail establishments—nearly double the statewide drop and far above the national average—indicating deeper structural shifts in how and where retail operates.

E-commerce has reshaped consumer habits, reducing foot traffic for traditional stores. The COVID-19 pandemic accelerated this shift, pushing more consumers online and prompting smaller retailers to adopt digital platforms.

In response, retailers are reimagining physical spaces to focus on experience over transaction. Stores are evolving into destinations, offering interactive elements, events, personalized services, and entertainment-driven environments. This shift toward experiential retail reflects a broader industry trend aimed at revitalizing in-person shopping and distinguishing it from online alternatives.

For Rochester, these changes present both challenges and opportunities. As the city adapts to a rapidly evolving retail landscape, strategies that blend convenience, creativity, and community engagement will be essential to sustaining a vibrant mix of retail offerings.

Thursdays Downtown		Social Ice	
Year	Average Attendance Per Week	Year	Average Attendance Per Week
2018	9,000	2018	4,800*
2024	9,500	2024	5,500**

\* 3-day event \*\*2-day event

## CASE STUDY



Social Ice

Year	# of events submitted to RDA Community Calendar
2020	463
2021	480
2022	487
2023	395
2024	522
2025	190* as of 4/28/25

\* per website submissions  
 Data provided by Rochester Downtown Alliance

### Limb Lab

Rochester’s strong health ecosystem rooted in innovation, collaboration, and community care, creates a unique environment for retail aligned with health and economic development. Limb Lab reflects this spirit, offering artistic, personalized prosthetics in a transparent, glass-enclosed shop that invites public engagement. Its partnership with Mayo Clinic blends medical expertise with creative design to deliver inclusive, high-quality solutions. To learn more visit: <https://limblab.com/>



# CORE AREA: HEALTH & WELLNESS

Mayo Clinic is laser focused on delivering world-leading care to people experiencing the most complex health care challenges imaginable. Excellence in healthcare is part of the core identity of Rochester, and hope and healing is an ethos shared by so many of the people of Rochester. It is both a culture and a way of being for a significant portion of the community and is truly something that makes Rochester unique in the world.

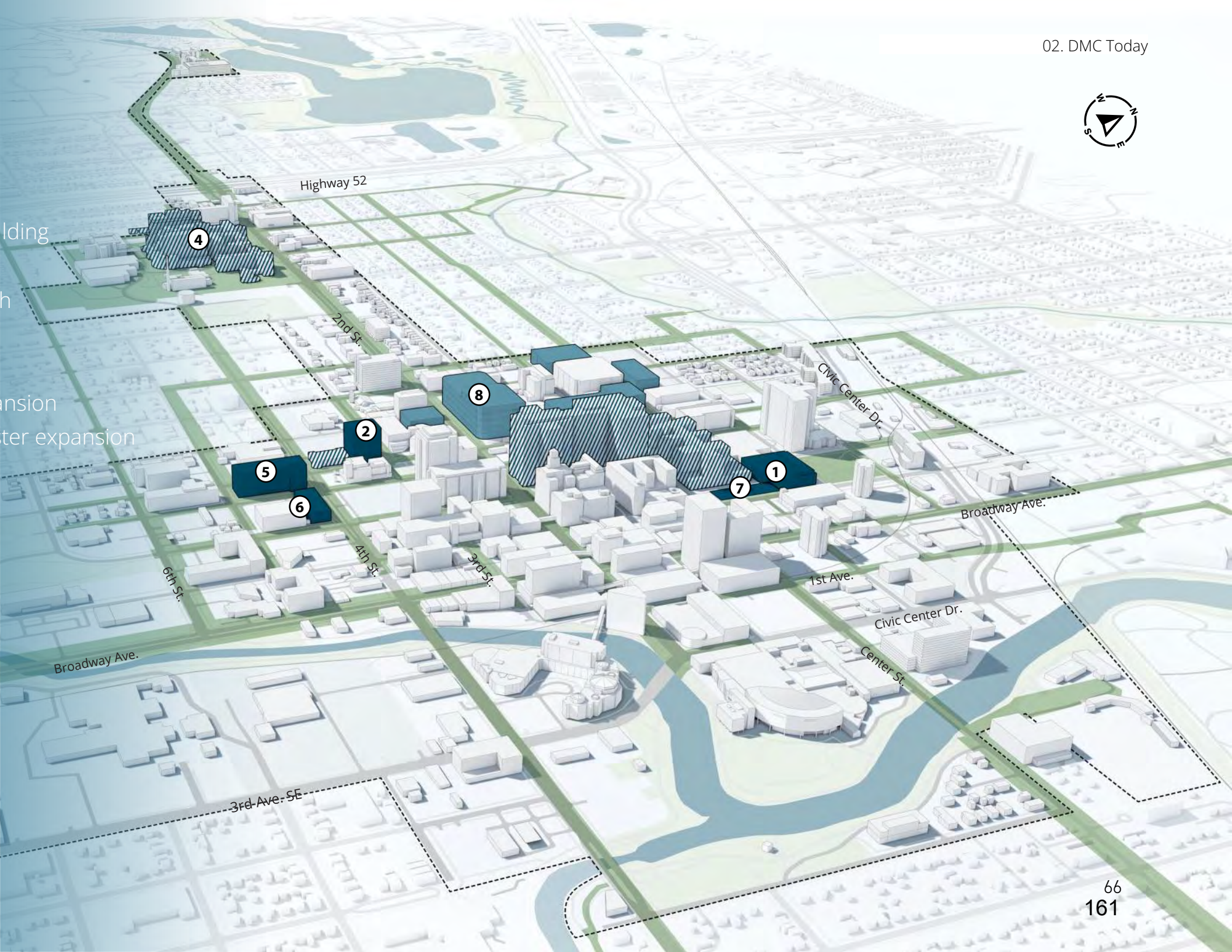
At the same time, DMC is also supporting the growth of the experience of the City of Rochester outside the walls of Mayo Clinic, where the potential to build and invest in infrastructure that supports community wellness is a core opportunity.



## Key Investments

- ① Andersen Building
- ② Anna-Maria and Stephen Kellen Building
- ③ Herman House
- ④ St. Marys modernization and growth
- ⑤ Discovery Square ramp
- ⑥ Discovery Square tenant fit-up
- ⑦ Jacobson Proton Beam Facility expansion
- ⑧ Bold. Forward. Unbound. in Rochester

- built investments from the last 10 years
- significant renovation investment
- unbuilt, funded and approved investments
- horizontal infrastructure (streets and sewers) investments in the Downtown - both public and privately funded



Highway 52

2nd St.

Civic Center Dr.

Broadway Ave.

1st Ave.

Civic Center Dr.

Center St.

Broadway Ave.

6th St.

4th St.

3rd St.

3rd Ave. SE

4

8

2

5

6

7

1

# CORE AREA: TRANSPORTATION

Rochester's DMC transportation strategy promotes a connected, multimodal system to reduce car dependence and support downtown growth. With investments in transit, biking, walkability, and shared mobility, including bike share, and ride-hailing, the city is shifting toward sustainable, accessible travel. The upcoming Link BRT system marks a major step in creating a vibrant, low-emission urban core.

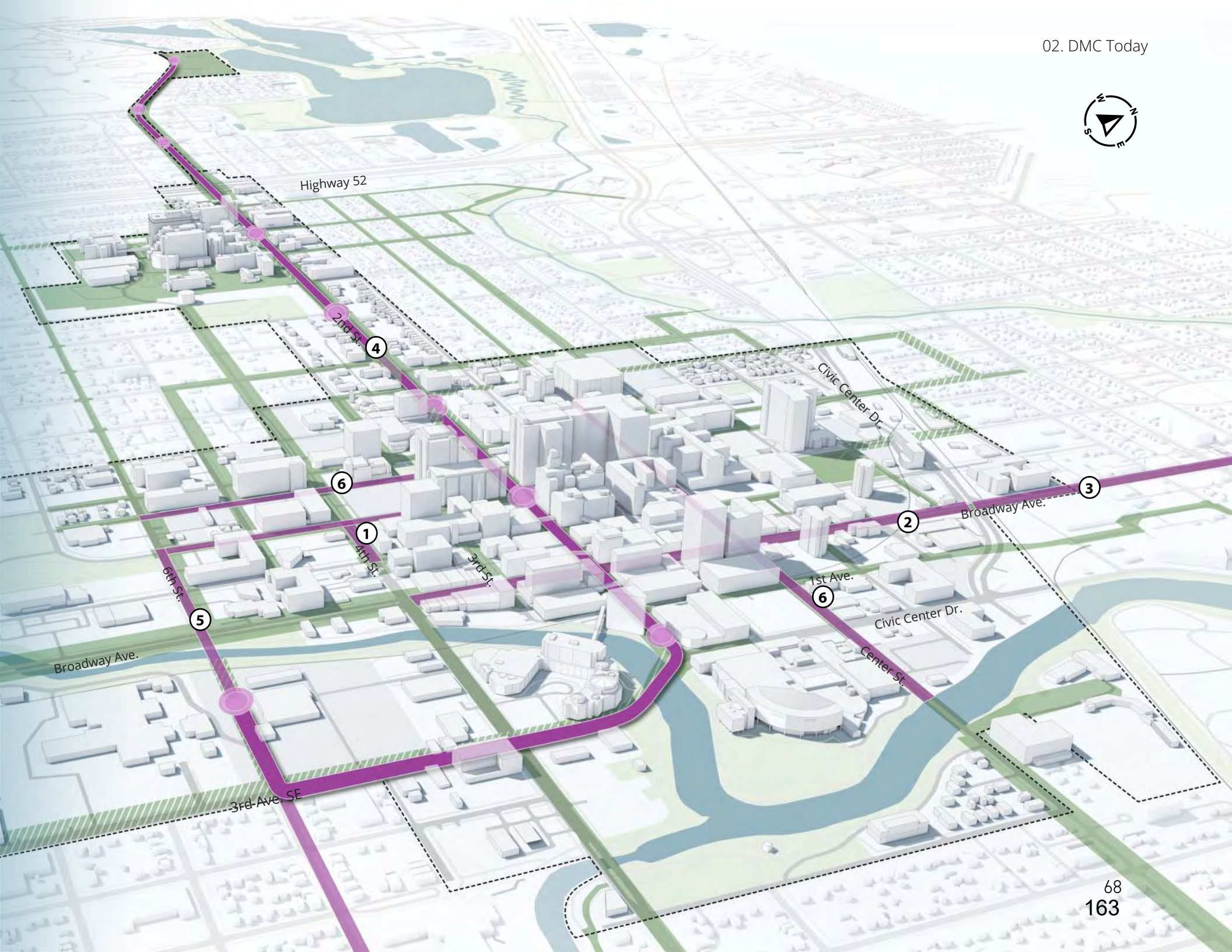


## Key Investments

- 1 4th Street SW between 1st Avenue SW and 2nd Avenue
- 2 SW Broadway Sidewalks
- 3 North Broadway Complete Streets
- 4 Link BRT
- 5 6th Street Bridge
- 6 Center Street Bike Infrastructure

key investments from the last 10 years

horizontal infrastructure (streets and sewers) investments in the Downtown - both public and privately funded



Highway 52

2nd St. ④

⑥

①

4th St.

3rd St.

⑥

1st Ave.

②

Broadway Ave.

③

Civic Center Dr.

Civic Center Dr.

Center St.

Broadway Ave.

⑤

6th St.

3rd Ave. SE

# CORE AREA: TRANSPORTATION

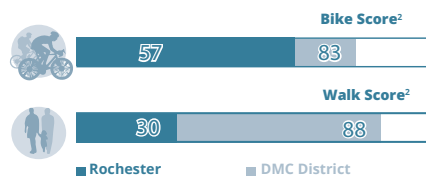
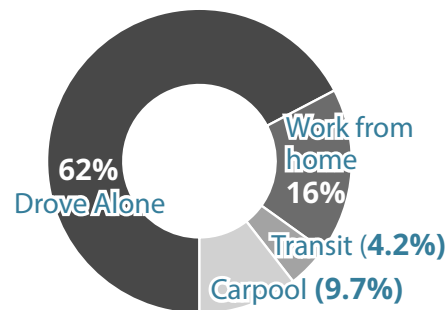
## Vision for a Multi-Modal Future

The DMC Development Plan transportation strategy envisioned a connected, multimodal system that supports downtown Rochester’s growth while reducing automobile dependence. It outlines a forward-looking framework designed to expand high-frequency transit, safe walkable streets, robust biking infrastructure, and a “park-once” downtown environment served by a frequent circulator. The proposed investments aim to make downtown Rochester easy, affordable, and convenient to access for residents, patients, visitors, and employees from across the region.

Anchored by ambitious mode-shift targets, including reducing drive-alone trips from 71% to 50% or less by 2035, the plan prioritizes transit, active mobility, and low-emission vehicles. By rebalancing street design toward people rather than cars and investing in shared parking, demand management, and multimodal access, the DMC framework will help transform downtown into a model of walkability and connected urban vitality. This approach not only enhances quality of life but also fuels economic opportunity, supporting Rochester’s evolution into a globally recognized destination for health, innovation, and sustainable urban living.

## TRANSPORTATION & MOBILITY

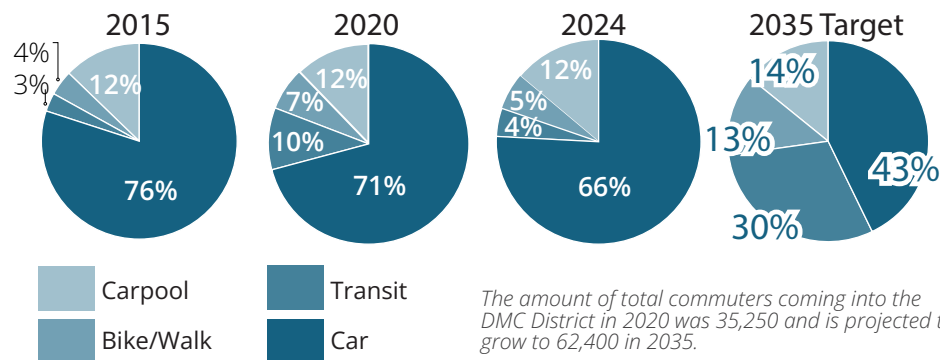
### DMC Commuter Modality Breakdown



# 51%

of DMC workers live in Rochester

## MODE SHIFT



The amount of total commuters coming into the DMC District in 2020 was 35,250 and is projected to grow to 62,400 in 2035.

Data Source: 2023 & 2024 Census Data for Rochester, MN MSA; ESRI 2025; DMC 5 Year Update, 2020; DMC Lookback 2025

### Progress Towards Sustainable Mobility

Over the past decade, Rochester has steadily advanced a range of mobility initiatives that have reshaped how people move through the city and supported broader sustainability and accessibility goals. From 2016 to 2018, Integrated Transit Studies helped shape the DMC Plan's multimodal transportation strategy, emphasizing transit, active mobility, and reduced car dependence to accommodate future growth. These studies addressed transit options, street design, parking strategies, and nonmotorized connectivity to promote livable downtown development without expanding roadways.

In 2016, Rochester adopted the Nice Ride bike share program, which later evolved into a community-based initiative distributing free bikes to residents and local organizations. The arrival of ride-hailing services in 2017, followed by expanded bike infrastructure along Center Street and other key corridors in 2019, marked major steps in diversifying transportation options. Additional innovations, including Lime scooters, HourCar car-sharing, and the city's first on-street bike box, demonstrated a commitment to affordable, sustainable alternatives to driving alone.

In 2021, Rochester piloted Minnesota's first low-speed autonomous shuttle service, showcasing its embrace of emerging mobility technologies.

Looking ahead, the 2027 launch of the Link Bus Rapid Transit (BRT) system will deliver high-frequency, fare-free electric service along the 2nd Street corridor. Together, these efforts reflect Rochester's transition toward a modern, multimodal transportation ecosystem that enhances access, reduces emissions, and supports long-term quality of life.



Med City Mover Autonomous Shuttle Service



Bike to Work Day 2025

# CORE AREA: TRANSPORTATION

## Link Bus Rapid Transit (BRT)

Link BRT is a transformative project providing fare-free, high-frequency service through downtown Rochester along the 2nd Street corridor. Spanning 2.8 miles with 12 stations, Link will connect major destinations like Mayo Clinic campuses, the Mayo Civic Center, and the Downtown Waterfront Southeast area. The system will feature electric buses, level boarding, and amenities such as heated platforms, real-time information, and bike-friendly options.

By offering reliable, all-day service, Link aims to reduce congestion, improve mobility, and support sustainable growth in one of Rochester's busiest corridors, which handles over 21,800 vehicles and 13,000 transit riders daily. Service is expected to begin after construction concludes in summer 2027, with weekday operations from 5 a.m. to midnight and weekends from 8 a.m. to midnight.

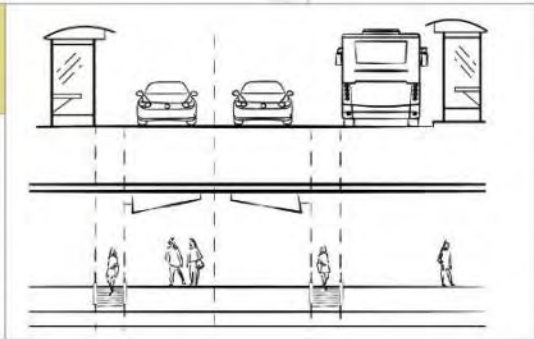
The project is a collaborative effort between Mayo Clinic, DMC, and the City of Rochester, with Mayo Clinic funding operations for 20 years and federal support through the Small Starts Capital Investment Program, including an \$85 million FTA grant. Construction began in June 2025 and will proceed in phases, including utility upgrades and roadway improvements, with impacts managed through detours and signage. Beyond transit, Link will ease parking demand, strengthen pedestrian and biking connections, and enhance quality of life for residents, employees, and visitors advancing Rochester's vision for a connected, livable, sustainable city.





**Pedestrian Tunnel at Saint Marys Transit Center**

An underground tunnel will connect both Link shelters to Saint Marys Hospital.



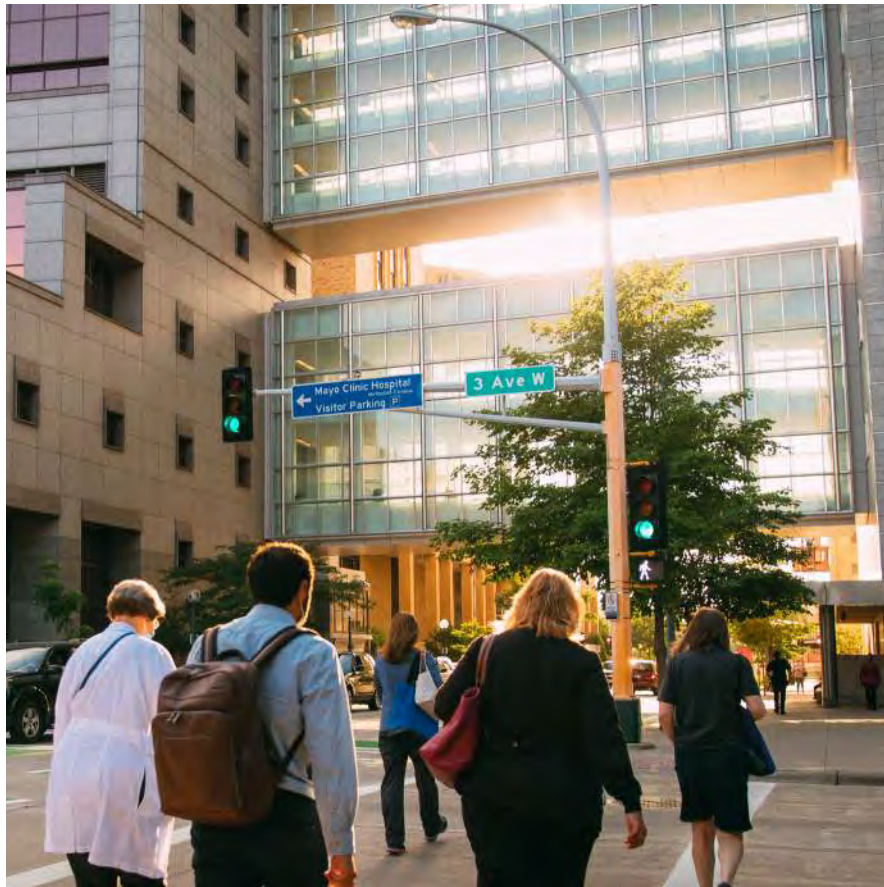
- Link stops / shelters
- Two-way route
- Underground pedestrian tunnel
- Direction of travel

# CORE AREAS

## TAX CAPACITY

### Increased Activity Generates New Net Tax Revenue

Public revenue growth over the past decade reflects the increased spending and earnings driven by development and expansion in the DMC District.



### 10 Year Total New Net Tax Revenue (2015-2024)



#### Personal Income: \$756 million

Employment growth within the District is the leading source of net new revenue



#### Sales & Use: \$374 million

Taken together, taxes on everyday purchases collected at the city, county, and state are the second leading source of revenue



#### Business \$244 million

Business growth within the District added new taxable business income



#### Property: \$136 million

Combined, the District's landowners and Mayo's non-exempt holdings have contributed a large sum of new revenue



#### Capital Investment: \$76 million

Private developers are also a growing component of the District's tax generating base



#### Lodging: \$11 million

On average, the hospitality industry has brought in over \$1M in new net tax revenue per year

## Value per Acre Analysis

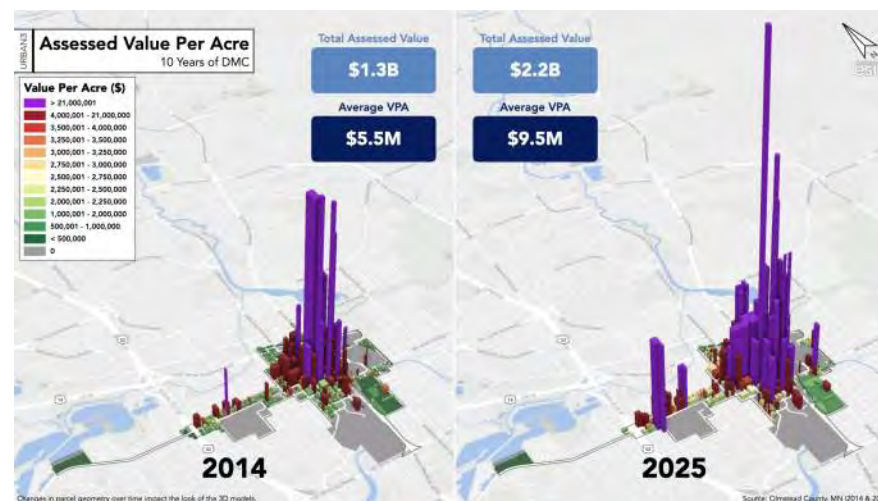
Total taxable value is one way to analyze the overall value of a city, but when it comes to understanding economic productivity, it is not always the most useful. The economic productivity of different land uses and development patterns can help cities understand which types of development generate the most tax revenue per acre. Consultant Urban3 was contracted by DMC and the City of Rochester to conduct an analysis that focuses on the “per acre” metric as a unit of productivity. Cities and counties are, at their simplest, finite areas of land. How that land is used has a direct effect on municipal budgets. The per acre metric normalizes total revenues and tax values, creating direct “apples-to-apples” comparisons utilizing land consumed as a unit of productivity.

Using Value per Acre (VPA) to compare properties is like using miles per gallon (MPG) to compare cars. When comparing cars, the miles a car can go per tank isn’t typically referenced because it only reflects the size of the tank, not how efficient the engine is. Urban3 applies the same principle to measure the financial productivity of various development types across a community.

## DMC District Over Time

Investment in the downtown DMC district during the first 10 years of the initiative showed significant appreciation in taxable value. After a very fast growth rate in the first five years of DMC, the COVID-19 disruption and the increased volatility and development costs since, slowed that rate of growth in 2020. An upswing in development applications shows signs of more than maintenance growth in the coming years (see section 3.0 for more details on permit volume).

## Value per Acre



# Plan Alignment

---

**DMC's vision is strengthened by alignment — connecting public, private, and institutional plans to move Rochester forward together.**

## **What is in this section:**

This section illustrates how the DMC Development Plan builds on and complements existing local and regional plans, from the City of Rochester's Comprehensive Plan and transportation strategies to Olmsted County and state economic development goals. It also highlights alignment with Mayo Clinic's Bold. Forward. Unbound. in Rochester initiative. The updated plan builds on the foundation of each plan before it and our community's other planning efforts. This approach deepens our understanding of the principles that guide decision-making and how our community values are reflected.

## **Why it matters:**

Alignment ensures that every investment reinforces a common direction — creating efficiency, maximizing impact, and reducing duplication. By coordinating priorities across agencies, partners, and institutions, DMC advances projects that deliver the greatest value to residents, patients, and visitors alike. This shared planning framework turns collaboration into measurable outcomes, positioning Rochester and Minnesota as global leaders in health innovation and sustainable urban development.

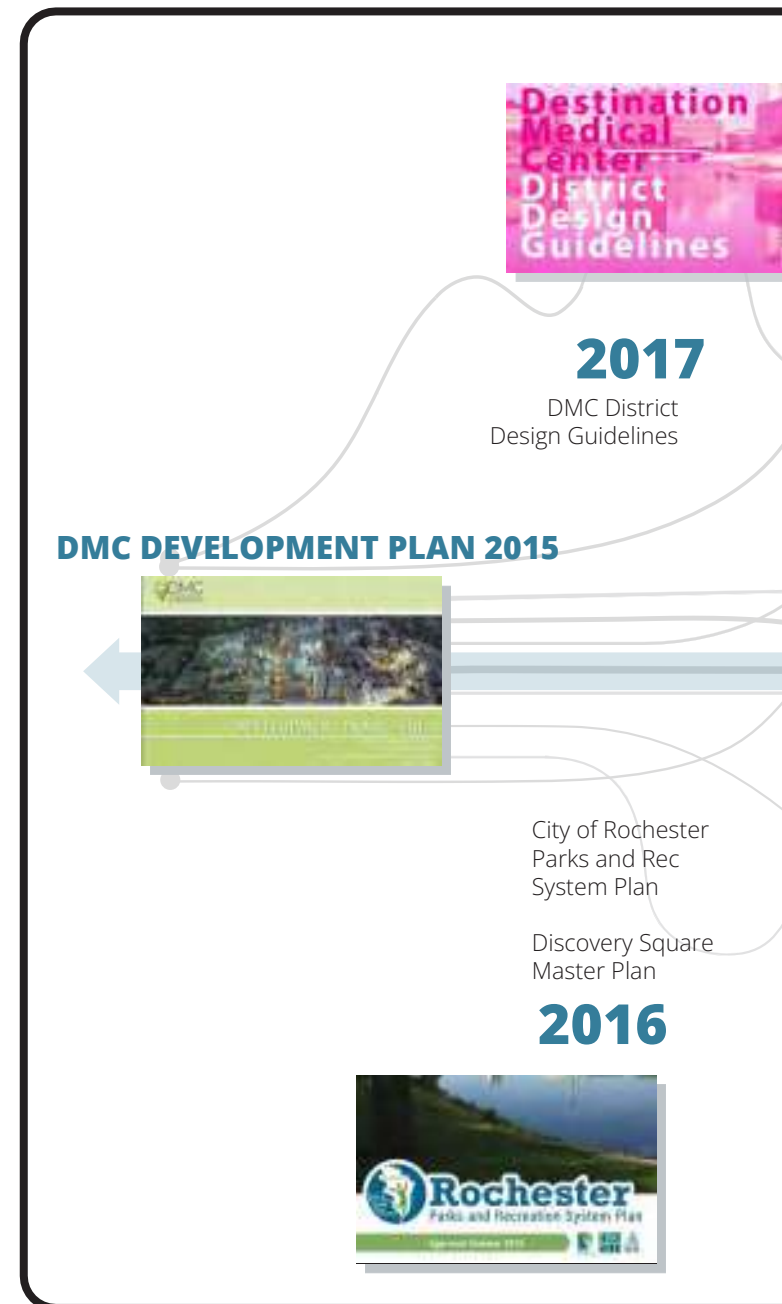


# PLAN ALIGNMENT

## BUILDING ON PAST PLANS

DMC and the City of Rochester have spent years shaping a shared vision for the city's future through ambitious planning and engagement efforts. The 2025 DMC Development Plan Update builds on this foundation. It is not a standalone exercise, but a deliberate, integrative step that connects past work with future priorities.

This update reviews prior plans, incorporates extensive community input, and applies strategic analysis of current conditions to ensure alignment across initiatives. By synthesizing insights from both past and present, the update reinforces a unified vision and advances a coordinated, inclusive, and data-driven approach to Rochester's continued transformation.



# A DECADE OF COORDINATED PLANNING



**2019**

Olmsted County Health Assessment and Planning



**2021**

Downtown Waterfront SE Small Area Plan



**2023**

Announcement of Mayo Clinic Bold. Forward. Unbound, in Rochester

Mayo Clinic 5-Year Update



**2025**

Rochester Vision 2050

Rochester Comprehensive Plan Update

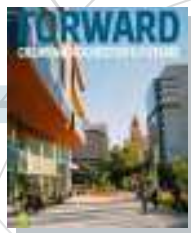
Reimagining 6th Ave. West & Reconnecting the Mobility Network

Olmsted County Housing Needs & Assessment

Kutzky Park and Downtown Public Realm Plan

Rochester Historic District Vision Plan

**DMC PLAN UPDATE 2020**



**DMC PLAN UPDATE 2025**

City of Rochester Planning2Succeed Comprehensive Plan 2040

**2018**

New Rapid Transit for a Growing, Equitable Rochester

Sustainability & Resilience Community Work Plan

**2020**

City of Rochester Active Transportation Plan

Riverfront Small Area Plan

**2022**

Rochester Unified Development Code

UMR Campus and Climate Action Plan

**2024**



# PLAN ALIGNMENT

## CONNECTING PAST PLANS TO FUTURE PRIORITIES

### Community Plans

Over the past decade, Rochester has experienced a surge in planning activity, with more than 20 planning initiatives reflecting a strong commitment to coordinated growth and a shared vision for the city's future. The following plans offer valuable context for the pivotal moment Rochester is at today, representing just a portion of the many thoughtful efforts contributing to the city's rich planning landscape:

- Mayo Clinic Bold. Forward. Unbound. in Rochester
- City of Rochester Unified Development Code
- City of Rochester Comprehensive Plan 2040
- Rochester Vision 2050
- Downtown Waterfront Southeast Small Area Plan
- Downtown Riverfront Small Area Plan
- Rochester Historic District Vision Plan
- DMC Kutzky Park Area and Downtown Public Realm Plan
- UMR Campus and Climate Action Plan
- Olmsted County Housing Needs Assessment
- Integrated Transit Studies

### Step 1: Identifying Common Themes from Past Plans

Recognizing the importance of grounding the 2025 update in community priorities, our team undertook a comprehensive analysis of past planning efforts. The first step was analyzing plans from the past decade to identify recurring themes and values. We examined these plans in detail to identify recurring priorities and values expressed by the community. From this review, a set of common themes emerged, reflecting the voices and experiences of those who live in, work in, and visit Rochester. These themes provide a clear foundation for shaping a future that aligns with the community's aspirations:

- **Economic Development & Innovation**
- **Public Spaces**
- **Transportation & Connectivity**
- **Housing**
- **Well-being**
- **Climate Resiliency**



## **Economic Development & Innovation**

Supporting a thriving local economy by fostering entrepreneurship, advancing workforce skills, and attracting investment through innovation, inclusive business growth, and strategic infrastructure.



## **Public Spaces**

Enhancing the city's identity and livability through vibrant public spaces, cultural destinations, and accessible, well-maintained infrastructure that invites community connection and exploration.



## **Transportation & Connectivity**

Strengthening regional and local connections through safer streets, accessible design, and integrated transit options that support health, equity, and seamless movement for all.



## **Housing**

Expanding access to diverse, affordable housing and housing options that meet the needs of all residents, including students, seniors, and the workforce.



## **Well-being**

Strengthening community well-being through expanded access to care, healthy food, digital connectivity, as well as inclusive spaces that support mental health and a vibrant social life for individuals of all ages.



## **Climate Resiliency**

Focusing on building climate-ready infrastructure and smart urban systems that reduce environmental impact, manage risk, and ensure long-term reliability and efficiency.

# PLAN ALIGNMENT

## CONNECTING PAST PLANS TO FUTURE PRIORITIES

### Step 2: Defining DMC's Three Strategic Priorities

Building on these insights, DMC conducted an internal review to re-examine how the organization functions and its role in advancing Rochester's long-term vision. This review was cross-referenced with the community themes identified in Step 1. Through this process, DMC surfaced three strategic priorities that will guide the 2025 plan update, ensuring the plan reflects both organizational strengths and the values consistently expressed by the community.



#### Accelerate Health Innovation

We will expand Rochester's leadership in health discovery, technology, and entrepreneurship to fuel economic growth. By connecting research, startups, and investment, we'll cultivate new ideas, businesses, and careers that improve lives and strengthen Minnesota's economy.



#### Design for Well-being

We will design and invest in a city where health and wellness are embedded in the built environment, from housing and mobility to public spaces and climate resilience. Each project will enhance livability, sustainability, and inclusion, ensuring that health is reflected in the daily experience of residents and visitors alike.



#### Drive Purposeful Growth

We will use Rochester's distinct health identity and partnerships to attract people, investment, and services that align with our vision for a thriving, values-driven community. Growth will be intentional, rooted in health, opportunity, and quality of life, so that prosperity benefits both residents and the state.

### Step 3: Aligning Three Strategic Priorities with Past Plans

To ensure DMC's strategic priorities are firmly grounded in the community's past insights, our team conducted a distinct second layer of analysis. In Step 1, we cataloged several major plans to identify broad common themes. For this step, we revisited those same plans with a sharper lens, focusing specifically on how their goals, language, and thematic content align with DMC's three strategic priorities.

Our methodology involved systematically reviewing each plan to map points of alignment. We looked for direct messaging, such as stated objectives, action items, and guiding principles, as well as thematic connections that aligned with DMC's three strategic priorities. This process allowed us to visualize areas of strong convergence, highlight gaps and identify opportunities for integration. By approaching this analysis with precision, we honored the depth of prior planning work while ensuring the 2025 update advances ideas that matter most to residents and stakeholders.

**Key Findings**

The analysis revealed strong connections between DMC’s three strategic priorities and community plans, especially the Rochester Vision for 2050, the City’s Comprehensive Plan, the Parks and Recreation System Plan, the University of Minnesota Rochester Campus and Climate Action Plan, and the City’s Sustainability and Resiliency Work Plan. These alignments reinforce shared priorities and strengthen collaboration across public and private sectors.

Building on this high-level alignment, the following pages take a closer look at how each of the three DMC strategic priorities show up in specific local and regional plans. By mapping the language, goals, and strategies of these plans to the three DMC strategic priorities, the analysis reveals where there is strong alignment, where gaps remain, and where there are opportunities for deeper collaboration to advance a shared vision for Rochester’s future.

**Key Findings: Accelerate Health Innovation**

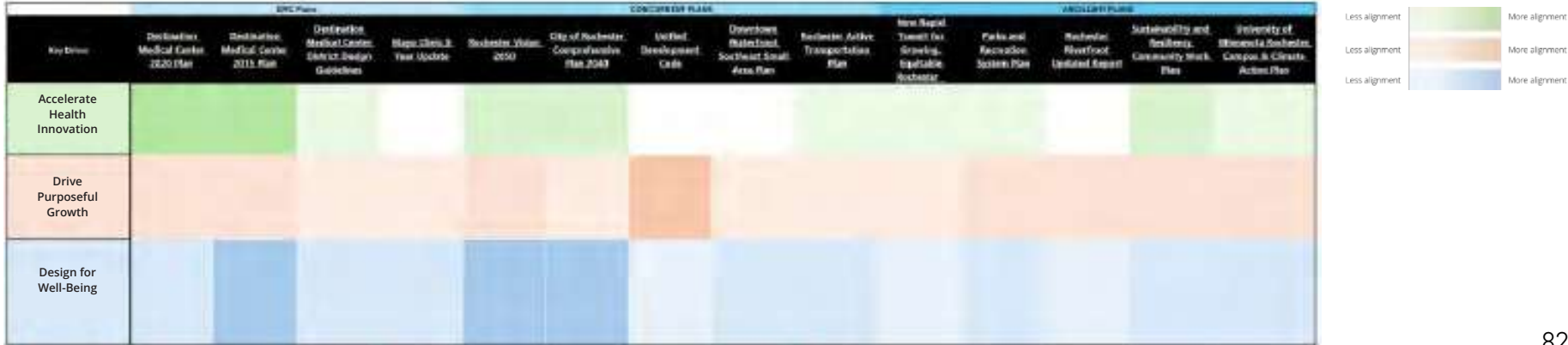
Several plans emphasize creating employment and industry diversification, despite not all of them explicitly mentioning how health innovation can be used as an economic catalyst.

**Key Findings: Design for Well-Being**

Climate resiliency and greenspace are key components of almost every plan, as well as their impacts on design. This strategic priority is most explicitly mentioned in recent plans.

**Key Findings: Drive Purposeful Growth**

Almost every plan mentions housing opportunities and several mention Rochester’s potential to leverage health & wellness to become a tourism hub.



# PLAN ALIGNMENT

## **BOLD.FORWARD.UNBOUND.IN ROCHESTER**



### **Accelerate Health Innovation**

**Business/Industry:** Creation of five new buildings — nearly 2 million square feet of clinical space. “Care neighborhoods” integrate digital platforms, artificial intelligence, and real-time data to connect care teams around patient needs. Flexible spaces designed for translational research and clinical trials, linking discovery to patient care faster. Expansion of digital and automation infrastructure that enables Mayo Clinic\_Platform capabilities and data-driven innovation.



### **Design for Well-Being**

**Health:** Connecting indoor and outdoor spaces. Incorporation of biophilic design, natural light, and art reinforces the connection between environment and healing.

**Climate Resilience:** New green infrastructure supports energy efficiency and climate resilience, aligned with DMC’s sustainability targets.

**Mobility:** Seamless links to pedestrian, transit, and skyway systems promote accessibility and reduce vehicle dependence.



### **Drive Purposeful Growth**

**Economic Development:** A \$5 billion investment that fuels local job creation, supply chain activity, and long-term economic vitality. The investment also sustains partnerships with local institutions and workforce programs, ensuring inclusive community benefit.

**Arts/Culture:** Campus expansion strengthens Rochester’s downtown core and reinforces its identity as America’s City for Health.

**Quality of Life:** Integration of public spaces, art, and cultural experiences enhances daily life for residents, patients, and visitors.

# \$5 Billion

Mayo Clinic’s Bold. Forward.  
Unbound. in Rochester  
Investment

### **Why it matters:**

Mayo Clinic’s \$5 billion investment in Bold. Forward. Unbound. in Rochester is reimagining the downtown Rochester campus and introducing a combination of innovative care concepts, digital technologies and new facilities that will enable transformation and accelerate the future of care. In downtown Rochester, this vision is taking dramatic physical and strategic form. Through DMC, the city has laid the groundwork by creating the infrastructure, partnerships, and civic environment necessary for Mayo Clinic to set the course for the future of healthcare.



# PLAN ALIGNMENT

## ROCHESTER UNIFIED DEVELOPMENT CODE



### Accelerate Health Innovation

**Businesses/Industry:** Provides expanded mixed-use zoning; streamlined approval process; flexible commercial design standards; encourages adaptive reuse.



### Design for Well-Being

**Site Design:** New developments should aim to preserve natural areas, include traffic calming and pedestrian features, accommodate transit stops, and provide usable recreation spaces for multifamily uses.

**Building Design:** All primary buildings must feature high-quality materials, consistent architectural treatment, avoid blank façades, ensure visual interest, and pedestrian orientation.

**Transit access:** Promotes transit-oriented development (MX-T) around transit stops – reduces parking requirements, regulates pedestrian-oriented urban design, requires pedestrian-oriented streets or walkway systems extending from transit stops.



### Drive Purposeful Growth

**Arts/Culture:** Supports plazas, parks, and open spaces to host festivals, concerts and public art installations.

**Housing:** Promotes and allows for more affordable housing; permits city-wide ADUs; allows for smaller minimum lot sizes, encouraging compact development; expands multi-family zoning.

### Why it matters:

The UDC update modernizes Rochester’s zoning standards to reflect the goals of the Comprehensive Plan, supporting housing diversity, climate resilience, and streamlined development.

## COMMUNITY ENGAGEMENT

**1,143** estimated people at hosted/public events

**267** hours of in-person and virtual opportunities for community members to engage through hosted events

**3** languages used to engage

# ROCHESTER, MINNESOTA



Unified Development Code  
Updated  
November 4, 2024

# PLAN ALIGNMENT

## ROCHESTER COMPREHENSIVE PLAN 2040



### Accelerate Health Innovation

**Businesses/Industry:** Emphasizing fiscal sustainability through diverse industries and growth is one of the plan's core principles.

**Workforce development:** It is critical for Rochester to consider how it can provide a competitive urban environment to attract the younger generation of future employees.



### Design for Well-Being

**Walkability and Transit Access:** Directs new development toward infill and redevelopment in existing urban areas and along transit-supportive corridors, leveraging existing infrastructure to reduce sprawl, lower service costs, and promote mixed-use, walkable neighborhoods connected by enhanced transit.

**Sustainability:** Plan aligns land use and transportation investment to guide orderly expansion, prioritize reinvestment in built-up areas, and ensure fiscally and environmentally sustainable development patterns.



### Drive Purposeful Growth

**Housing:** Provide sufficient infill and redevelopment opportunities that broaden the variety of housing.

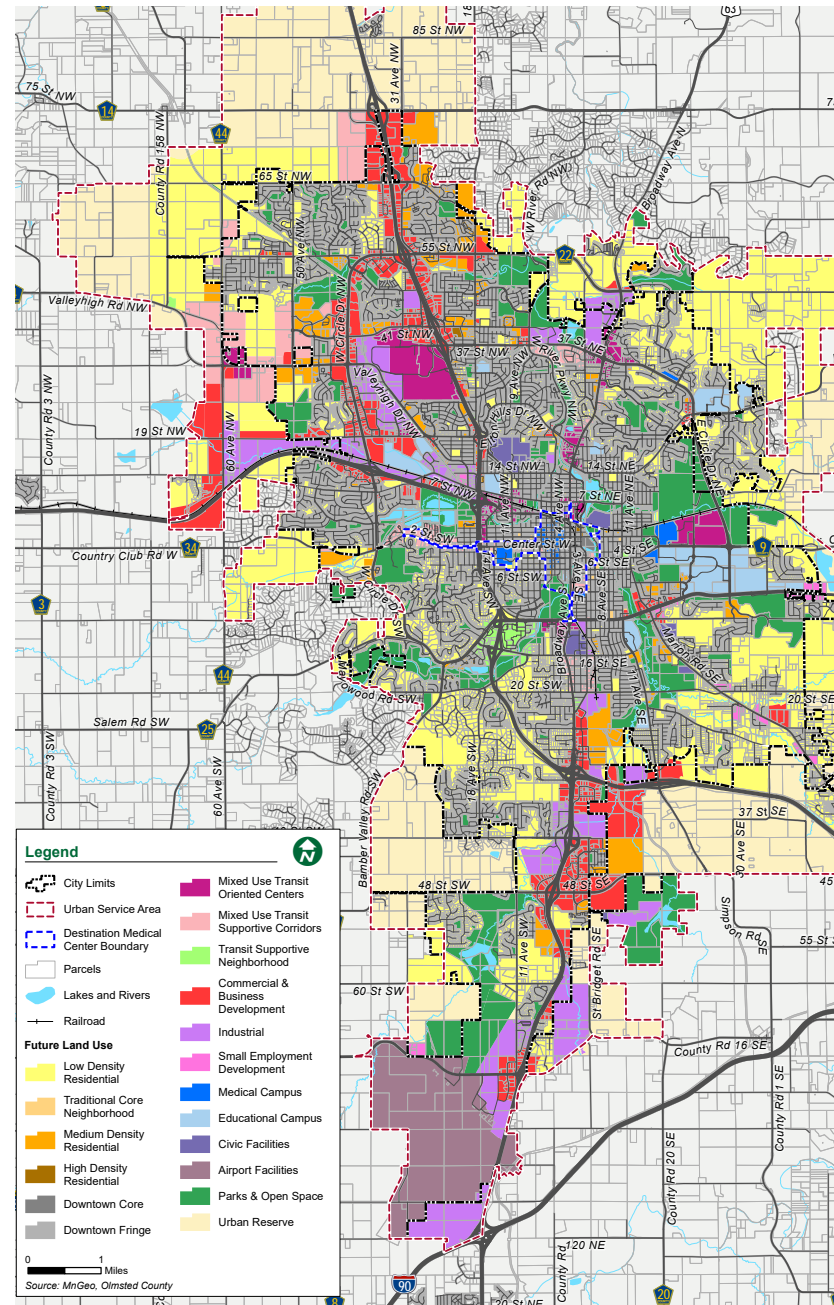
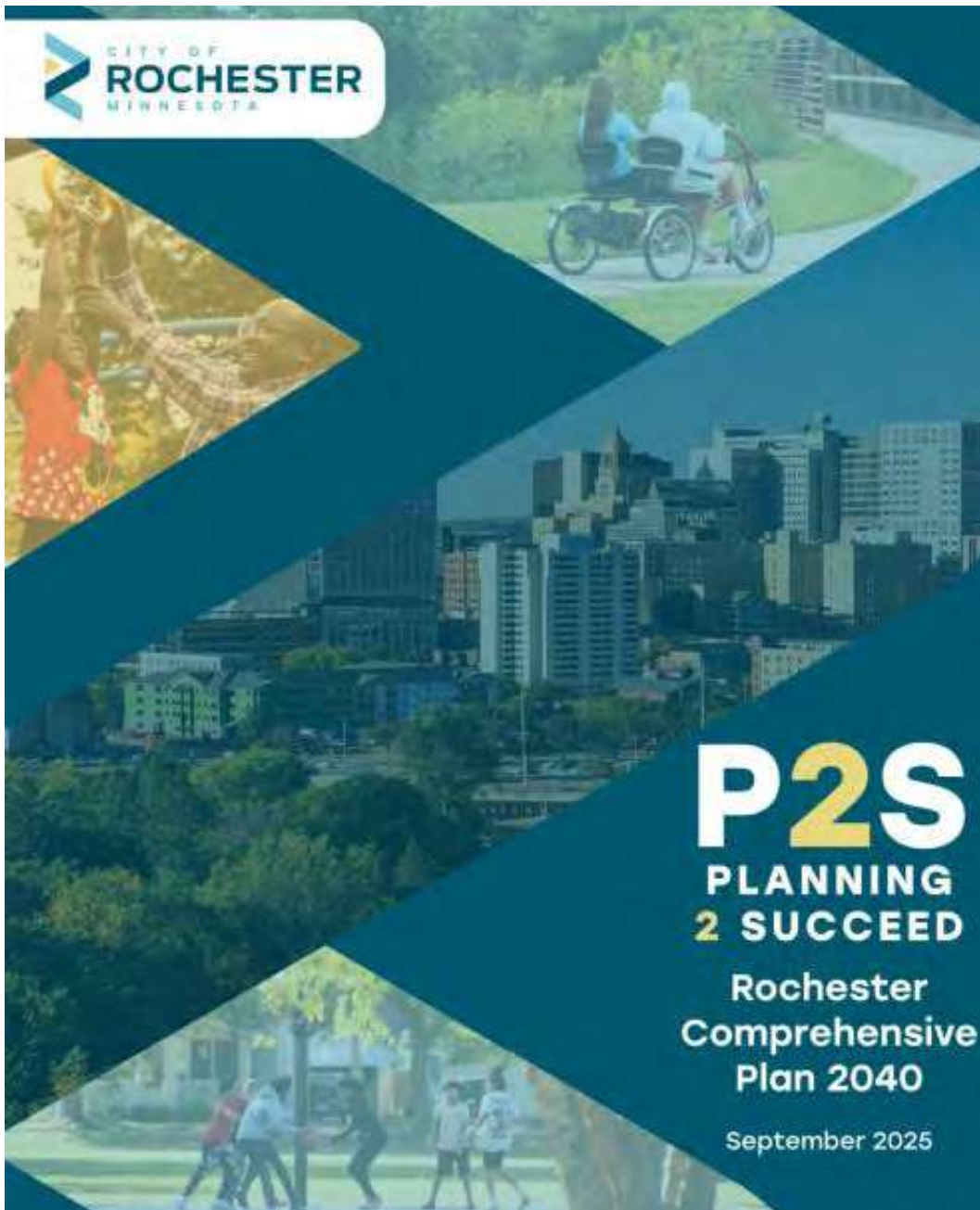
**Recreation:** Emphasizes vibrant public spaces, and easy access to parks and recreational amenities.

### Why it matters:

The comprehensive plan develops a vision, guiding principles, and strategies outlining Rochester's future trajectory. The plan highlights the need for enhanced transit services, designing livable neighborhoods, infrastructure maintenance, land use patterns, and an overall big-picture plan for the city.

## COMMUNITY ENGAGEMENT

Based on the over 7,000 public comments received during the 2018 planning process, as well as over 990 comments received from the Mayor's Vision 2050, Community Engagement Open House, and the Industrial Land Development Open House from the 2024-25 planning process, the P2S 2040 Plan Framework formalizes the vision and principles the community is committed to building.



# PLAN ALIGNMENT

## ROCHESTER VISION 2050



### Accelerate Health Innovation

**Businesses/Industry:** Highlights the importance of encouraging industry expansion, business development, and support for small businesses. It emphasizes the need for creating an easy, yet responsible, experience for small businesses in Rochester and developing new tools to encourage growth in both new and current businesses.

**Workforce development:** Advocates for diversifying job opportunities.



### Design for Well-Being

**Green space access:** Invest in sustainable, green spaces; preserve parks and clean up natural resources like rivers/lakes.

**Health (physical/mental):** While Mayo creates a positive impact, healthcare accessibility and affordability are still concerns.

**Climate resilience:** Need for renewable energy.

**Transit access:** Create more transportation options.

**Non-motorized access:** Need for road and sidewalk maintenance, more bike lanes.



### Drive Purposeful Growth

**Housing:** Advocates for housing affordability for low/medium income individuals.

**Education:** Advocates for funding youth programs and education.

**Arts/Culture:** Advocates for more farmer's markets, outdoor amphitheatres, extending arts center.

### Why it matters:

By 2050, Rochester aims for near-zero poverty and hunger while ensuring full housing options for all income levels. 80% of feedback cited affordability as the top barrier to well-being.

## COMMUNITY ENGAGEMENT

# 990

public comments received and summarized using GroupSolver, an intelligent digital survey platform.



# PLAN ALIGNMENT

## DOWNTOWN WATERFRONT SOUTHEAST SMALL AREA PLAN



### Accelerate Health Innovation

**Business/Industry:** Advocates for a mixed-use neighborhood (residential, retail, office, civic spaces, hospitality/entertainment.)

**Economic Development:** Replacing a parking lot with a mixed-use district turns idle land into a job-creating, revenue-generating hub for housing, retail, and innovation.



### Design for Well-Being

**Green Space:** Reconnects the city to the riverfront through walkable public space (pedestrian promenade, riverfront plaza) and green infrastructure.

**Green Infrastructure:** Plan reduces the amount of impervious surfaces from 95% to 85%, increases tree canopy by over 500%, and introduces an innovative district-wide stormwater management approach by combining multiple Best Management Practices.

**Non-motorized:** Includes a new 6th Street bridge; connected streets and block patterns; provides connected bike and pedestrian routes.

**Transit:** Integrated with Link BRT; highlights Transit-Oriented Development (TOD) urban design recommendations.



### Drive Purposeful Growth

**Arts/Culture:** Incorporates adaptive reuse of historic buildings.

**Housing:** Incorporates housing within mixed-use fabric.

### Why it matters:

Redeveloping this 60-acre district will cut impervious surfaces from 95% to 85%, transforming an underutilized area into a vibrant, sustainable urban neighborhood.

## COMMUNITY ENGAGEMENT

**400+** participants

**500+** chat room comments

**4** community forums

# DOWNTOWN WATERFRONT SOUTHEAST SMALL AREA PLAN

April 19, 2021



# PLAN ALIGNMENT

## RIVERFRONT SMALL AREA PLAN



### Accelerate Health Innovation

**Businesses/Industry:** The plan emphasizes supporting local, diverse, and entrepreneurial businesses. It proposes ground floor commercial spaces, market halls, and adaptive reuse of historic buildings (Red Owl and Time Theatre) to host small businesses and community events.



### Design for Well-Being

**Green Space:** The plan adds 2.5 acres of new open space, reduces impervious surfaces, and increases tree canopy fivefold. It includes terraced landscapes, native plantings, and riverfront gardens to enhance biodiversity and recreation.

**Energy Efficiency:** Sustainability is emphasized through adaptive reuse of buildings, integration with a proposed district energy network, and use of green infrastructure.

**Health:** Health is a core theme, with the plan promoting active lifestyles through trails, recreation, and access to nature.



### Drive Purposeful Growth

**Tourism:** The riverfront is envisioned as a year-round destination with public art, events, and cultural programming. Enhancements aim to attract both residents and international visitors, especially those connected to the Mayo Clinic.

**Housing:** The plan includes 500,000–700,000 square feet of new mixed-use development with a focus on affordable and diverse housing types.

### Why it matters:

Rochester's riverfront is over 90% impervious surface today, dominated by parking lots and underutilized buildings. Transforming these 5.5 acres into vibrant public spaces and mixed-use development will reconnect the city to the Zumbro River.

## COMMUNITY ENGAGEMENT

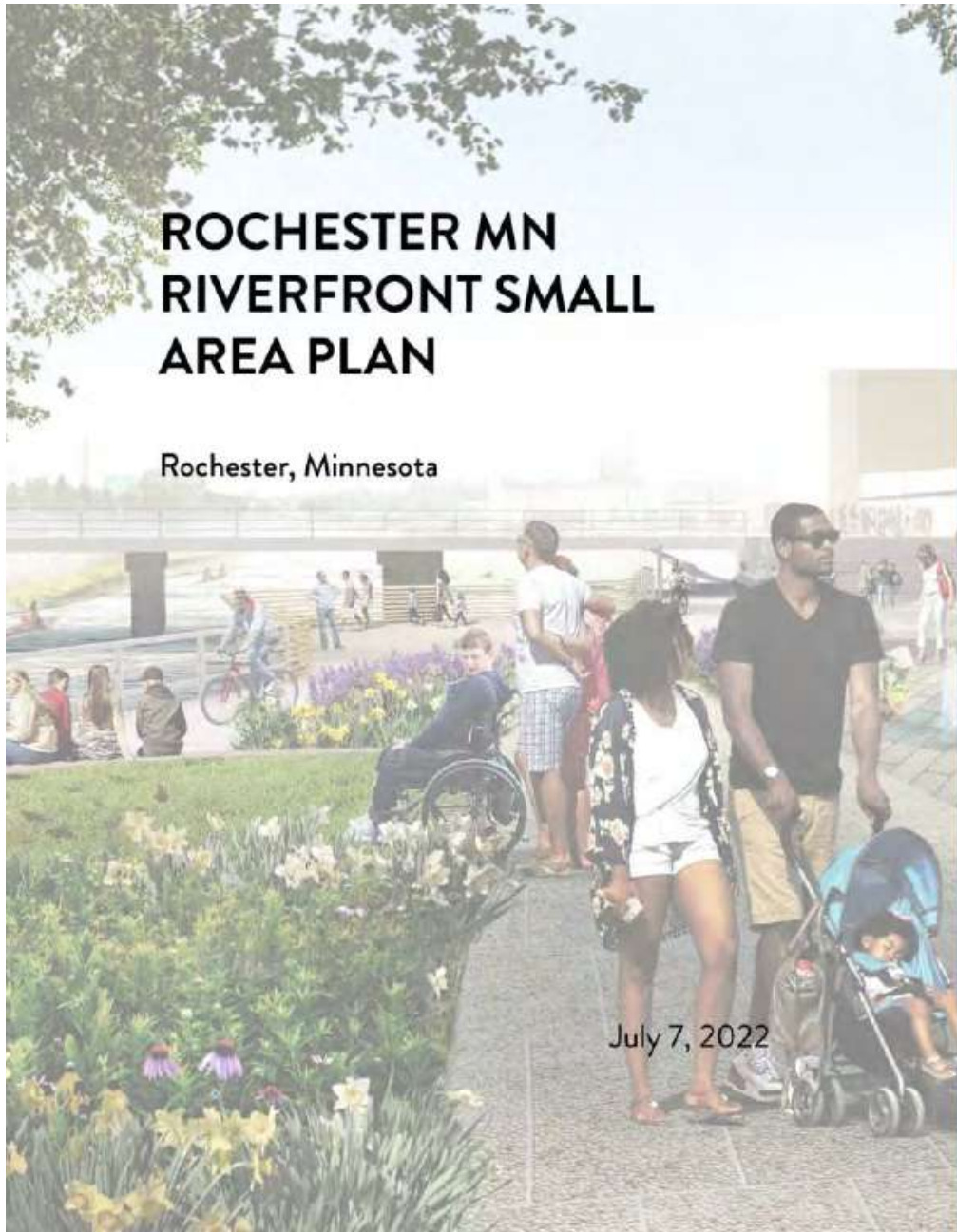
**400+** participants

**12** focus groups

**5** public meetings 188

# ROCHESTER MN RIVERFRONT SMALL AREA PLAN

Rochester, Minnesota



# PLAN ALIGNMENT

## HISTORIC DISTRICT VISION PLAN



### Accelerate Health Innovation

**Business/Industry:** The plan emphasizes supporting small businesses and local owners by enhancing the public realm, drawing more foot traffic, and offering financial tools such as grants, loans, and infrastructure programs. By creating a more attractive and vibrant district, it bolsters economic activity, tourism, and downtown vitality, reinforcing health and place as key strategies of economic growth.



### Design for Well-Being

**Green infrastructure:** Streetscape improvements (plantings, stormwater features, sustainable materials) are part of creating a resilient, welcoming district.

**Transit access:** The plan coordinates with upcoming Link Bus Rapid Transit and 23 bus routes serving the district, ensuring equitable mobility.



### Drive Purposeful Growth

**Arts/Culture:** The plan positions the district as a hub where art, design, and cultural storytelling infuse energy and vibrancy. Through public art, historical interpretation, and cultural programming, it seeks to celebrate the district's identity, create a sense of place, and attract residents and visitors alike.

### Why it matters:

Rochester's historic district vision plan aims to celebrate historic landmarks and highlight how the preservation of these places create unique public realm experiences.

## COMMUNITY ENGAGEMENT

**200** participants in total

**20** interviewees during focus groups

**75** booth visitors during Thursdays Downtown 190 Up



## Part 1: The Story



## Part 2: The Energy

# PLAN ALIGNMENT

## DMC KUTZKY PARK AREA & DOWNTOWN PUBLIC REALM PLAN



### Accelerate Health Innovation

**Business/Industry:** Incentivizes and supports small local businesses through active and diverse ground floors.



### Design for Well-Being

**Green Space Access:** Strengthen Kutzky Park's green, leafy character by increasing tree canopy coverage, green pockets, and connection to regional natural assets.

**Health (physical/mental):** Promotes healthy lifestyles for all who live in, work in, and visit Rochester.

**Transit access:** Create a comfortable waiting experience and seamless, multimodal connections.

**Non-motorized access:** Prioritize safer streets for pedestrians and cyclists, and foster a stronger culture of biking.



### Drive Purposeful Growth

**Housing:** Includes strategy for gentle density (townhomes, mid-rise, etc.), mixed-use residential spaces, and tracking residential tenure.

**Quality of Life:** Emphasizes enhancing Kutzky Park's identity as a livable, walkable neighborhood.

**Arts/Culture:** Emphasizes the need for vibrant streets, increased public art installations, and varied cultural/arts programming such as Thursdays Downtown.

**Why it matters:** This plan responds to the changes in Rochester that are underway by laying out strategies to maintain the character and public realm of the city, ensuring Rochester remains a livable, welcoming city for all.

## COMMUNITY ENGAGEMENT

70

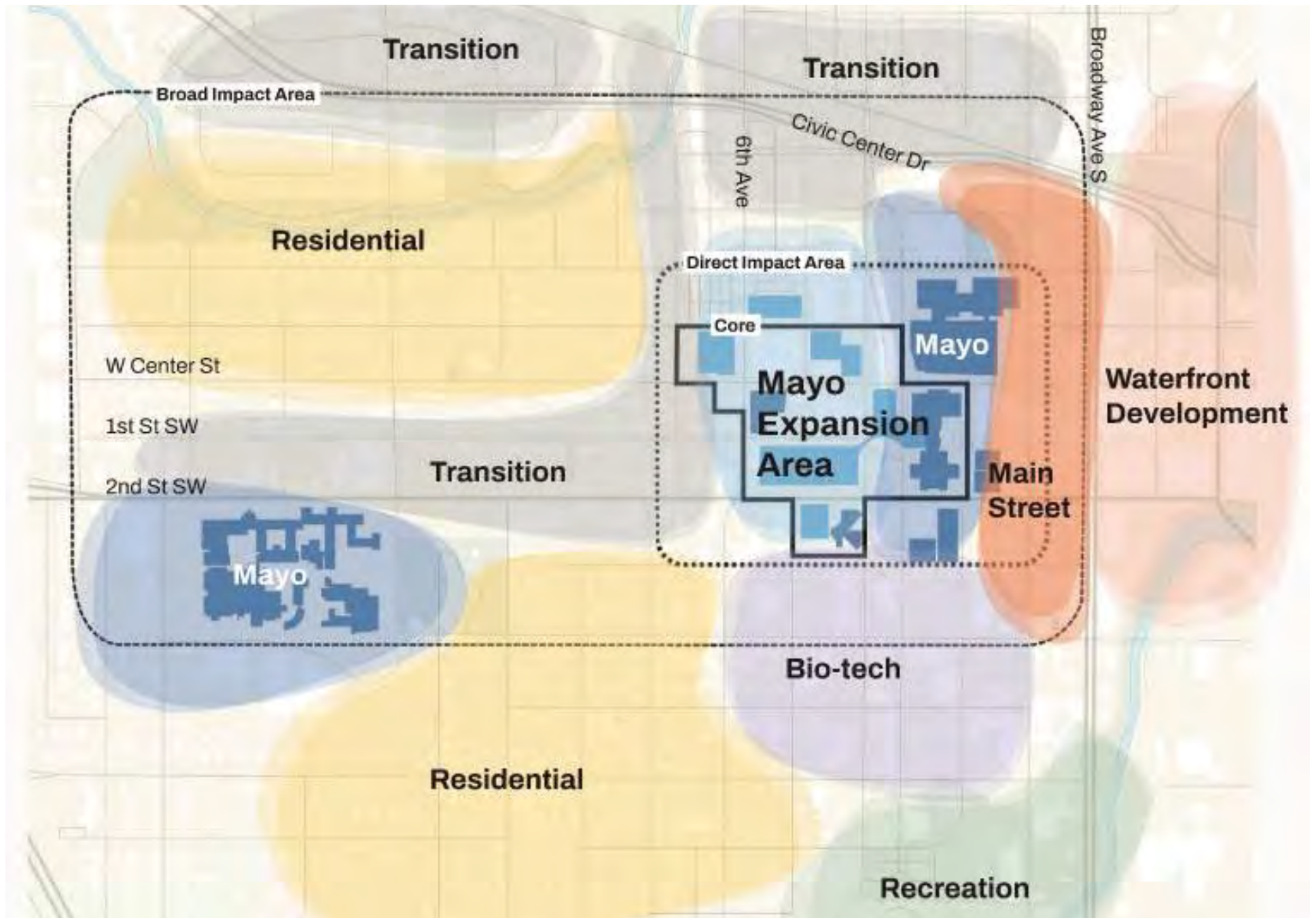
individuals engaged representing neighborhood interests, hospitality, healthcare, small business, real estate development, faith institutions, and advocacy.

50

attendees at 2 open houses

88

survey responses



# PLAN ALIGNMENT

## UMR CAMPUS & CLIMATE ACTION PLAN



### Accelerate Health Innovation

**Business/Industry:** Continue to partner with Mayo Clinic, DMC, City to co-locate facilities & complete urban design enhancements for livability.



### Design for Well-Being

**Health (physical/mental):** Partner to ensure UMR community has access to physical and mental health resources; develop an equitable food access plan.

**Climate resilience:** 85% greenhouse gas emissions reduction by 2034 (100% carbon-free Rochester Public Utility); UMR identified buildings existing within a 500 year flood zone - calling for future buildings to be designed to a base flood elevation; provide UMR community with guidance on safety during extreme weather events.

**Green Infrastructure:** Create design guidelines for buildings, infrastructure, and land that mitigate future climate projections.

**Transit access:** The entire UMR fleet will be battery electric or plug-in hybrid electric by 2034.

**Non-motorized access:** By 2034, over 50% of employees and 60% of students commute by bike, on foot, transit or carpool; expand green transit, EV charging, and connect One Discovery Square via skyway/ subway.



### Drive Purposeful Growth

**Education:** UMR anticipating need for new construction (to meet Minnesota sustainable energy standards; and connect to City's future TEN – geothermal network.)

**Recreation:** Facilitate multi-constituent indoor recreation facility located downtown.

**Arts/Culture:** Establish wayfinding signage in Heart of the City and throughout Downtown.

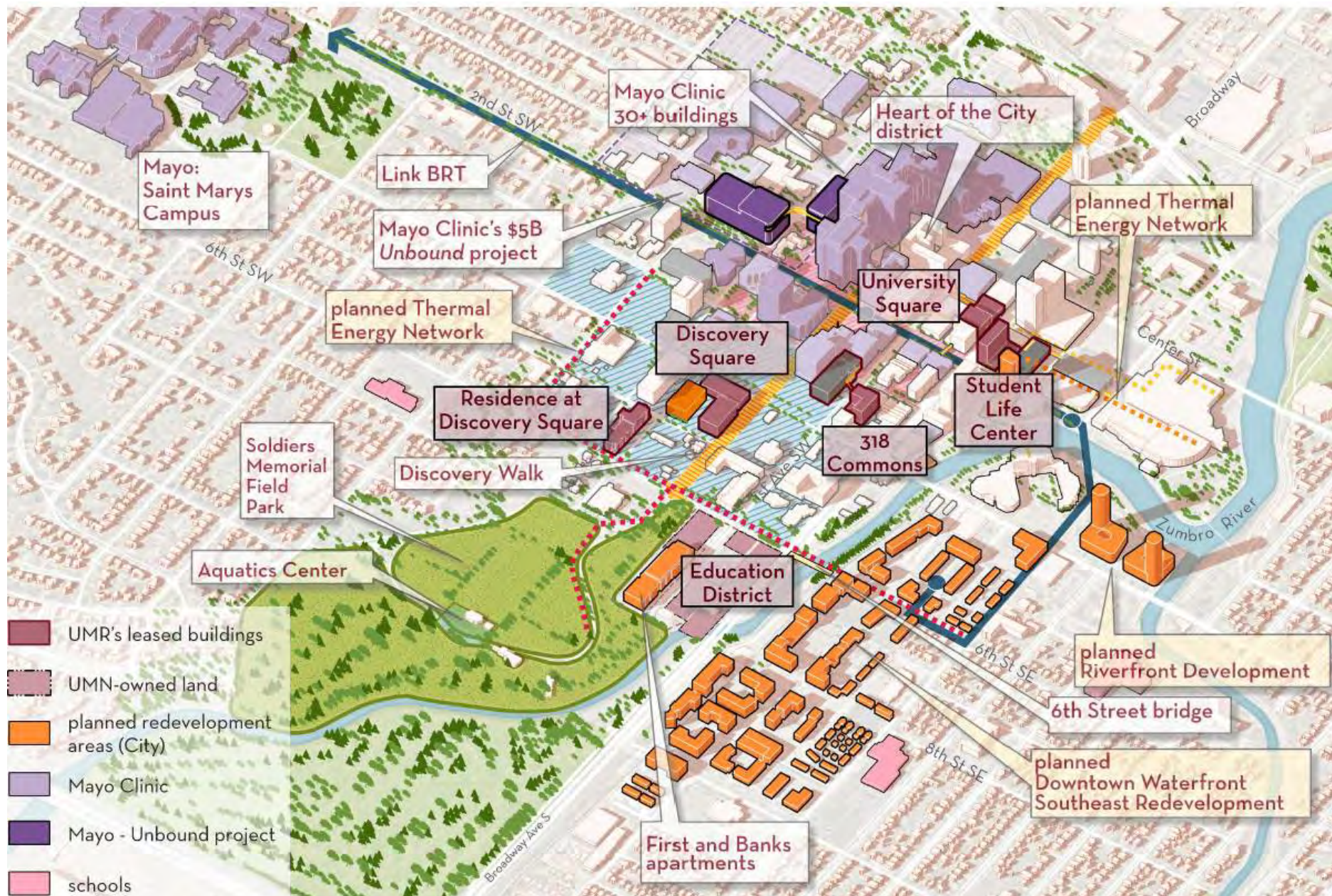
## Why it matters: Talent as Infrastructure: University of Minnesota Rochester Update

In December 2025, University of Minnesota Rochester outlined a multi-phase downtown facilities expansion strategy, reinforcing downtown Rochester as a walkable, innovation-centered community.

“In this time of growth for Rochester, spurred by the bold actions of DMC, the City, and Mayo Clinic, the University of Minnesota is ready to expand its impact, its downtown footprint, and its commitment to building the future health and life sciences workforce for Minnesota,” said University of Minnesota President Dr. Rebecca Cunningham.

The expansion builds on UMR’s “community campus” model, embedding academic, laboratory, and student-life spaces within existing downtown buildings near Mayo Clinic, Discovery Square, and employers. Since opening in 2009, UMR has grown from a first graduating class of 52 students in 2013 to more than 1,100 students today, many of whom live, learn, and work within DMC subdistricts. In 2025, UMR was designated an “Opportunity University” by Carnegie and the American Council on Education and generated an estimated \$89.9 million in total economic impact, according to the University’s most recent economic impact study.

UMR’s long-term vision includes expanded labs and classrooms in Discovery Square, a future academic “heart of campus,” and new student residential and recreational facilities, each aligned with shared DMC priorities around talent pipeline development, experiential learning, sustainability, and community vibrancy.



# PLAN ALIGNMENT

## COMPREHENSIVE HOUSING NEEDS ANALYSIS FOR OLMSTED COUNTY



### Accelerate Health Innovation

**Business/Industry:** Mayo Clinic expected to grow staff by 2% per year, consistent with historical averages. Execution of Bold. Forward. Unbound. in Rochester plan is expected to increase the need for housing opportunities in the region.

**Workforce development:** Resident employment in Olmsted County increased by 14% between 2015-2024.



### Design for Well-Being

**Energy Efficiency:** The study supports initiatives like RENEW (Rochester Energy Efficiency and Weatherization) which helps income-qualified homeowners upgrade insulation, HVAC systems, windows and more.



### Drive Purposeful Growth

**Housing:** Despite \$20 million in housing investments and 1,000 new units added since 2020, Olmsted County's projected housing needs remain unchanged at 18,000 by 2035, while affordable housing demand has dropped 26%. Rising mortgage rates, low supply, and an aging population are driving calls for targeted senior housing and inclusive homeownership strategies, especially for low-income residents and people of color.

Nearly

# 18,000

new units projected in demand for Olmsted County by 2035, including 5,880 units for seniors

**Why it matters:** the region must act now to ensure housing keeps pace with population growth, aging demographics, and workforce needs. The current rental vacancy rate of just 2.8%—well below the 5% market equilibrium—signals pent-up demand and limited options for residents across income levels.



# PLAN ALIGNMENT

## INTEGRATED TRANSIT STUDIES



### Accelerate Health Innovation

**Business/Industry:** Emphasizes creating a park-once downtown environment supported by high-quality transit and shared parking.



### Design for Well-Being

**Transit access:** The plan introduces a Primary Transit Network and BRT circulator with frequent, reliable service, connecting park-and-ride facilities and mobility hubs to downtown. These investments aim to bring 30% of the workforce to downtown on transit by 2035, reducing single-occupancy vehicle trips by 60%.

**Non-motorized access:** Complete Streets and the trail network create safe, attractive spaces for walking and biking, promoting active transportation and wellness.



### Drive Purposeful Growth

**Quality of Life:** Enhanced public spaces will serve as signature placemaking features, attracting residents, visitors, and businesses. Mobility hubs will integrate retail and service amenities, creating vibrant mixed-use destinations. These improvements catalyze economic development and support Rochester's vision for a dense, diverse, 24-hour downtown.

Plan Target:

# 30%

of workforce on transit by 2035

# 60%

reduction in single-occupancy vehicle trips by 2040

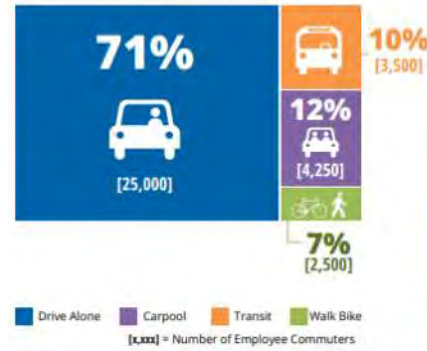
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**Why it matters:** DMC's Integrated Transit Studies ensures efficient, inclusive, and sustainable mobility, reducing congestion and parking demand while creating a vibrant, connected downtown that attracts investment and improves quality of life.

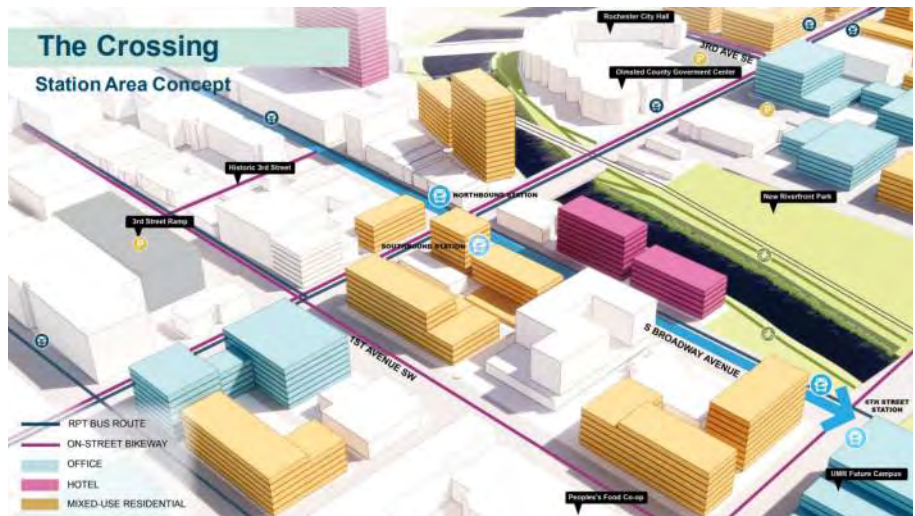
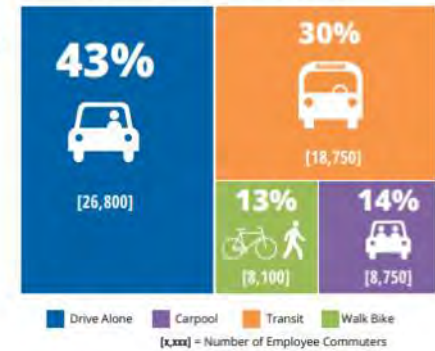
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COMMUTER MODE OF TRAVEL TODAY



COMMUTER MODE OF TRAVEL: 2035 TARGET





# 03. DMC TOMORROW



# 03. DMC TOMORROW

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Rochester’s commitment to being America’s City for Health is more than a tagline; it’s a competitive strategy that positions health as our shared value and economic driver. This plan advances a city where health shapes how we innovate, how we build, and how we live. Anchored by Mayo Clinic, the world’s number one hospital, and powered by DMC, a one-of-a-kind economic development model that leverages health as a shared value, Rochester stands alone. No other city in the world combines this scale of medical excellence with an intentional strategy to grow through health itself.

Health is our advantage. It fuels our economy, shapes how we build, and drives the purposeful growth that inspires people to call Rochester home.

This is the moment to sharpen our focus as we look to the future. This chapter looks at how DMC will use three key strategies to guide future decision making: Accelerate Health Innovation, Design for Well-Being, and Drive Purposeful Growth.

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# AN INFLECTION POINT

## WHY NOW MATTERS

DMC is a public-private partnership designed to leverage the growth of Mayo Clinic and other businesses and institutions within Rochester to create economic opportunity for the local community, region, and state as a whole.

From the vantage point of 2025, ten years into the DMC initiative, we find ourselves at a critical inflection point. Multiple forces are converging simultaneously: historic investment announcements, unprecedented construction activity, accelerated healthcare sector growth, and coordinated infrastructure readiness. Together, these elements create a once-in-a-generation opportunity to capitalize on momentum and make strategic choices that will shape Rochester's trajectory for decades to come.

### **Bold. Forward. Unbound. in Rochester: Minnesota's Largest Construction Project Ever**

In November 2023, Mayo Clinic announced a \$5 billion commitment to expanding its Rochester campus—the largest investment in Mayo's 160-year history and the largest public or private investment in Minnesota's history. Bold. Forward. Unbound. in Rochester is a multiyear strategic initiative that advances Mayo Clinic's Bold. Forward. strategy to Cure, Connect, and Transform healthcare for the benefit of patients everywhere.

The initiative reimagines Mayo Clinic's downtown Rochester campus, introducing new facilities with a combination of innovative care concepts and digital technologies. According to Mayo CEO Gianrico Farrugia, the project will "blur the lines across hospital, clinic, and digital care to help our teams anticipate our patients' needs, accelerate more cures and greater connections to our patients."

This unprecedented investment signals Mayo's long-term commitment to Rochester and creates a catalyst for complementary development. The scale and timeline of this project, with facilities opening between 2028 and 2030, establishes a clear window for the community to prepare infrastructure, attract supporting businesses, and position Rochester to maximize the economic and social benefits of this transformational expansion.



### Overall Construction Permit Volume in Rochester: A New Record in 2025

The DMC initiative envisioned significant private investment beyond Mayo Clinic alone, and overall construction permit volume demonstrates that this vision is materializing. Community-wide growth has accelerated dramatically, with the jump from 2024 to 2025 marking a particularly significant milestone.

Year	Average permit value per year (\$USD)	Rate of Growth by decade
2005-2014	\$290,230,845	baseline
2015-2024	\$520,462,135	79%
Year end 2025	\$1,186,484,386	128%



Multiple developers and businesses are making simultaneous commitments to Rochester, creating a narrow window where coordinated planning and investment can ensure these individual projects add up to a cohesive, thriving district rather than disconnected developments. This surge in activity won't last indefinitely—capturing its full potential requires strategic action now.

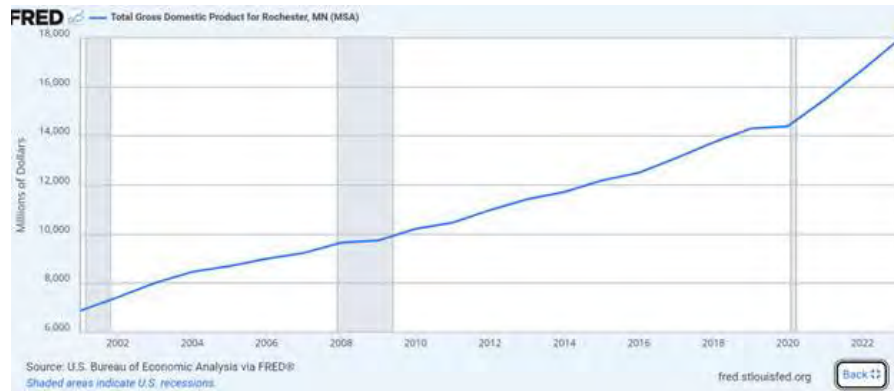
### Post-COVID Growth of the Healthcare Sector

The Rochester Metropolitan Statistical Area (MSA) has a significant concentration of the national Healthcare and Social Assistance Gross Domestic Product (GDP), reflecting the strength of Mayo Clinic. This concentration is particularly noticeable when considering Rochester's size by analyzing the Healthcare and Social Assistance GDP per resident. Rochester has nearly five times the GDP per resident than the national average, and more than twice the GDP per resident than the next highest MSA.

Because Rochester is a well-established healthcare hub, its Healthcare and Social Assistance GDP growth is similar to the growth rate in the US overall. Both national and local trends show strong healthcare growth after COVID-19.

# AN INFLECTION POINT

## WHY NOW MATTERS



This accelerated growth creates immediate demand for supporting infrastructure, housing, amenities, and complementary businesses. The community must act decisively to ensure this economic expansion translates into broad-based prosperity, quality of life improvements, and the kind of vibrant urban environment that attracts and retains the talent needed to sustain this growth trajectory.

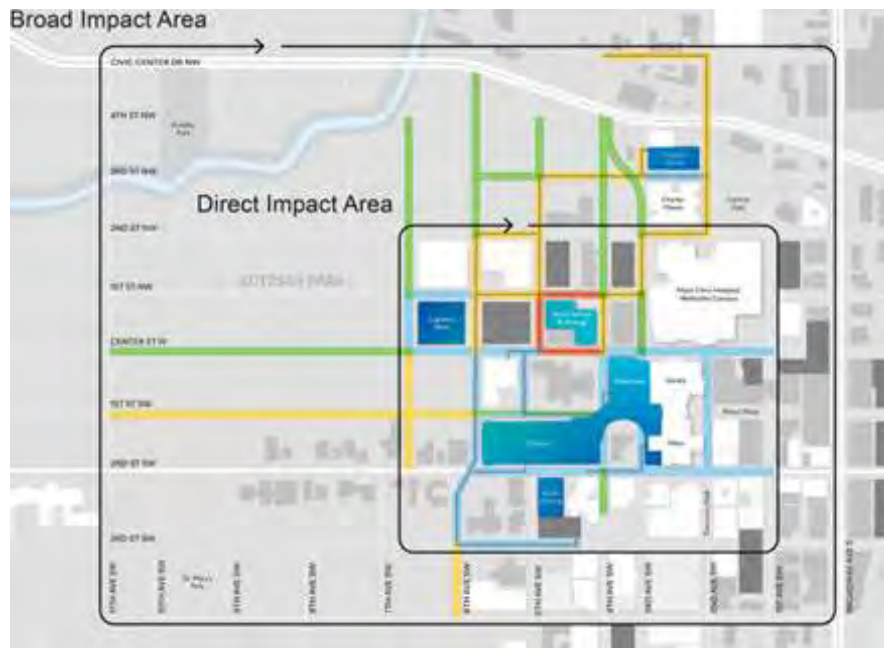
### Generational Infrastructure Investment in the DMC District

Another defining aspect of the DMC District's development is the pace of horizontal infrastructure improvements: streets, sewer capacity, streetscape enhancements, and related systems. Through combined public investments by the City of Rochester and DMC during the first ten years, multiple private

development improvements, and infrastructure projects already underway, over 71% of the linear feet of streets within the DMC District will have received infrastructure investment. Infrastructure investments of this scale typically occur over 50-100 years as streets reach the end of their natural lifecycle. Rochester has a rare opportunity to rebuild nearly three-quarters of the DMC District's street infrastructure within a concentrated timeframe, allowing for coordinated implementation of 21st century systems: enhanced utilities, complete streets design, sustainable stormwater management, and digital connectivity, all at once. This concentration of infrastructure readiness, combined with Mayo's Bold. Forward. Unbound. in Rochester construction timeline and surging private investment, creates ideal conditions for transformative district-wide development. Missing this window would mean waiting generations for similar opportunities.



*The City-DMC-Mayo Clinic approach to the infrastructure investments happening in the surrounding almost 30 city blocks.*



*The planned and funded street infrastructure in the surrounding Bold. Forward. Unbound. in Rochester impact area.*

### The Inflection Point: Why Now Matters

These four forces—Mayo's historic expansion, record-breaking private investment, accelerated healthcare sector growth, and concentrated infrastructure readiness—are converging in 2025. Individually, each represents significant opportunity. Together, they create conditions that occur perhaps once per century in a community: the alignment of anchor institution commitment, market confidence, economic momentum, and public infrastructure capacity.

The choices Rochester makes in the next 2-3 years will determine whether this inflection point becomes a true transformation, establishing Rochester as a global model for health innovation and livable urbanism, or simply a period of growth that doesn't fully realize its potential. The updated DMC Development Plan provides the strategic framework to seize this moment.

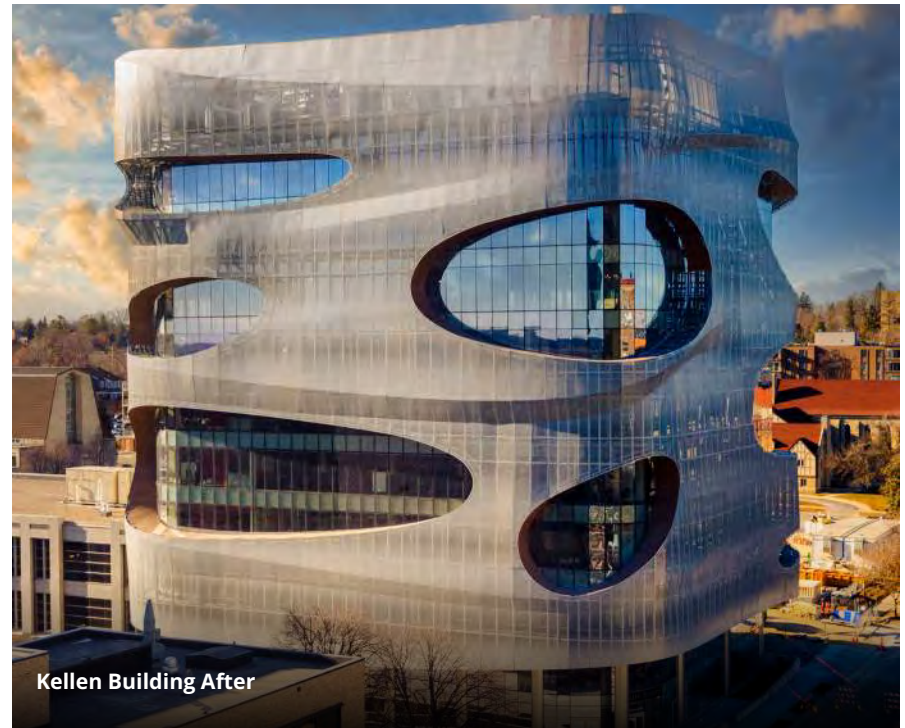
## AN INFLECTION POINT **AMERICA'S CITY FOR HEALTH: FROM TAGLINE TO COMPETITIVE STRATEGY**

Destination Medical Center began with a bold vision to position Rochester, Minnesota as the world's leading destination for health and wellness. A decade into this 20-year initiative, that vision is becoming reality. DMC has helped catalyze 17,500 new jobs, attracted \$1.8 billion in private investment, and supported the development of 400,000 square feet of research and innovation space. Downtown housing has doubled, and 15 underutilized city blocks have been transformed into vibrant, connected places.

These outcomes reflect the strength of aligned leadership, deep community engagement, and a shared commitment to excellence. As Rochester enters the second half of the initiative, DMC is sharpening its focus through three strategic priorities: Accelerate Health Innovation, Design for Well-Being, and Drive Purposeful Growth. These priorities define Rochester's competitive strategy as America's City for Health. They are not a list of projects, but a framework for guiding investment, shaping decisions, and aligning efforts across sectors.

With Mayo Clinic at the center and a growing ecosystem of partners, Rochester is becoming a national model for health-driven urban development. This vision captures the progress made and sets the stage for the next decade, driven by purpose, guided by strategy, and committed to lasting impact.

### ACCELERATE HEALTH INNOVATION



## DESIGN FOR WELL-BEING

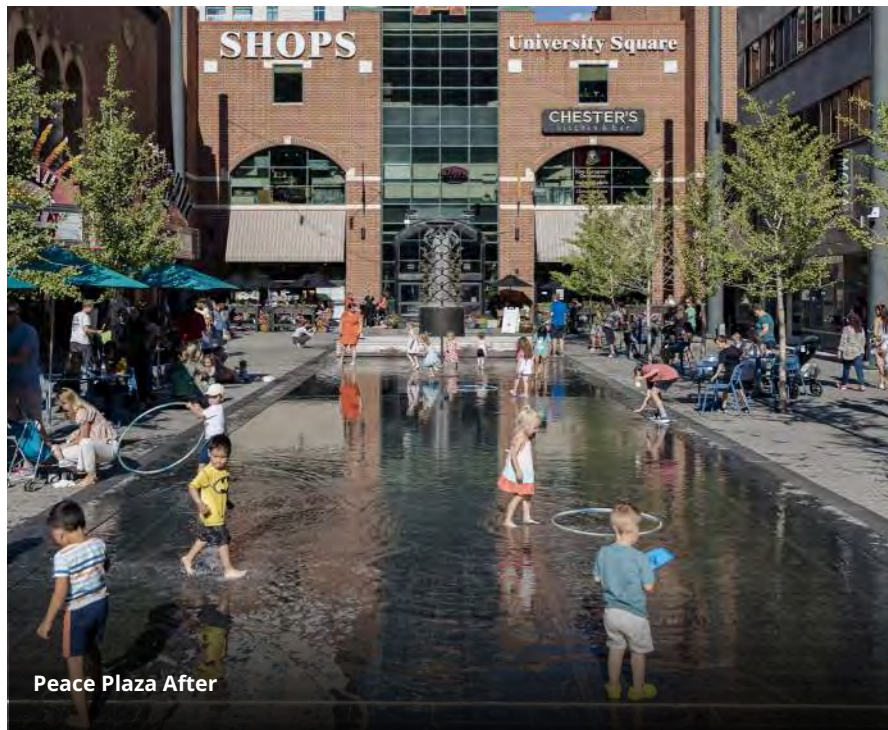


Peace Plaza Before

## DRIVE PURPOSEFUL GROWTH



The Berkman Before



Peace Plaza After



The Berkman After

# AN INFLECTION POINT

## THREE STRATEGIC PRIORITIES



### Accelerate Health Innovation

We will expand Rochester's leadership in health discovery, technology, and entrepreneurship to fuel economic growth. By connecting research, startups, and investment, we'll cultivate new ideas, businesses, and careers that improve lives and strengthen Minnesota's economy.

### Design for Well-Being

We will design and invest in a city where health and wellness are embedded in the built environment, from housing and mobility to public spaces and climate resilience. Each project will enhance livability, sustainability, and inclusion, ensuring that health is reflected in the daily experience of residents and visitors alike.

### Drive Purposeful Growth

We will use Rochester's distinct health identity and partnerships to attract people, investment, and services that align with our vision for a thriving, values-driven community. Growth will be intentional, rooted in health, opportunity, and quality of life, so that prosperity benefits both residents and the state.



## A CASE STUDY IN ACCELERATING INNOVATION

### Kendall Square at MIT

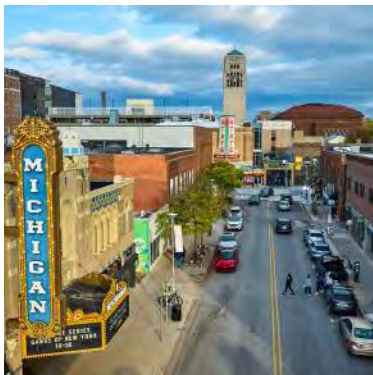
Kendall Square at MIT is a globally renowned innovation district where academia, biotech, and tech converge. Anchored by MIT, it hosts startups and giants like Google and Biogen. Innovation here drives Cambridge's economy, generating over 35,000 jobs, attracting billions in venture capital, and contributing one-third of the city's property taxes, while fueling education, housing, and public services. To learn more visit the Kendall Square Association website: <https://kendallsquare.org/>



## A CASE STUDY IN DESIGNING FOR WELL-BEING

### Creating Community Gardens for All Ages

This initiative by 8 80 Cities promotes inclusive community gardens designed for people of all ages and abilities. By transforming underused spaces into vibrant, shared environments, the project fosters social connection, healthy living, and intergenerational engagement. These gardens go beyond food production; they create places where neighbors can gather, learn, and thrive together. To learn more, visit: [https://www.880cities.org/portfolio\\_page/creating-community-gardens-for-people-of-all-ages/](https://www.880cities.org/portfolio_page/creating-community-gardens-for-people-of-all-ages/)



## A CASE STUDY IN DRIVING PURPOSEFUL GROWTH

### Education Sector as a Draw to Ann Arbor, MI

Ann Arbor's education sector, led by the University of Michigan, attracts students, researchers, and entrepreneurs, fueling innovation and job growth. Its academic excellence supports a thriving arts scene, medical research, and tech startups. Events like the Ann Arbor Art Fair and university sports draw visitors, while walkable neighborhoods and cultural amenities make it livable. To learn more visit the Ann Arbor Spark webpage: <https://annarborusa.org/why-ann-arbor/quality-of-life/>

# AN INFLECTION POINT

## ECONOMIC ANALYSIS METHODOLOGY

### Understanding Potential

The economic analysis in the following pages first benchmarks the future size of industry clusters in Rochester based on local, competitor city, and national growth trends and capture rates to show opportunities for growth and potential risks. Growth benchmarks are used to identify the enabling vertical development, horizontal development, policy, and program interventions.

The future potential analysis is organized by the DMC Plan Update's three strategic priorities: Accelerate Health Innovation, Design for Well-Being, and Drive Purposeful Growth, to frame how Rochester and DMC can unlock future potential.



### Accelerate Health Innovation

- **Research & Technology (“HealthTech”):** Innovation and startups, including MedTech, BioTech, and Healthcare AI.
- **Health & Wellness:** Encompasses healthcare, care services (like eldercare and childcare), and wellness industries that support lifestyle and recovery.



### Design for Well-Being

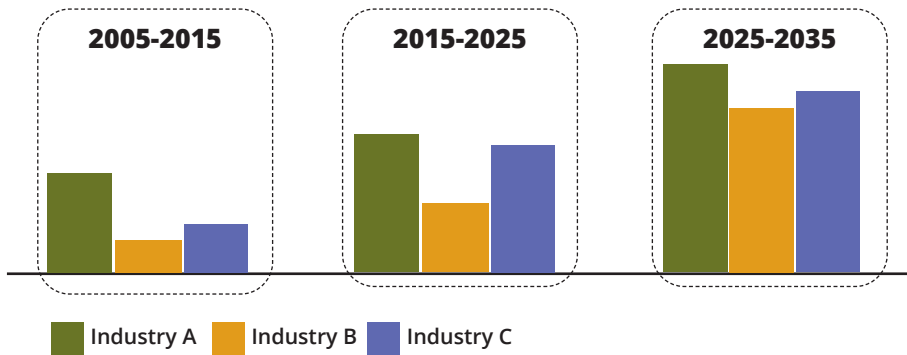
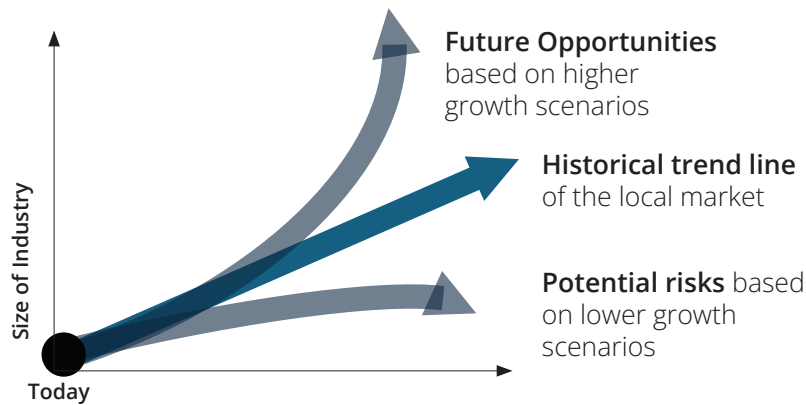
- Analysis for well-being in the DMC district is not focused on industries but rather based on performance areas outlined in **AIA Minnesota's Center for Sustainable Building Research 21st Century Development** including: place, water, energy, health & happiness, materials, equity, and beauty.



### Drive Purposeful Growth

- **Experience Economy:** Draws visitors and residents through hospitality and convention, arts, culture, entertainment, and sports

**How to read charts on the following pages:**



**Interventions for Unlocking Higher Growth**

The following pages outline potential interventions to catalyze industry growth through vertical and horizontal development, policy alignment, and targeted programs. It emphasizes infrastructure, talent pipelines, and partnerships to support innovation and attract investment. Most all of these interventions will require multiple partners to coordinate and work together in order to realize the opportunity. By enhancing the district’s physical and economic environment, Rochester can unlock higher growth and position itself as an international destination.

-  **Vertical development** to meet market demand and enable strategic growth
-  **Horizontal development** to support vertical development and improve overall district experience
-  **Policies** to incentivize new development and foster targeted sector growth
-  **Programs** to strengthen partnerships, broaden the appeal, and smoothen implementation

# ACCELERATE HEALTH INNOVATION

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## **Accelerate Health Innovation**

We will expand Rochester's leadership in health discovery, technology, and entrepreneurship to fuel economic growth. By connecting research, startups, and investment, we'll cultivate new ideas, businesses, and careers that improve lives and strengthen Minnesota's economy.



# ACCELERATE HEALTH INNOVATION

## OVERVIEW

### DMC Guiding Principles that are most closely tied to **Accelerate Health Innovation:**

- Sustain Rochester and Southeast MN as a Destination Medical Center and Economic Engine for the State
- A Comprehensive Strategy to Drive Economic Development and Investment
- A Market Driven Framework & Strategies
- Technology and Innovation to Promote a Globally Competitive Destination

### **Accelerating Health Innovation: Discovery Square as an Economic Engine**

Over its first decade, DMC has transformed Discovery Square from a concept into a functioning innovation district that connects Mayo Clinic's research and clinical strengths with entrepreneurs, startups, and global companies. This deliberate approach, grounded in public investment and institutional partnership, has moved Rochester from a one-dimensional healthcare economy to a globally connected innovation ecosystem.

Rochester's economy is centered around Mayo Clinic, which serves as the city's anchor institution. As described in the DMC Development Plan (2015), Discovery Square is the keystone to the DMC economic development strategy, providing a new "address" for the future of bioscience, research, education, and technology innovations. The vision for the sub-district borrowed from Mayo Clinic's integrated care model to create an integrated district founded in the principles of translational medicine. Mayo Clinic, private partners, and institutions are brought together in the district, organized around a central set of infrastructure investments designed to foster communication and the sharing of ideas. Rochester's innovation economy is driven by a combination of key factors that will foster growth, attract investment, and further position Rochester as a hub for medical and technological advancements. These elements: capital, entrepreneurial ability, labor, and infrastructure, work together to create an environment where innovation thrives.

DMC's economic development mission is to grow and attract companies that develop technologies to improve patient outcomes. Achieving this requires a globally connected network of researchers, clinicians, and entrepreneurs supported by world-class infrastructure.

### Laying the Groundwork: Building the Physical and Institutional Infrastructure (2015–2025)

Infrastructure, particularly in life sciences, is a key driver of innovation, and strategic investments have supported its growth. The 2015 DMC plan set a goal of 1,020,000 square feet of biotech space, and as outlined in Section 2 (pp. 48-52) several new projects were built, providing a strong foundation for startups and businesses to expand.

From the outset, DMC's strategy was focused on building the conditions for growth rather than chasing individual deals. The early years were about establishing capacity. We built the infrastructure, partnerships, and shared assets that would allow innovation to take root and grow. These investments, centered in Discovery Square, now provide the foundation for the next phase: attracting and expanding companies that turn discovery into impact.

With this infrastructure in place, Rochester is positioned for continued growth in biotechnology, healthcare, and medical technology. Its concentration of physicians, scientists, and researchers will drive future collaboration, attracting companies focused on developing next-generation treatments, devices, and therapies. At the same time, the city's expanding talent pool ensures businesses and research institutions have access to the skilled professionals needed to sustain innovation and meet industry demand. Capital will be essential to expanding Rochester as a research and innovation hub. Continued access to funding will enable

startups, established firms, and research institutions to scale operations, develop emerging technologies, and bring new discoveries to market. As the biotech, healthcare, and technology sectors grow and converge within the DMC district, increasing investment will further accelerate innovation and advance Rochester's position as a leader in these industries.

The following section outlines the DMC district's growth from 2015 to 2024, highlighting changes in infrastructure, business growth, and biotech investment. This analysis will illustrate the DMC initiative's impact on Rochester's economic and innovation landscape.

The model that DMC is using follows the concept shown below: key infrastructure investments punctuate this timeline to support the growth and evolution of that ecosystem as awareness builds and becomes more self-sustaining.



# ACCELERATE HEALTH INNOVATION

## OVERVIEW

### Building the core Discovery Square vision over time

The original DMC Development Plan outlined a vision for the Discovery Square subdistrict as the economic engine of the DMC initiative:

### DMC Development Plan Vision (2015)

A new address for the future of bio-medical, research, and technology innovation, Discovery Square is a keystone to the DMC economic development strategy. The subdistrict borrows from Mayo Clinic's integrated care model to create an integrated district founded in the principles of translational medicine. Mayo Clinic, private partners, and institutions are brought together in the district, organized around a central park and translational cloud, designed to foster communication and the sharing of ideas.



### Discovery Square Project Plan (2016)

The DMC Development Plan vision was further elaborated upon with the 2016 Discovery Square project plan, which called for a bold vision to extend Mayo Clinic's innovation capacity beyond its walls, creating a dynamic district where clinicians, researchers, entrepreneurs, and companies could collaborate to accelerate the translation of new ideas into patient-impacting solutions.

That plan for Discovery Square outlined an implementation plan for a new "address" for the future of bioscience, research, education, and technology innovations as the first major step in implementing the DMC development strategy by leveraging DMC public investment and bringing significant, additional private capital investment to Rochester and the State of Minnesota.



### One Discovery Square (2019) and Two Discovery Square (2022)

Responding to the vision for Discovery Square, Mortenson served as both the developer and builder of the 90,000-square-foot, four-story bioscience building, which was the first major development in the sub-district. When the building opened, Mortenson had 85% of the building accounted for through leases or letters of intent, and it was fully leased by April 2021.

Building on the momentum of One Discovery Square, Mortenson also developed and built Two Discovery Square. This building is more focused on research and development than the first building, designed for the needs of biotech, life science, and medtech companies, offering space for labs, offices, research, and biomanufacturing. The building is equipped to handle greater demand for power and utilities than a standard office building, with structural reinforcement providing vibration mitigation to support heavy specialized equipment.

### DMC Awareness and Perception Study (2022)

DMC's 2022 Awareness and Perception Study reinforced the importance of that vision, showing that while Rochester's assets are globally competitive, greater awareness, connectivity, and market visibility are needed to fully position Discovery Square and the broader DMC district as a destination for innovation and investment.



# ACCELERATE HEALTH INNOVATION

## OVERVIEW

### **Anna-Maria and Stephen Kellen Building (2023)**

The building was initially announced in 2019 as a four-story building, but the pandemic experience demonstrated the need to grow and accelerate scientific advancements, so the plan almost tripled in size to eleven stories with 176,000 square feet of flexible laboratory space. The \$120 million facility opened in December 2023.

The Kellen Building represents Mayo Clinic's anchor investment in the Discovery Square district, serving as both a major research facility and a catalyst for collaboration with the private sector bioscience buildings (One, Two, and future Three Discovery Square). Its presence, combined with Mayo Clinic's decision to lease space in Two Discovery Square, demonstrates the integration between Mayo's research mission and the broader entrepreneurial ecosystem DMC is cultivating in Discovery Square. The building embodies the vision of Discovery Square as a place where Mayo researchers, startups, established companies, and entrepreneurs can interact and collaborate to advance health innovation.

### **Discovery Walk (2024)**

Discovery Walk is a 4-block linear parkway through Discovery Square that extends the collaborative environment within One and Two Discovery Square to the outdoor space. The \$18.5 million DMC-funded public infrastructure project connects the Heart of the City with Discovery Square and Soldiers Field, creating an outdoor extension of the innovation district while prioritizing equity through community co-design, integrated art, and inclusive contracting practices.



### **BioLabs Rochester, MN (2025)**

The arrival of BioLabs marks a pivotal moment in the Discovery Square story. It introduces a proven national model for shared lab space that lowers barriers for new companies and connects directly to Mayo Clinic’s research enterprise. Together with the public realm investments like Discovery Walk, Rochester now has a more complete set of assets, as envisioned in the original DMC plan.

The BioLabs announcement represents a transformative moment for Discovery Square—bringing a proven national shared lab operator to Rochester for the first time. It addresses a critical gap in Rochester’s entrepreneurial ecosystem by providing accessible lab space and infrastructure for early-stage biotech startups, enabling researchers at Mayo and beyond to more easily transition ideas into companies. The October 2025 announcement, with a planned late 2026 opening, demonstrates how the Discovery Square infrastructure built over the past several years is now attracting the type of innovation-supporting tenants that were envisioned in the original DMC plan.

### **From Infrastructure to Activation**

With the foundation built, the next decade must focus on activation. The task now is to accelerate company growth, deepen partnerships, and strengthen Rochester’s position

within the global health technology network. BioLabs, Discovery Square, and DMC’s business development team will lead this work by connecting innovators to space, talent, capital, and markets.

### **Sustainability and Equity Alignment**

Each of DMC’s Strategic Priorities is strengthened by a shared commitment to sustainability and equity, ensuring that DMC investments support both environmental leadership and inclusive access to Rochester’s growing prosperity. These alignments guide not only what DMC invests in, but how investments are shaped, evaluated, and carried forward over time, supporting long-term community well-being.

DMC supports growth in health technology, research, and entrepreneurship that creates high-quality jobs and advances innovation. Building an equitable and resilient workforce requires supporting educational programs, inclusive hiring practices, and strategies that attract and retain diverse talent, ensuring economic growth benefits all Rochester residents.

Equally important, sustainable growth requires balancing economic opportunity with environmental stewardship by managing resources responsibly and by considering who benefits from growth, while ensuring equitable access to both the jobs created by growth and the benefits of a thriving community.

# ACCELERATE HEALTH INNOVATION

## OVERVIEW

### The Next Decade: Building a Globally Connected Health Innovation Ecosystem

The next decade of DMC's work will move from building capacity to accelerating outcomes. With Discovery Square established as the physical and cultural center of Rochester's innovation economy, our focus now shifts to activation. We will strengthen awareness, deepen connections, and expand Rochester's role as a connector between local assets and global opportunity.

This direction builds directly on the vision set in the original 2016 Discovery Square Master Plan. The plan called for a dense, connected district where research, clinical practice, entrepreneurship, and industry come together in a shared environment. It imagined Discovery Square as a place that brings global partners into close proximity with Mayo Clinic and creates a steady flow of ideas, talent, and investment. The next decade turns that vision into sustained economic and innovation impact.

DMC's work will continue to balance long-term ecosystem development with targeted efforts that bring aligned companies and partners to Rochester. These priorities shape how we build, how we invest, and how we present Discovery Square to the world. They come together through three interconnected areas of focus: Infrastructure, Awareness, and Ecosystem.

- **Infrastructure:** Continue building the physical and digital assets envisioned in the Master Plan. Priorities include expanding flexible wet lab space, improving digital and data infrastructure, and supporting housing and amenities that help attract talent and investment. These assets create the platform where new companies can start, scale, and grow.

- **Awareness:** Strengthen global visibility for Rochester by telling a clearer and more unified innovation story. Building on the 2022 Awareness and Perception Study, DMC will work with Mayo Clinic, BioLabs, and statewide partners to position Discovery Square as a premier destination for collaboration and investment. This includes proactive engagement with companies and partners who would benefit from proximity to Mayo Clinic and the region's health technology strengths.
- **Ecosystem:** Deepen the networks and partnerships that bring the Master Plan to life. This includes connecting researchers, clinicians, entrepreneurs, and industry partners through shared programming, stronger collaboration, and opportunities that link discovery to commercialization. DMC will help local innovators reach global markets and invite global partners to engage with the assets concentrated in Rochester.
- **Goal:** Create an environment where networks, talent, and collaboration grow naturally and where companies choose Rochester because it is the best place to develop solutions that improve patient care.

### Characteristics of the DMC Approach to Health Innovation:

The DMC approach reflects the vision set in the 2016 Discovery Square Master Plan, which called for a connected district anchored by shared assets, strong institutional partners, and an environment where collaboration drives discovery and commercialization. It also responds to the 2022 Awareness and Perception Study, which highlighted the importance of a clearer identity, stronger networks, and greater global visibility for Rochester's innovation strengths.

This approach builds long-term capacity while engaging companies and partners whose work deepens activity in Discovery Square and benefits from proximity to Mayo Clinic.

**Key Attributes:**

- Public dollars create shared assets that support many organizations and strengthen the overall environment for research and innovation.
- Emphasizes capacity building rather than direct subsidy, ensuring public investment serves multiple users over time.
- Positions the public role as strategic and catalytic, shaping the conditions where research, entrepreneurship, and industry partnerships can grow.
- Builds a self-reinforcing environment rather than one-off deals by focusing on partners who strengthen district activity, research pipelines, and commercialization pathways.
- Depends on strong anchors such as Mayo Clinic and regional universities whose presence drives discovery, talent development, and global interest.
- Requires a collaborative culture, a skilled workforce, access to early-stage capital, and the patience needed to build an innovation economy that compounds over time.
- Works best for innovation-driven industries with pathways that move from research to product development and market adoption.
- Measures success through research output, startup formation, talent growth, network strength, and the flow of aligned companies choosing Rochester because of the advantages offered by Discovery Square.
- Creates sustainable, broad-based, long-term economic impact that strengthens Rochester's identity as a global center for health innovation.

**Measuring Progress and Impact**

DMC's innovation strategy will track progress through activity and outcome metrics that reflect growth, collaboration, and global reach.

These measures align with the goals of the 2016 Discovery Square Master Plan and respond to the 2022 Awareness and Perception Study, which emphasized the need for stronger visibility, clearer market positioning, and a more connected innovation community.

The metrics will help evaluate how Discovery Square functions as an active, collaborative, and globally relevant district, and how effectively DMC attracts and grows mission-aligned companies.

- Startup formation and expansion within Discovery Square, signaling the strength of the pipeline and the health of the district environment.
- Private capital investment leveraged through DMC supported initiatives, showing increased confidence from investors and partners.
- Utilization of shared assets such as BioLabs Rochester, MN reflecting demand for flexible lab space and the value of district infrastructure.
- Growth in collaborative research, clinical partnerships, and commercialization activity tied to Mayo Clinic and regional partners.
- Increased visibility and global engagement through trade missions, targeted outreach, and ecosystem events that expand Rochester's reach.
- Attraction and retention of companies that align with Rochester's health innovation strengths and contribute to activity within Discovery Square.

These metrics will help DMC evaluate progress, guide future investment, and ensure that Discovery Square continues to grow as a globally connected center for health innovation.

# ACCELERATE HEALTH INNOVATION

## UNDERSTANDING MARKET POTENTIAL: HEALTHTECH

### Understanding the Market Potential of Health Innovation

Additional economic analysis has been performed in two of the DMC core areas most directly tied to this strategic priority: Research & Technology and Health & Wellness to help bring this strategic priority into even further focus. The results of each of these two industry analyses are below by topic area, followed by some potential interventions that could unlock even higher growth in each of these areas.

### Economic Analysis: HealthTech

Research and Technology (“HealthTech”) in the Rochester MSA is a growing industry cluster, driven by startups and established companies that benefit from proximity to Mayo Clinic. The market has tripled over the past decade, keeping pace with national trends. If Rochester’s HealthTech cluster were to capture the same national market share as its healthcare industry (0.23%), its size could increase more than fivefold. Achieving this level of growth will require translating the region’s healthcare leadership into greater market share for AI, medical devices, and related technologies—supported by an integrated cross-industry ecosystem, more specialized real estate, expanded education and workforce pathways, and a stronger “place” identity to attract and retain world-class talent.

### MedTech: high local growth with a large share of the national industry (39% of regional industry is within DMC)

- Mayo Clinic as a key anchor gives Rochester a major competitive advantage for developing devices and diagnostics.
- This subcluster can accelerate by aligning with the rapid growth in eldercare, leveraging robotics, remote monitoring, and assistive devices to meet regional and national demand.

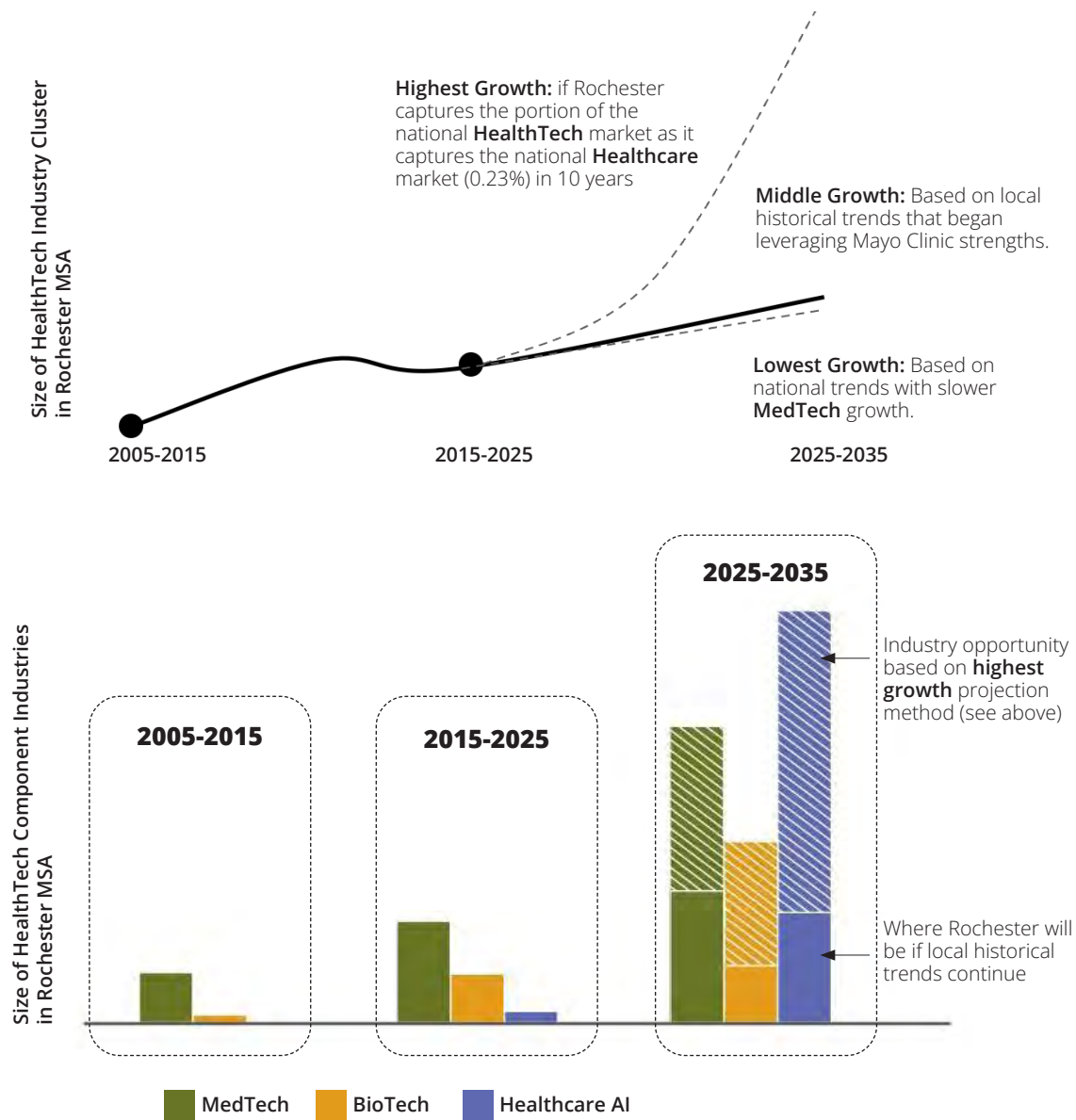
### BioTech: moderate local growth (25% of regional industry is within DMC)

- Pharmaceuticals and therapies are traditionally concentrated in university-led ecosystems that thrive on deep funding and robust talent pipelines.
- DMC can enable more growth by pairing clinical trial access and Mayo Clinic’s patient base with partnerships that plug into national and international BioTech networks.

### Healthcare AI: rapid local emergence (89% of regional industry is within DMC)

- Rising public and private investment in software and data makes this industry a high-growth frontier.
- Rochester’s edge lies in fusing medical research and device innovation with data analytics, advancing precision diagnostics, robotics, remote monitoring, healthcare cybersecurity, and personalized medicine, to create a multiplier effect.

**Growth Trajectories:** Data sources for funding and geographic distribution: SBIR and STTR Grant Data  
 Data sources for growth trends: BLS Occupational Employment and Wage Statistics



# ACCELERATE HEALTH INNOVATION

## INTERVENTIONS TO UNLOCK HIGHER GROWTH: HEALTHTECH



### Vertical Development

DMC should support HealthTech's high-growth potential by advancing research facilities, education spaces, and office development, with a focus on specialty, value-added facilities. This includes increasing research space for startups and innovators, adding data accelerators, strategic lab space, and small-scale manufacturing and prototyping capabilities to help bridge early-stage innovation with regional scaling, and expanding academic partnerships and dedicating more education infrastructure to HealthTech fields. Additionally, new office space should be designed to attract companies, incubate startups, and foster connectivity with Mayo Clinic research and the broader HealthTech ecosystem, while transit-oriented, amenity-rich development downtown will help attract new talent and complement the existing residential base.



### Horizontal Development

Horizontal development should focus on enhancing the public realm and strengthening utility infrastructure to support future HealthTech growth. This includes expanding and connecting key public spaces to reinforce Rochester's identity as a HealthTech hub, encourage interaction between innovators and clinicians, and make such interactions visible beyond the indoors. Additionally, utility upgrades should be planned to enable future phases of Discovery Square and to meet the specialized needs of high-tech facilities, such as data centers, while building on recent improvements made by Rochester Public Utilities.



### Policies

To support Rochester's economic development strategy, it is essential to embed key industry growth priorities through policy into the city's overall approach. This could include expanding business accelerators beyond existing resources, such as the BioBusiness Center, Collider incubators, and City small business grants to better support industry-specific enterprises. Additionally, this could include policy to grow workforce pipelines in critical industries while leveraging strong partnerships with organizations such as Rochester Area Economic Development, Inc. and Workforce Development, Inc. to align training with industry needs.



## Programs

Programmatic efforts should focus on connecting businesses to Mayo Clinic, strengthening the pipeline from research to startup formation, and supporting the workforce needed to sustain growth in Rochester's HealthTech industry cluster. This includes enhancing the visibility and brand appeal of Rochester as an innovation economy, helping businesses navigate the "front doors" to Mayo via existing and/or new programs, partnering with educational institutions to expand and potentially co-design academic and incubation programs aligned with industry needs, and advancing workforce development initiatives that address gaps in roles such as R&D technicians, scientists, data management specialists, and IT professionals, and implementing strategies to attract and retain talent so emerging companies can scale locally.

## CASE STUDY

### **Cortex Innovation District, St. Louis, MO**

Cortex Innovation District is a 200-acre hub for tech and bioscience, featuring office space, wet labs, prototyping studios, and coworking environments. Anchored by leading institutions like Washington University and BJC HealthCare, and home to major corporate partners including Microsoft and Boeing, Cortex supports over 400 companies and 6,000 employees. This ecosystem attracts startups and global innovators, positioning St. Louis as a center for advanced industries and entrepreneurship. To learn more visit: <https://www.cortexstl.org>



# ACCELERATE HEALTH INNOVATION

## UNDERSTANDING POTENTIAL: HEALTH & WELLNESS

### Healthcare Concentration in Rochester

The Rochester Metropolitan Statistical Area (MSA) has a significant concentration of the national Healthcare and Social Assistance Gross Domestic Product (GDP), reflecting the strength of the Mayo Clinic. This concentration is particularly noticeable when considering Rochester's size by analyzing the Healthcare and Social Assistance GDP per resident. Rochester has nearly five times the GDP per resident than the national average, and more than twice the GDP per resident than the next highest MSA.

### Healthcare Growth in Rochester

Because Rochester is a well-established healthcare hub, its Healthcare and Social Assistance GDP growth is similar to the growth rate in the US overall. Both national and local trends show strong healthcare growth after COVID-19. Since Rochester is more established, the growth rate is slightly below the national trends as the greatest growth is in emerging markets where the opportunity is larger. Economic diversification in Rochester is supporting its long-term growth.

### Economic Analysis: Health and Wellness

The Health and Wellness industry cluster is anchored by the Mayo Clinic in Rochester, with the potential to evolve into a fully interconnected ecosystem spanning treatment, recovery, and lifestyle. Rochester's healthcare industry GDP per capita is 5 times the U.S. average and ranks top among all MSAs. To sustain growth in this already substantial sector, Rochester should create new value and ensure long-term resilience through diversification. By integrating the rapidly expanding care services and wellness industries with the region's dominant, high-innovation healthcare sector, Rochester can extend its influence into emerging high-growth markets, boost economic output, and generate meaningful social value for the community.

### Healthcare: steady local growth (58% of the regional industry is within DMC)

- Rochester's MSA captures 0.34% of the national healthcare and social assistance GDP and 0.23% of related jobs, with only 0.07% of the country's population.
- While peer cities lean on universities and institutes, Rochester is uniquely positioned to amplify Mayo Clinic's national and global leadership.
- Past healthcare growth was fueled by rising patient volumes, but future growth depends on health innovation and integration with the care and wellness ecosystems.

### Care Services: rapid local growth (3% of regional industry is within DMC)

- Clinical expertise and strength in devices and diagnostics provide a competitive edge, enabling DMC to lead in aging innovation, smart care, and workforce solutions supporting families across life stages.
- A rapidly aging national population and Rochester's high share of older residents fuels eldercare demand.
- Childcare and disability-care services improve quality of life to attract and retain residents.

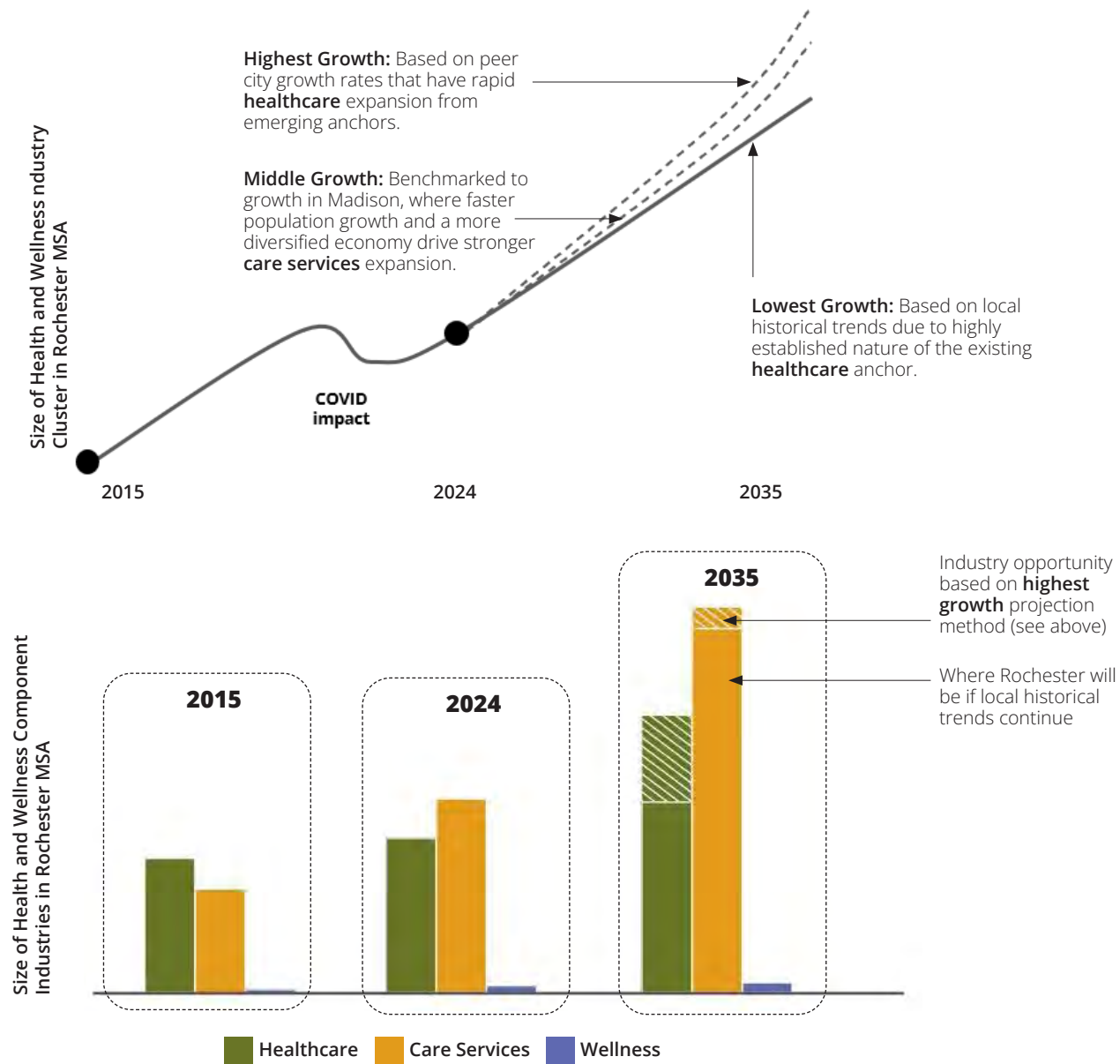
### Wellness: gradual local emergence (11% of regional industry is within DMC)

- A strong wellness brand, focusing on prevention, vitality, and well-being, elevates DMC beyond treatment to a lifestyle destination, attracting talent, residents, and visitors.
- By blending recreation, hospitality, and innovation, wellness is both an economic driver and a hallmark of a desirable quality of life.

*Data sources: BEA Gross Domestic Product by MSA, BLS Occupational Employment and Wage Statistics, ACS Population.*

## Growth Trajectories

Data sources for current industry size and geographic distribution: ESRI Business Analyst  
 Data sources for growth trends: BLS Occupational Employment and Wage Statistics



# ACCELERATE HEALTH INNOVATION

## **INTERVENTIONS TO UNLOCK HIGHER GROWTH: HEALTH & WELLNESS**



### **Vertical Development**

Besides Bold.Forward.Unbound. in Rochester, additional vertical development should expand specialized care facilities and mixed-use wellness hubs to meet growing demands in healthcare and eldercare and make downtown spaces accessible by these care and wellness services. Investments should also support technologically advanced services, such as memory care, rehabilitation, and mental health, and address needs for both eldercare and childcare to better serve the local workforce and their families. These efforts will help meet DMC's healthcare objectives while fostering innovation in care delivery. Lastly, enhancements to downtown mixed-use areas should include retail, hospitality, and tech-enabled wellness offerings, such as recovery suites and branded wellness centers, building on existing assets like the Mayo Clinic Rejuvenate and others with related services to reinforce Rochester's global reputation as a destination for comprehensive health and well-being.



### **Horizontal Development**

Horizontal development should focus on enhancing the public realm and reinforcing a cohesive lifestyle and wellness identity for downtown. This includes creating a connected network of signature wellness-oriented public spaces that link medical and non-medical facilities, encourage active living, and provide value-added amenities that appeal to residents, visitors, and employers. By elevating the quality and character of these shared spaces, Rochester can strengthen its wellness brand, attract investment, and create a more vibrant, supportive environment for both everyday life and the growing health-focused economy.



### **Policies**

Implementation should leverage a mix of local, state, and partner funding, as well as strategic land use and zoning tools, to enable holistic development and support care services and wellness companies that might be less able to compete for talent and space compared to the healthcare industry. Partners should be aligned to strengthen workforce development, business attraction and retention, and entrepreneurship.

Collaboration with the State of Minnesota and local universities and colleges can expand higher education pipelines in health and wellness fields. City-owned parcels can be utilized to support childcare and eldercare expansion, with zoning incentives encouraging mixed-use projects that integrate care facilities. Additionally, tools such as Special Service Districts, Tax Increment Financing, the Medical Overlay District, and the Unified Development Code should be used to advance public realm investments, while updates to the Parks Master Plan and sustainable park maintenance funding will ensure long-term community benefit.



### Programs

Program efforts should focus on expanding partnerships that strengthen educational, entrepreneurial, and talent pipelines while reinforcing Rochester's identity as "America's City for Health." This includes amplifying existing branding and Mayo Clinic's global reputation, with opportunities to broaden the message to highlight advanced care and wellness. Additionally, deepening collaboration between Mayo Clinic and wellness and care-related industries, through patient referrals, research sharing, and coordinated service offerings, will help foster a more interconnected ecosystem that supports innovation, care delivery, and long-term growth.

## CASE STUDY

### Durham Center for Senior Life, Durham, NC

The Durham Center for Senior Life (DCSL) strengthens the Research Triangle's HealthTech ecosystem by delivering specialized senior care services that support aging populations. As part of RTP's \$1 billion urban transformation, DCSL complements the region's bioscience and healthcare innovation by connecting seniors to health, legal, and housing resources, reinforcing the Triangle's reputation as a collaborative, inclusive model for economic and technological growth. To learn more visit: <https://dcslnc.org/>



# ACCELERATE HEALTH INNOVATION

## MEASURING SUCCESS

We will expand Rochester’s leadership in health discovery, technology, and entrepreneurship to fuel economic growth. By connecting research, startups, and investment, we’ll cultivate new ideas, businesses, and careers that improve lives and strengthen Minnesota’s economy.



Discovery Square’s next chapter will be defined by activation and acceleration. The foundation is strong, the partnerships are global, and the momentum is real. The work ahead will ensure that Rochester continues to lead not only in healthcare delivery but also in how discovery moves from idea to impact—faster, more collaboratively, and for the benefit of patients everywhere.

### Success Metrics

The following success metrics provide a comprehensive way to track the full lifecycle of health innovation, from idea generation to market impact. By measuring invention disclosures, patents, company formations, capital attraction, and successful exits, these success metrics capture both the creation of intellectual property and its translation into economic growth. This approach ensures we can quantify progress in research, commercialization, and regional competitiveness.

### ACCELERATE HEALTH INNOVATION SUCCESS METRICS

Generate new intellectual property

Launch new innovation companies

Attract new capital

Scale companies

Achieve exits



# DESIGN FOR WELL-BEING

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## Design for Well-Being

We will design and invest in a city where health and wellness are embedded in the built environment, from housing and mobility to public spaces and climate resilience. Each project will enhance livability, sustainability, and inclusion, ensuring that health is reflected in the daily experience of residents and visitors alike.



# DESIGN FOR WELL-BEING

## OVERVIEW

### DMC guiding principles that are most closely tied to Design for Well-Being:

- Establish A Bold and Compelling Vision for Rochester and the Destination Medical Center
- Develop Mobility and Transit Solutions to Support Growth
- A Model for Sustainability
- A Dynamic And Accessible Urban Core

### Design for Well-Being: Health in the Built Environment

As Rochester positions itself as a global destination for health, the physical environment of the DMC District must embody the values we seek to advance. Design for Well-Being recognizes that health outcomes are shaped not only by clinical care but by the places where people live, work, and gather. Research consistently demonstrates that the built environment influences physical activity levels, mental health, social connection, air quality, and chronic disease rates.

For the DMC District to authentically represent "America's City for Health," every street, building, and public space should actively support human well-being. This means prioritizing walkability, access to nature, air quality, natural light, social gathering spaces, and universal design principles. As Mayo Clinic reimagines healthcare delivery through Bold. Forward. Unbound. in Rochester, the surrounding district has an opportunity to demonstrate how thoughtful urban design can be a powerful tool for improving human and environmental health.

This approach serves multiple goals simultaneously: it differentiates Rochester as an authentic health destination, creates the kind of vibrant, human-scaled environment that attracts and retains talent, demonstrates Mayo Clinic's commitment to community health beyond the clinic walls, and ensures DMC investments deliver lasting quality-of-life benefits for all residents.

Rochester stands at a unique moment: we're rebuilding significant portions of our downtown infrastructure at the same time Mayo Clinic is making the largest healthcare facility investment in Minnesota history. This convergence creates an unprecedented opportunity to move beyond conventional development approaches and instead design a district where every element, from street width to building materials to park access, is evaluated through the lens of human well-being.

## Laying the Groundwork: Setting the Bar and Developing Capacity (2015–2025)

The implementation of this strategy is primarily through the collaborative work between DMC staff and the City of Rochester. While the DMC Development Plan set out the vision for a sustainable, people-centered approach to the way in which the infrastructure investments happen, it is the City of Rochester that oversees the design and construction of this infrastructure.

**Key infrastructure investments:** Heart of the City, Discovery Walk, Soldiers Memorial Field, 4th Street complete street design, N. Broadway street redesign, Link Bus Rapid Transit, 6th Street bridge, Downtown Area Infrastructure

### Key Plans:

- DMC District Design Guidelines
- Energy Integration Committee and EIC Action Plan
- Integrated Transit Studies
- Active Transportation Plan
- Sustainability and Resiliency Plan
- Public Realm Priorities: Kutzky Park and Downtown Area
- Unified Development Code – City of Rochester
- Comprehensive Plan Update – City of Rochester
- Downtown Commercial Historic District Public Realm Vision Plan



# DESIGN FOR WELL-BEING

## OVERVIEW

### **Sustainability and Equity Alignment**

Each of DMC's Strategic Priorities is strengthened by a shared commitment to sustainability and equity, ensuring that DMC investments support both environmental leadership and inclusive access to Rochester's growing prosperity. These alignments guide not only what DMC invests in, but how investments are shaped, evaluated, and sustained over time, supporting long-term community well-being.

Investments in infrastructure, housing, and mobility are guided by principles of accessibility, inclusion, and environmental stewardship, helping create healthy places that serve people across ages, abilities, and backgrounds while strengthening the city's resilience.

DMC is committed to strengthening Rochester's reputation as a national leader in health and well-being by integrating these principles into decision-making across projects and partnerships that shape community life.

### **Implementation: The City's Essential Role in Turning Vision into Built Reality**

The City of Rochester is DMC's most critical partner in implementing the Design for Well-Being strategy. While DMC can serve as a thought leader—articulating vision, conducting research, establishing design principles, and creating funding conditions that advance well-being goals—it is the City that builds the infrastructure, brings their own expertise, and holds the authority to translate those principles into built reality.

City staff provide project management that moves ideas from concept to construction. They oversee procurement and engineering, coordinate contractors, manage budgets and timelines, and ensure projects are built to specification. When DMC funds a streetscape improvement designed to promote walkability and health, City engineers and project managers execute the work. When a new public space is envisioned, City staff navigate the complexities of design, permitting, construction, and long-term maintenance.

Beyond project delivery, the City exercises regulatory functions that fundamentally shape whether Design for Well-Being principles are realized across all development—public and private. Zoning ordinances determine what can be built where. Building codes establish safety and accessibility standards. Development review processes evaluate whether proposed projects align with community goals. Permitting decisions determine whether projects move forward.

These regulatory tools, managed by City staff, create the framework within which all development occurs.

This means that even the most compelling DMC vision for health-promoting design only succeeds when the City's regulatory systems, staff capacity, and operational processes are aligned to support it. DMC can fund a model project that demonstrates best practices, but lasting change requires the City to incorporate those practices into standard procedures, update codes and ordinances accordingly, train staff to evaluate projects through a well-being lens, and consistently apply these principles across all work.

The partnership succeeds when DMC's vision, funding conditions, and thought leadership combine with the City's implementation capacity, technical expertise, and regulatory authority to create sustained, systematic commitment to designing for health. DMC supplies the "why" and helps create the conditions; the City provides the "how" and ensures consistent execution.

The DMC-City partnership has evolved significantly since 2015. Rather than contracting with outside project management consultants, beginning in 2019 the partnership invested in building the City's own capacity to manage downtown's transformative growth. This approach creates stronger alignment between DMC's strategic vision and the City's day-to-day implementation and regulatory work. The collaborative model continues adapting to meet the unprecedented scale of growth Rochester now faces.



The City coordinates among multiple projects and sources to realize the transformation of downtown Rochester, including the DMC District.



There is strong alignment between the approach the City takes for implementation and the DMC strategic priorities.

# DESIGN FOR WELL-BEING

## UNDERSTANDING POTENTIAL

### Understanding Potential: Design for Well-Being Analysis

The 21st Century Development framework offers a valuable lens for assessing how Rochester's built environment can promote community health and well-being. It provides a holistic structure for evaluating development through seven performance areas: Place, Water, Energy, Health and Happiness, Materials, Equity, and Beauty. These areas guide the creation of regenerative, resilient communities by promoting ecological restoration, social equity, cultural richness, and human well-being, drawing from the Living Community Challenge to support holistic and sustainable development practices. The following list describes the seven performance areas in more detail:

- **Place:** Restoring a healthy coexistence with nature.
- **Water:** Creating water independent sites, buildings, and communities.
- **Energy:** Relying only on current solar income.
- **Health & Happiness:** Maximizing physical and psychological health and well-being.
- **Materials:** Endorsing products and processes that are safe for all species through time.
- **Equity:** Supporting a just, equitable world.
- **Beauty:** Celebrating plans that purpose transformative change.

The following chart outlines a qualitative analysis of where Rochester measures up in this framework during this moment in time. For more details on the measurement criteria visit the following Link: <https://www.21stcenturydevelopment.org/development-matrix/>

## 21st Century Development Framework Scorecard: Where We're at Today

		Standard	Good	Better	Living Community Principles	Regenerative
<b>Quality of Life</b>	<b>Place</b>					
	Limits to Growth			X		
	Food	X				
	Habitat			X		
<b>Mobility</b>	Transportation			X		
<b>Climate Resilience</b>	<b>Water</b>		X			
	<b>Energy</b>		X			
	<b>Materials</b>		X			
	Material Plan		X			
	Embodied Energy & Carbon		X			
	Waste			X		
<b>Social Cohesion</b>	<b>Health and Happiness</b>					
	Civilized Environment				X	
	Neighborhood Design			X		
	Biophilia			X		
	Resilient Connections			X		
	<b>Equity</b>					
	Neighborhood & Access		X			
	Access to Nature		X			
	Access to Community Services		X			
	Investment		X			
	Just Organizations		X			
	<b>Beauty</b>					
	Beauty & Spirit			X		
	Inspiration			X		

# DESIGN FOR WELL-BEING

## INTERVENTIONS TO UNLOCK GROWTH IN WELL-BEING



### Vertical Development

To support vertical development in Rochester, the city should pursue a built environment strategy that unlocks health through targeted interventions. Expanded daycare options with longer service hours could better support working families and contribute to a more inclusive urban core. Access to fresh food in the district could grow through strategic retail and infrastructure investments, improving community health outcomes. Green building practices could become the norm, reinforcing sustainability and enhancing indoor environmental quality. Preserving and activating historic buildings could strengthen Rochester's architectural identity while integrating legacy assets into a more vertically connected and health-oriented urban fabric.



### Horizontal Development

Horizontal development to support well-being in Rochester should include more intensive land use in the downtown core, anchored by high-quality public spaces that encourage gathering and social interaction. A well-connected street network at the human scale, with pedestrian-oriented landscapes and inviting design, should enhance walkability and urban vibrancy. Infrastructure for all modes of transit should be efficient and safe to improve accessibility and mobility across the district. Innovative and technologically advanced approaches to utilities, energy, and transit systems should further strengthen Rochester's capacity for sustainable, integrated growth, especially during evenings and weekends when downtown activity can be amplified.



## Policies

Policies to support well-being in Rochester should include sustainable infrastructure design guidelines that promote resilience, efficiency, and long-term value across Rochester's urban systems. Public spaces and transit networks should be designed to accommodate all users, regardless of age, ability, or mode of travel, reinforcing equity and accessibility while enhancing the overall experience of the built environment. These policies should shape a more inclusive, adaptable, and health-oriented urban future.



## Programs

Program strategies to advance well-being in Rochester should focus on cultivating vibrant community life, encouraging sustainable mobility, and expanding access to nutritious food. Social gatherings, both scheduled and spontaneous, should be used to activate public spaces and strengthen social connections. Travel behavior and preferences should be shaped to support mode shift goals by promoting walking, biking, and transit use through targeted outreach and incentives. Healthy food initiatives such as community gardens, farmers markets, and edible landscapes should be implemented to improve access to fresh produce and build neighborhood resilience.

## CASE STUDY

### Rosario, Argentina "Rosario is also its older adults"

This pilot project reimaged public spaces to reduce isolation and improve mental health among older adults. It introduced well-lit, accessible environments with ramps, seating, and inclusive programming. The initiative was recognized as a municipal priority and serves as a benchmark for age-friendly urban design. To learn more visit: <https://theccd.org/article/rosario-is-also-its-older-adults/>



# DESIGN FOR WELL-BEING

## MEASURING SUCCESS

We will design and invest in a city where health and wellness are embedded in the built environment, from housing and mobility to public spaces and climate resilience. Each project will enhance livability, sustainability, and inclusion, ensuring that health is reflected in the daily experience of residents and visitors alike.



### Success Metrics

The following success metrics create a framework for designing environments that actively promote well-being by linking physical, social, and environmental improvements to measurable outcomes. By tracking access to health-promoting amenities, mobility infrastructure, climate resilience, and social cohesion, they ensure that investments translate into healthier lifestyles, safer streets, and stronger community connections. This approach turns design into a tool for equity and sustainability, making well-being a core outcome of urban development.

### DESIGN FOR WELL-BEING SUCCESS METRICS

Improve quality of life

Increase infrastructure for mobility

Improve environmental health

Strengthen social cohesion

Lead in climate resilience



# DRIVE PURPOSEFUL GROWTH

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## Drive Purposeful Growth

We will use Rochester's distinct health identity and partnerships to attract people, investment, and services that align with our vision for a thriving, values-driven community. Growth will be intentional, rooted in health, opportunity, and quality of life, so that prosperity benefits both residents and the state.



# DRIVE PURPOSEFUL GROWTH

## OVERVIEW

### DMC Guiding Principles that are most closely tied to Drive Purposeful Growth:

- Establish A Bold And Compelling Vision For Rochester And The Destination Medical Center
- A Dynamic And Accessible Urban Core

### Driving Purposeful Growth: From Destination to Home

Rochester has long been a destination—a place people come to for world-class healthcare at Mayo Clinic. Each year, millions of patients and their families arrive seeking hope and healing. Researchers, clinicians, and health innovators relocate here to advance their careers at one of the world's premier medical institutions. This draw is Rochester's greatest strength and competitive advantage.

But being a destination is not the same as being a home. The question facing Rochester at this inflection point is not whether people will come—Mayo Clinic ensures they will—but what key elements of the community can grow and be enhanced so that they will stay, return, explore, invest, and ultimately choose to build their lives here.

Driving Purposeful Growth recognizes that health excellence is the attractor that brings people to Rochester, but quality of place determines whether they stay. A prospective Mayo employee deciding between Rochester and other medical centers considers not just the job but the life that comes with it: Can I find housing I can afford? Will my partner find meaningful work? Are there activities for my family? Does downtown offer the energy and amenities I'm looking for? Will I feel welcome and connected to community?

A high school student choosing where to attend college asks similar questions: Is this a place where I can envision my future? Does the community offer opportunities beyond the classroom? Can I see myself wanting to stay after graduation?

A former Rochester resident who left for college or career opportunities elsewhere considers whether to return: Has my hometown evolved into a place that matches my current life stage and aspirations? Does it offer the cultural vibrancy, career opportunities, and quality of life I've experienced elsewhere?

A patient family spending days or weeks in Rochester for treatment wonders: Beyond the hospital, what else does this community offer? Should we explore downtown? Is there anything here that makes this difficult time slightly more bearable through moments of normalcy, beauty, or respite?

A long-term Rochester resident watches the city's growth and transformation with a mix of pride and concern: Will this growth benefit my family and neighbors, or will it price us out? Are we preserving what makes Rochester special while improving what needs to change? As new amenities and opportunities emerge downtown, will I feel they're for me, or for someone else? Does my community still recognize and value the contributions of those of us who've been here through the decades?

A health tech innovator evaluating where to build their company asks whether Rochester has cultivated the complete ecosystem innovation requires: Can I access clinical partnerships to validate my solution in ways impossible elsewhere? Will I find technical talent I need, local investors who know medtech, and a community where physicians, engineers, and entrepreneurs collaborate? Most critically: as my company grows, will Rochester offer the specialized workforce, manufacturing capabilities, and quality of place that lets me build something lasting here?

A developer or investor evaluating opportunities across multiple markets looks at Rochester's fundamentals: Is there sustained demand beyond Mayo Clinic? Does the city have the policy framework, infrastructure, and community support to make projects successful? Will the local workforce, housing market, and consumer base support long-term returns? Most importantly, does Rochester have a compelling vision for its future that makes investment here not just viable but strategic?

Each of these individuals represents an opportunity—to recruit talent, retain graduates, welcome back former residents, support patient families, and ultimately grow Rochester's population and economic base in ways that strengthen the entire community. But capturing these opportunities requires intentional investment in the elements that make a place not just functional but magnetic: vibrant public spaces, diverse housing options, cultural amenities, entertainment and dining, entrepreneurial opportunity, and an authentic sense of community identity.

Driving Purposeful Growth means being strategic about the type of growth Rochester pursues. It's not simply about adding more—more buildings, more people, more jobs—but about ensuring growth reinforces the qualities that make Rochester distinctive: its commitment to health and innovation, its small-city livability with big-city amenities, its global connections rooted in Rochester, and its increasingly diverse and welcoming character.

But capturing these opportunities requires elements that extend far beyond DMC's direct purview: diverse housing options at multiple price points, cultural amenities, entertainment and dining, career opportunities in complementary sectors, childcare that serves shift workers, and authentic community identity that honors both longtime residents and newcomers.

# DRIVE PURPOSEFUL GROWTH

## OVERVIEW

**This is where Driving Purposeful Growth differs fundamentally from DMC's other strategic priorities.** The implementation of this vision is heavily reliant on our partners and collaborators, like the City, our educational partners like UMR, non-profit partners, private developers, entrepreneurs, service providers, and other community partners.

DMC's role in Driving Purposeful Growth is strategic and selective: identifying opportunities that are uniquely tied to Rochester's health anchor and using catalytic investments to enable partners to succeed where market conditions alone might not be sufficient. This might mean supporting a childcare facility designed specifically for hospital shift workers. It might mean facilitating housing developments that test out unique health-related design features. As amplified in the Accelerating Health Innovation chapter, it definitely means attracting businesses in sectors that complement and benefit from proximity to Mayo Clinic and the emerging health innovation ecosystem.

The selectivity is critical. DMC's resources are finite, and its mission is focused. Driving Purposeful Growth succeeds not by trying to do everything, but by strategically choosing where DMC's participation unlocks opportunities that directly strengthen Rochester's position as a health destination while improving quality of life for all residents.

This strategy shows how DMC, working alongside the City of Rochester, Mayo Clinic, private developers, entrepreneurs, and community organizations, can strategically catalyze the growth that transforms Rochester's natural advantages into comprehensive community strength—growth that serves existing residents, attracts new talent, and positions Rochester not just as a destination for health, but as a place people choose to call home.

### **Building Momentum for Purposeful Growth: Partnerships and Key Investments (2015–2025)**

Many of the key growth planning documents, partnerships, and investments in placemaking have been highlighted earlier in this document. Below are a selection of key items that illustrate how a decade of strategic planning, community engagement, and targeted investments have built partnerships and community-driven planning that intersect with DMC's Driving Purposeful Growth strategy, allowing for a focus on the elements that convert health excellence into comprehensive community vitality.

**Key infrastructure investments:** Heart of the City, Discovery Walk, Soldiers Memorial Field, Chateau Theatre.

## Key Plans:

- DMC Development Plan (2015)
- System Wide Parks and Recreation Master Plan (2016)
- DMC District Design Guidelines (2016)
- Integrated Transit Studies begin (four studies launched in fall 2016)
- Integrated Transit Studies Final Report accepted (2018) - refined DMC transportation vision
- DMC Development Plan update (2020)
- Comprehensive Housing Needs Study (2020, First Edition)
- DMC and RDA Downtown Residents Study (2020)
- Rochester-Olmsted Council of Governments (ROCOG) 2040 Long Range Transportation Plan amendment (includes Link BRT system, 2020)
- Discovery Walk planning and Community Co-Design process (2021)
- Downtown Rochester Historic District created (2021)
- Downtown Waterfront S.E. Small Area Plan completed (2021)
- Riverfront Small Area Plan completed (2022)
- Chateau Theatre further investment (2022)
- Discovery Walk construction begins (2022)
- Mayo Clinic Bold. Forward. Unbound. in Rochester announcement (November 2023)
- Olmsted County Comprehensive Housing Study (forecasts demand through 2035)
- Discovery Walk completion (2024)
- Soldiers Field Memorial renovations complete (2024)



# DRIVE PURPOSEFUL GROWTH

## OVERVIEW

### **Sustainability and Equity Alignment**

Each of DMC's Strategic Priorities is strengthened by a shared commitment to sustainability and equity, ensuring that DMC investments support both environmental leadership and inclusive access to Rochester's growing prosperity. These alignments guide not only what DMC invests in, but how investments are shaped, evaluated, and sustained over time, supporting long-term community well-being.

Sustainable and equitable growth makes Rochester a city where opportunity and livability go hand in hand. Expanding access to housing, culture, and mobility helps all residents share in the benefits of growth, while climate-conscious planning considers long-term impacts and ensures Rochester remains vibrant, welcoming, and future-ready.

Some avenues DMC and partners are pursuing include:

- Sustainable and inclusive housing options that reduce environmental impact and ensure all residents have access to safe, affordable, and climate-resilient homes
- Expanding equitable access to affordable housing and community amenities, ensuring every neighborhood benefits from growth and investment
- Partnering with schools, employers, and training programs to create equitable access to education and career opportunities, preparing residents of all backgrounds for the jobs and industries that shape our city's future

### **Partnership: The Essential Ingredient**

Of all DMC's strategic priorities, Driving Purposeful Growth depends most heavily on work DMC cannot do alone. While DMC can invest in streets, parks, and public infrastructure directly, we cannot build all the housing Rochester needs. We cannot operate the childcare facilities, restaurants, entertainment venues, and retail businesses that make a community thrive. We cannot create the full spectrum of career opportunities that allow partners and spouses of Mayo employees to build meaningful work lives here. We cannot generate the cultural programming, social networks, and community connections that make people feel at home.

This work only succeeds through partners: developers who build housing, entrepreneurs who open businesses, service providers who meet community needs, cultural organizations that enrich daily life, and countless individuals who choose to invest their time, talent, and resources in Rochester's future.

### **DMC works best as the wind in the sails of community-driven projects and ideas.**

Our role is catalytic: identifying opportunities that leverage Rochester's unique health anchor, convening partners around shared goals, reducing barriers that prevent good projects from moving forward, and making strategic investments that enable partners to succeed where market conditions alone might not be sufficient.

Looking ahead, this partnership approach becomes even more critical. As Mayo Clinic's Bold. Forward. Unbound. in Rochester expansion proceeds and Rochester enters a period of unprecedented growth, the community will need housing, services, amenities, and opportunities at a scale that far exceeds DMC's capacity or mission. Success depends on creating conditions where partners have the confidence, support, and market fundamentals to invest boldly in Rochester's future.

DMC commits to being a reliable partner—responsive to community needs, strategic in our focus, transparent in our decision-making, and disciplined in ensuring our limited resources create maximum impact. But we succeed only when the broader community shares ownership of Rochester's growth and the vision of what we're building together.



# DRIVE PURPOSEFUL GROWTH

## UNDERSTANDING POTENTIAL: THE EXPERIENCE ECONOMY

### Understanding one segment of the Market Potential of Driving Purposeful Growth

Additional economic analysis has been done in the experience economy sector to help bring this strategic priority into even further focus. By diving deeper into the market potential of hospitality & convening, arts & culture, and sports to help us identify the scope of these kinds of opportunities, followed by some potential interventions that could unlock even higher growth in each of these areas.

### Economic Analysis: The Experience Economy

The innovation economy is sustained by strong cultural infrastructure. While Rochester attracts significant medical tourism and a large daytime population, it's nighttime and weekend economy still has room to grow compared to peer cities and national trends. To draw more visitors (both medical and non-medical), residents, and talent, the city should expand amenities and programs that enhance the overall sense of place. Building the critical mass needed to sustain those amenities and programs will require new customer bases, which can be achieved by amplifying the city's assets—such as industry conferences, local dining, and summer festivals. Together, these efforts can reinforce Rochester's health-focused brand while elevating its vibrancy and appeal.

### Hospitality and Convention Infrastructure: Strong capture of the national medical events market

- A very significant share (0.75%) of all currently planned medical events in the U.S. for the next 12 months are estimated to be in Rochester\*, reflecting the city and Mayo Clinic's brand strength for attracting medical conferences, meetings, and Continuing Medical Education events. Future opportunity is in expanding into Mayo's medical niches and to exploring conferences in high-growth industries, such as MedTech and eldercare.
- Convening infrastructure (hotels, convention bureaus, and industry associations) has grown significantly in Rochester, but peer and aspirational cities grew faster.
- Non-convention tourism is critical to sustaining greater hospitality and convention infrastructure (adding weekend occupancy and foot traffic), but it remains low.

### Arts, Culture, and Entertainment: significant COVID impact

- Cultural amenities linked to health and wellness enhance Rochester's identity and sense of place for residents and visitors alike. Diverse entertainment and programming sustain a year-round economy and attract talent and workforce.
- Currently only 5% of the MSA's arts, culture, and entertainment assets are located within DMC. Greater density in the city center will provide more critical mass and visibility.

### Sports: high national growth, modest local decline (3% of regional industry is within DMC)

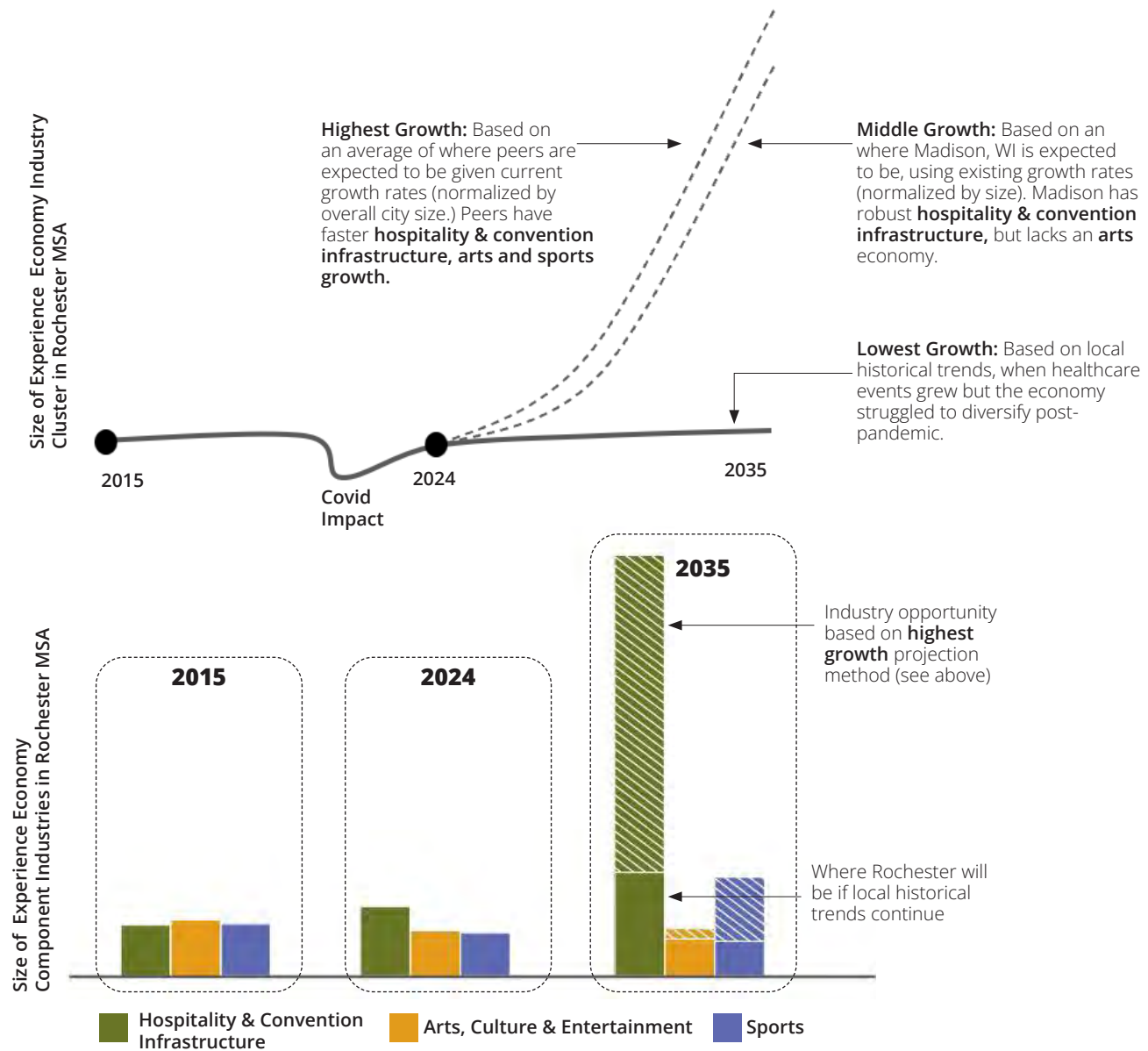
- Rochester's national presence in healthcare can be balanced by local and regional sports.
- Greater youth tournaments, amateur competitions, and niche athletics can amplify the health branding, diversify visitors, fill weekend hotel demand, and enhance community vibrancy.

*Data source: MDLinx medical event listings November 2025–October 2026 (Accessed November 2025)*

## Growth Trajectories

Data sources for current industry size and geographic distribution: ESRI Business Analyst

Data sources for growth trends: BLS Occupational Employment and Wage Statistics, Industry market reports



# DRIVE PURPOSEFUL GROWTH

## **INTERVENTIONS TO UNLOCK HIGHER GROWTH: THE EXPERIENCE ECONOMY**



### **Vertical Development**

Vertical development should strengthen the downtown civic and cultural environment and make amenities clustered, high-quality, and visible in the public realm. Growing weekend hotel occupancy, particularly as new lodging is added to serve medical visitors in line with DMC goals, will require enhancing the dining, retail, and entertainment experience to elevate Rochester's leisure tourism brand. Health and wellness-focused attractions, from science and discovery museums to high-tech spas, can further reinforce Rochester's identity and draw both residents and visitors. Additionally, existing cultural, arts, and sports facilities such as the Mayo Civic Center and Rochester Arts Center can be better connected with new venues to anchor a more vibrant and compelling downtown destination.



### **Horizontal Development**

Horizontal development should focus on strengthening national connectivity and enhancing access to Rochester's natural and cultural assets. Improving Rochester International Airport's linkage to major East and West Coast hubs will expand both business and leisure travel opportunities, supporting tourism, and talent attraction. At the same time, expanding public spaces and activating the riverfront for recreation, culture, and wellness-oriented uses will create a more inviting environment for residents and visitors. Together, these investments will reinforce Rochester's appeal as a connected, vibrant, and health-oriented destination.



### **Policies**

Policies should leverage dedicated funding streams to activate downtown retail, enhance the public realm, and support partner-led programming. Expanding a program similar to the Main Street Grant Program can help sustain and grow anchor businesses that attract foot traffic during evenings and weekends. Lodging tax revenues can be further used to strengthen Experience Rochester and Mayo Civic Center programming that draws both residents and regional visitors. Additionally, a comprehensive look at park and trail constructions to the DMC District, as well maintenance and funding, will

improve user experience and increase visitation, helping support a vibrant, year-round active lifestyle aligned with Rochester's health-oriented identity.



### Programs

Programs should pursue a dual-track strategy that includes both professional-oriented events and broader public attractions, expanding social, cultural, and wellness programming to diversify the economy and strengthen Rochester's identity. Continued development of the "America's City for Health" brand should highlight wellness, culture, and entertainment as core elements of the city's appeal. Working with Experience Rochester to increase the number of high-demand events, such as comedy and live music at the Mayo Civic Center, and expanding high-profile cultural programming at the Chateau Theatre can draw both Mayo's workforce and regional visitors. Similarly, the Rochester Downtown Alliance can build on successful summer activities to support more year-round festivals and cultural events. Finally, regional partnerships that link Southern Minnesota's outdoor recreation assets with Rochester's urban amenities can create a more compelling and well-rounded visitor experience.

## CASE STUDY

### Macon Georgia, Music-Led Downtown Transformation

Macon, Georgia revitalized its downtown by converting historic buildings into mixed-use spaces and investing in cultural assets like Mercer Music at Capricorn. The restored Capricorn Sound Studios now hosts events, a museum, and a music incubator, drawing visitors and reinforcing the city's music-driven identity. These efforts boosted tourism, foot traffic, and local pride. To learn more visit: <https://capricorn.mercer.edu/>



# DRIVE PURPOSEFUL GROWTH

## MEASURING SUCCESS

We will use Rochester's distinct health identity and partnerships to attract people, investment, and services that align with our vision for a thriving, values-driven community. Growth will be intentional, rooted in health, opportunity, and quality of life, so that prosperity benefits both residents and the state.



### Success Metrics

These success metrics help ensure growth is intentional and aligned with community priorities by tracking improvements in housing, cultural vibrancy, health tourism, education, and workforce development. By measuring tangible outcomes, such as new housing units, cultural events, tourism spending, and health workforce participation, these success metrics will provide a clear picture of how investments translate into quality of life, inclusivity, and economic resilience. This approach connects innovation to quality of life, making growth both purposeful and sustainable.

### DRIVE PURPOSEFUL GROWTH SUCCESS METRICS

Improve housing ecosystem

Enhance Rochester's authentic culture

Drive new tourism

Support health education opportunities

Contribute to health workforce



# LOOKING FORWARD

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The Destination Medical Center journey is far from over. This update is not a new plan — it is an evolution of a bold vision first set in motion more than a decade ago. Guided by what we've learned and strengthened by partnerships across the community, this plan sharpens our focus for the next ten years.

DMC was built on collaboration between the State of Minnesota, the City of Rochester, Olmsted County, Mayo Clinic, and the many partners who bring this work to life every day. That spirit of partnership remains essential as we enter this next chapter. Achieving the full promise of DMC will require continued coordination, shared investment, and collective leadership.

The new strategic priorities outlined are designed to turn alignment into action, advancing innovation, well-being, and growth in ways that benefit everyone who calls Rochester home. Together, we can build on this strong foundation and continue shaping a city that leads the world in health, opportunity, and quality of life.



# LOOKING FORWARD

## FUNDED AND APPROVED INVESTMENTS

Over the past decade, the DMC initiative has made substantial progress in shaping downtown Rochester into a more livable, welcoming, and dynamic environment for all users. Through targeted investments in public spaces, infrastructure, transportation, hospitality, housing, and cultural amenities, DMC has strengthened the district's accessibility, vibrancy, and overall quality of life.

While significant achievements are clear, from the incredible volume of new construction underway, major public realm improvements, growing residential options, enhanced mobility infrastructure, and a broader range of dining and entertainment experiences, the work of creating a truly world-class destination is ongoing. Challenges around equitable housing affordability, full activation of pedestrian spaces, and the geographic distribution of amenities remain important areas of focus.

Ultimately, the DMC's people-centered approach continues to guide Rochester's evolution, ensuring that the downtown environment not only supports Mayo Clinic's clinical excellence, but also reflects the needs and experiences of patients, companions, employees, residents, and visitors as the district continues to grow and change.

We are at an inflection point, and with an economic model that is proven, now is the time to lean into one of DMC's foundational principles: Be Bold. A focus on accelerating health innovation, designing for well-being, and driving destination-worthy purposeful growth will shape choices, investment, and partnerships over the next ten years. As this framework moves forward, its success will depend on continued collaboration and shared responsibility.





Highway 52

2nd St.

Civic Center Dr.

Broadway Ave.

6th St.

4th St.

3rd St.

1st Ave.

Broadway Ave.

Civic Center Dr.

Center St.

3rd Ave. SE



CITY OF  
**ROCHESTER**  
MINNESOTA

**SMITHGROUP** JLP+D

**ESI** ECONCONSULT  
SOLUTIONS INC.

**EXHIBIT C**

[EDA Resolution]



**RESOLUTION OF THE  
BOARD OF DIRECTORS OF  
THE DESTINATION MEDICAL CENTER ECONOMIC DEVELOPMENT AGENCY**

**Endorsing and Recommending the Five-Year Update  
to the Destination Medical Center Development Plan**

BACKGROUND RECITALS

WHEREAS, 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 “DMC EDA”), adopted a development plan on April 23, 2015, as amended (the “Development Plan”); and,

WHEREAS, Minnesota Statutes, section 469.43, subd. 4 requires that the DMCC update the Development Plan not less than every five years; and,

WHEREAS, Minnesota Statutes, section 469.42, subd. 6 requires that the DMC EDA assist the DMCC in preparing and drafting the development plan; and,

WHEREAS, the DMCC and City approved a 2024 Capital Improvement Program (“CIP”) budget of \$750,000 to support the next statutorily required update to the Development Plan; and,

WHEREAS, the DMC EDA secured qualified professional firms to assist in a comprehensive update to the Development Plan; and,

WHEREAS, the DMC EDA has coordinated ongoing community engagement activities; received additional feedback and input from community members, stakeholders, and professional advisory firms; and,

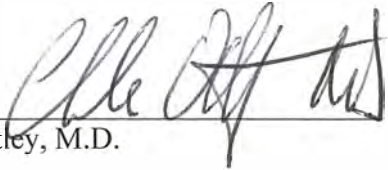
WHEREAS, the DMC EDA reviewed the feedback, input, and minor errors and prepared a revised five-year update to the Development Plan that incorporated this new information; and,

WHEREAS, the City Common Council is scheduled to consider approving the revised five-year update to the Development Plan on January 21, 2026, with the DMCC scheduled to provide its consideration on February 5, 2026;

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED by the DMC EDA Board of Directors (“Board” that it hereby endorses the Five-Year Update to the DMC Development Plan; and,

BE IT FURTHER RESOLVED that the Board recommends that the DMCC and City approve the Five-Year Update to the DMC Development Plan.

  
\_\_\_\_\_  
Clark C. Otley, M.D.  
President



**DESTINATION MEDICAL CENTER CORPORATION**

**RESOLUTION NO. \_\_\_\_\_-2026**

**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 7 2nd Street SW has requested funding for a project involving exterior envelope preservation and interior reuse; and (ii) the owner of the property located at 22 3rd St SW has requested funding for a project involving stairway, window, and sprinkler improvements (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 REQUESTS

FEBRUARY 2026

### Requested Board Action

- Review downtown property preservation program funding requests.
- Approve and recommend Rochester City Council approve the requests for \$500,000 and \$6,320.

The DMC EDA recommends that the following project be advanced for funding under the DMC Downtown Property Preservation Program. This recommendation follows the review and evaluation of the project funding request. Note that the projects below are also seeking City of Rochester loan and pre-renovation grant funding.

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
7 2nd Street SW	Olmsted Co Bank Building	Exterior envelope preservation and interior reuse	Building Safety & Preservation, Adaptive Reuse	\$17,377,300	\$500,000
22 3rd St SW	Kruesel’s	Stairs, windows, and sprinklers	Building Safety and Preservation	\$12,840	\$6,320
TOTAL				\$17,390,140	\$506,320

### Highlights & Key Considerations

The Olmsted County Bank Building request outlines a project that includes a three-story addition to the historic building. The amount requested will only be used for allowable expenses under the revised Adaptive Reuse category for the existing building.

### 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: Improvements to the “core and shell” to prepare the building for adaptive reuse excluding costs of interior fit regardless of purpose.
- 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:

Mend Collaborative has prepared a draft report including recommendations to improve the public realm in the Downtown Commercial Historic District. The report is under review by the City of Rochester, Destination Medical Center, and partners before a February City Council presentation.

**Attachments / Exhibits**

None at this time.

## UNIVERSITY OF MINNESOTA ROCHESTER (UMR) PROJECT PROGRESS UPDATE

FEBRUARY 2026

### Requested Board Action

None; intended for discussion at this time.

### Background

In 2026, the University of Minnesota anticipates undertaking a series of actions to enable a long-term campus expansion in downtown Rochester. These actions will address three near-term facilities needs, as noted in a recent summary shared with the DMCC board of directors:

- 1. Discovery Square Labs & Classrooms**
  - a. Focus:** Expansion and consolidation of lab and specialized classroom space.
  - b. Location:** Discovery Square, with adjacency to BioLabs Rochester.
  - c. Timeline:** Anticipated ribbon cutting in time for the Fall 2027 semester, subject to approvals and investment.
  - d. UMR Strategic Goal:** To deepen integration with the life science innovation ecosystem and provide state-of-the-art facilities for scientific learning.
- 2. Academic Building**
  - a. Focus:** A dedicated academic building designed as the "heart of the campus."
  - b. Location:** To be determined.
  - c. Timeline:** The University expects to issue a Request for Proposal (RFP) in 2026.
  - d. UMR Strategic Goal:** To centralize and significantly expand core academic functions, student support and gathering spaces.
- 3. Student Residential & Recreational District**
  - a. Focus:** Development of student housing and recreational facilities via a public-private partnership (P3).
  - b. Location:** University-owned land near Soldiers Memorial Field.
  - c. Timeline:** The University expects to issue an RFP in 2026.
  - d. UMR Strategic Goal:** To provide essential housing capacity and enhance student well-being through dedicated recreational space to support the growing student body.

### DMC EDA's interest and role in this effort to date

Rochester's next phase of economic development requires treating talent as a form of infrastructure, vital to the ongoing economic expansion and capital investment occurring in downtown Rochester. The 2016 Discovery Square Master Plan and the 2022 DMC Life Science Industry Awareness and Perception Study both identify talent availability as the defining factor for Discovery Square's long-term growth, tenant success, and competitiveness.

As BioLabs Rochester comes online in 2026, demand for specialized HealthTech talent will accelerate, and meeting that demand will determine whether companies stay and scale in our district. This is where our colleagues in higher education are essential.

The DMC EDA has been working with Mayo Clinic, Rochester Community and Technical College, Rochester Public Schools, Winona State University, Luther College, and other education partners to construct a talent pipeline that supports business recruitment, strengthens global positioning, and builds the skilled workforce required for Rochester to grow as a nationally competitive innovation hub.

On December 10, 2025, the DMCC board of directors was briefed on the University's intentions for facilities expansion by Dr. Rebecca Cunningham, President of the University of Minnesota; Gregg Goldman, Executive Vice President for Finance and Operations of the University of Minnesota; and Dr. Lori Carrell, Chancellor of the University of Minnesota Rochester.

### **Attachments / Exhibits**

Memorandum from UMR Chancellor Lori Carrell to DMC EDA Executive Director Patrick Seeb.

To: Patrick Seeb, Executive Director, Destination Medical Center  
From: Lori Carrell, Chancellor, University of Minnesota Rochester  
Date: January 23, 2026  
Re: Progress on Expansion of the Rochester campus of the University of Minnesota

Thank you for the opportunity to cast a vision for the expansion of the University of Minnesota Rochester (UMR) with President Cunningham and Executive Vice President Goldman. In addition to the facilities expansion we described during the December 2025 DMCC board meeting, UMR's growth will include new academic programs tailored to pressing workforce needs in health and health tech, co-designed with Mayo Clinic and Discovery Square tenants.

The facilities expansion vision holds the potential to move the "[UMR Campus Plan](#)" (approved by the University's Board of Regents 9/24) to fruition in three phases: 1) lab classrooms in Discovery Square (DS); 2) a signature academic building, exemplifying health in the built environment; and 3) a P3 residential and recreation district. Since our presentation to the DMCC board in December 2025, a University team has been working to advance each element of this plan, committed to moving the three elements forward in sequence. This update includes progress and next steps for each element of the plan.

## UMN Rochester Three-Part Facilities Expansion Plan

### 1. Discovery Square Labs & Classrooms\*

- **Focus:** Expansion and consolidation of lab and specialized classroom space.
- **Location:** Discovery Square, adjacent to BioLabs.
- **Timeline:** Anticipated ribbon cutting in time for use in the Fall 2027 semester, subject to approvals and investment.
- **Strategic Goal:** To deepen integration with the life science innovation ecosystem and provide state-of-the-art facilities for scientific learning.
- **Progress:** The immediate proposal is to build out space for an additional 12,603 SF in Two Discovery Square, and a renovation to existing leased space (1,760 SF) in One Discovery Square to support biology, physics, and chemistry teaching.
  - The University of Minnesota is actively negotiating to finalize key business terms with the developer, Mortensen Properties, tentatively anticipated by the end of January 2026. The key business terms include rent rate, value of tenant improvements, and length of lease.
  - The University of Minnesota and the developer's architect HDR have completed the fit plan and are engaged in the design for the spaces in One and Two Discovery Square. Mortensen Properties has indicated that construction will require 7 months, with an overall timeline to ensure all labs and classrooms can be ready for university use by August 2027.
  - Current estimates for total project costs are up to \$9.7 million.

- **Next Steps:**
  - UMR anticipates seeking support from DMC and the City of Rochester, with the balance of funds coming from University capital funds and philanthropic efforts. The University will additionally be committing to lease payments totaling over \$18 million through 2049, plus operational expenses and common area maintenance.
  - Negotiation of the detailed lease amendment is underway and anticipated to be completed by March 2026 with plans to present to the University’s Board of Regents at their April 2026 meeting for review and action.
  - The preliminary Construction Documents will be distributed by the end of April, with the final design to follow in July.

\*Locating these lab classroom spaces within Discovery Square, a facility with the infrastructure to support labs, reduces the cost of the Academic Building which will not need to be built to support laboratory space.

## 2. Academic Building (The Heart of Campus)

- **Focus:** A dedicated academic building designed to serve as the "heart of the campus.”
- **Features:** Will include high-tech, active learning classrooms; multidisciplinary academic houses for faculty-student interaction, success coaching, career support, and wellbeing resources; a large gathering area to serve as a connector for this campus community distributed across downtown Rochester; and a learning research and innovation center. The sustainable design will support health for people and the planet.
- **Timeline:** The University expects to issue a Request for Proposal (RFP) in 2026.
- **Location:** To be determined.
- **Strategic Goal:** To centralize and significantly expand core academic functions, student support and gathering spaces making increased enrollment feasible.
- **Progress:**
  - UMR staff and leaders are working in close collaboration with the University’s Planning, Space, and Real Estate (PSRE) team with regular meetings to assess and model the space and programmatic needs anticipated in phase two. PSRE is evaluating UMR’s current and future space requirements in the context of existing leased facilities in downtown Rochester, projected enrollment growth, and the anticipated needs of future academic programs aligned with regional workforce demand.
  - Concurrently, PSRE is identifying and evaluating potential sites for the new academic building. The objective is to locate the facility in a manner that supports a compact, walkable campus and maintains strong connectivity to the downtown skyway system for easy access to the immersive, work-based learning experiences so valued by both learners and future employers.
- **Next Steps:**
  - The primary outcome of this first quarter 2026 effort will be a detailed, tabular program of requirements for the new academic building. This program and site selection decisions/options/criteria will inform the development of the public request to the development community.
  - Issue a Request for Proposals (RFP), anticipated in the second quarter of 2026, to procure professional services to further advance the project. The pre-development work is critical to refine the building location, delivery model, financial analysis, and capital structure. Upon completion of this work, UMR will have a validated program and concept, a financeable pro forma, a clear pathway for public approval processes, and a credible cost framework to advance the project.

- UMR anticipates seeking support for these capital costs from multiple sources, potentially including DMC, philanthropic partners, the State, and the University.

### 3. Student Residential & Recreational District (Living & Wellness)

- **Focus:** Development of student housing and recreational facilities via a public-private partnership (P3).
- **Location:** University-owned land near Soldiers Field.
- **Timeline:** The University expects to issue an RFP in 2026.
- **Strategic Goal:** To provide essential housing capacity and enhance student well-being through dedicated recreational space to support the growing student body.
- **Progress:**
  - Like the progress on the academic building pre-development, UMR leaders and University PSRE staff are working to refine the student housing demand model in the context of existing leased space.
  - We are also programming the wellness and recreation spaces contained within the residential and recreation district with Student Life staff.
  - Simultaneously, academic leaders are also working with faculty to identify the proportion of new academic programs that will be undergraduate vs. graduate, a proportion that impacts the total number of beds needed when the campus is serving 2,500 students.
  - We have decided that the residential and recreation district will be located on University-owned at the southwest corner of Broadway Ave and 6th Street SW.
- **Next Steps:**
  - Upon finalizing student housing and programmatic needs, a Request for Proposals will be prepared to procure a public-private partnership partner for the district.
  - UMR is planning for this district to be constructed and open for the Fall 2029 semester.
  - UMR anticipates working with the P3 partner to develop a financeable capital stack that may require additional economic development tools.



## CHATEAU THEATRE

FEBRUARY 2026

### Requested Board Action

None; intended for discussion at this time.

### Highlights & Key Considerations

- The 2025 DMC CIP included \$100,000 for the preparation of an operations and capital improvement plan; City of Rochester staff received the final report and presented at the January 21, 2026 City Council Study Session.
- City staff sought feedback and direction from Council on the guiding principles for operation and activation, the preferred operating and capital investment model, and the approach to operating partnerships. This direction will allow City staff to proceed with capital planning, funding strategies, and implementation next steps.
- The study included recommendations for facility investment. Staff recommend investments to address building integrity and increase use, including exterior tuckpointing, minor roof repairs, interior preservation, and elevator maintenance.
- City staff are recommending a shift in operating strategy to a “under one roof” model where Experience Rochester would serve as the centralized operator. This model is currently used for the Mayo Civic Center, Art Center, and Civic Theatre. Campus.
- City Council gave direction to staff to collect more detailed information and come back for additional discussion. Information requested included: updated/vetted quotes on recommendation related to investment, a detailed list of critical infrastructure improvements, additional operator discussion, and more community/stakeholder input.
- Attached are reports from Threshold Arts related to usage and activation.
- The entire schedule of events can be found here:  
<https://www.yourchateau.org/events>.

### Background

The City of Rochester purchased the historic Chateau Theatre, investing \$5.5 million of DMC funds in 2015. The theatre is intended to be an element of DMC’s Heart of the City public realm experience strategy, and to serve as a catalyst for downtown visitation and commerce.



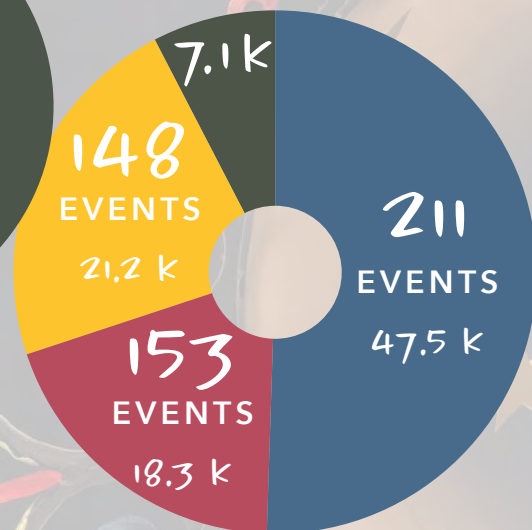
In recent years, the theatre has been managed and operated by Threshold Arts, a local non-profit organization. To support building improvements, the City was awarded a U.S. Economic Development Administration grant to make interior improvements, including to the restrooms. Other improvements, including to the HVAC system and marquee, have been undertaken with DMC funds. In 2024, the DMCC board and Rochester City Council made the most recent DMC investment in the Chateau Theatre, providing \$100,000 to prepare capital and operations plans for the facility. To date, these federal and DMC funds have been the primary sources of funding for theatre capital improvements. In total, DMC-approved Chateau Theatre funding totals \$8.8 million, with any further funding contingent on DMCC board review of the theatre operations and capital investment plan.

### **Attachments / Exhibits**

- Chateau Theatre activation reports

# WELCOME TO YOUR HISTORIC CHATEAU THEATRE

113,184 VISITORS IN 3.5 YEARS



- FREE (50%)
  - TICKETED (23%)
  - PRIVATE RENTALS (19%)
  - WALK-IN TRAFFIC (8%)
- 876 DAYS OF ACTIVITY IN 178 OPEN WEEKS



DANCING DOWNTOWN

Kate Klaus



GAME HAVEN'S CASTLE CON

Katie Adelman



WEEKLY MARQUEE POEMS

Cori Strommen



LATINO FEST

Zastrow & Zastrow



ROCHESTER SYMPHONY BY CANDLELIGHT



ANNUAL WINTER MARKET

Choochoo-ca-Chew

## PARTNERSHIPS MAKE IT POSSIBLE

- DIVERSE PROGRAMMING
- VERSATILE USE
- COMMUNITY ACCESS
- INCOMPRABABLE SPACE
- SHARING HISTORY



BRIGHT LIGHT POETRY READINGS





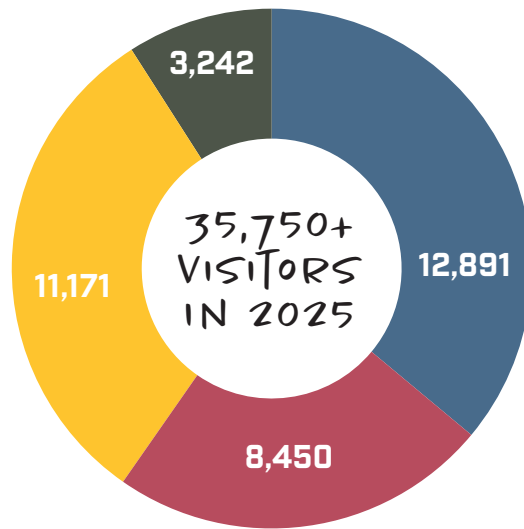
# 2025 COMMUNITY ACTIVATION

## ACTIVATION: AT A GLANCE

- 324 days of activation
- 35,750+ visitors
- 30+ community partnerships

## KEY PARTNERSHIPS

- ACHLA
- City of Rochester
- Destination Medical Center
- Game Haven
- Mayo Clinic
- MN Humanities Center
- My Town My Music
- Pamoja Women
- Pop's Art Theater
- Rochester Downtown Alliance
- Rochester Local
- Rochester Public Library
- Rochester Public Music
- Rochester Symphony
- Southeast Minnesota Arts Council
- Southeastern Minnesota Poets
- University of Minnesota Rochester
- USA Dance
- + local artists, performers & more



- Public Event - Free (36%)
- Private Rental (24%)
- Public Event - Ticketed (31%)
- Walk-in Visitors (9%)

## BUILDING MILESTONES

- Catering prep area buildout
- A/V system enhancements
- Upgraded access system

## LOOKING FORWARD

With no major facility renovations, the Chateau was open without significant disruption for a full calendar year. With Thursdays Downtown (and thus, our associated programming) moving away from Peace Plaza, our summer activity decreased. Overall, we were able to host more events with more efficient systems in place. Follow our events calendar for continued updates on current and upcoming programs.

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## HOUSING DEVELOPMENT AND INNOVATION

FEBRUARY 2026

### Requested Board Action

None; intended for discussion at this time.

### Highlights & Key Considerations

- Housing innovation by DMC partners and downtown developers augments DMC strategic priority to drive purposeful growth.
- A home innovation lab built to test technologies for that allow for health-centered “aging in place” is being developed for downtown Rochester.
- Staff are planning the 2026 DMC Real Estate Summit, which will include a focus on housing innovation, affordability, and availability.
- DMC-supported housing projects are advancing toward construction.

### Background

Downtown housing supports workforce growth and downtown livability, complementing public investments in mobility and the public realm. DMC acts to partner with and convene various entities involved in housing development: property owners, developers, non-profit organizations, and local government. Our key convening partner is the Coalition for Rochester Area Housing, of which DMC is a founding member along with the City, County, Rochester Area Foundation, and Mayo Clinic.

In recent years, rising construction costs, interest rates, and operating constraints have increased the importance of strategic, innovative tools to advance housing goals.

#### Current Housing Market-Shaping Efforts

DMC EDA staff are advancing several complementary tactics intended to address local housing market challenges and expand the range of housing solutions.

#### 1. May 2026 DMC Real Estate Summit – Housing Focus

Planning is underway for the May 2026 DMC Real Estate Summit, with housing identified as a central theme.

The summit will:

- Convene local and regional developers and partners;
- Elevate housing as essential “infrastructure” to realize workforce growth and mobility mode-shift goals; and
- Explore emerging development models that may improve feasibility and increase for-sale and equity-building models under current market conditions.

This positions DMC as a market convener, aligning capital, policy, and innovation.

## 2. Downtown Housing Needs – Maxfield Research Findings

Commissioned by the Coalition for Rochester Area Housing, recent findings from Maxfield Research’s Olmsted County Housing Needs Analysis reinforce several conditions relevant to the DMC Development District, including:

- Continued demand for downtown for-sale and rental housing;
- Growing housing options that support aging-in-place; and
- Affordability and attainability gaps despite overall market growth.

These findings can inform housing development that supports DMC outcomes, particularly in areas serviced by public transit and near community amenities.

## 3. Tech-Enabled Aging-in-Place Initiative (Housing Innovation)

The DMC EDA is actively engaged in a technology-enabled aging-in-place initiative, designed to integrate housing, health, and digital innovation.

This effort explores:

- Housing integrating design, technology, and well-being services;
- Partnerships between housing providers, health systems, researchers, and tech firms; and
- Positioning Rochester as a test site for scalable housing-health innovation.

The model under discussion, a “home innovation lab”, is intended to transform how living environments are designed and constructed to support healthy aging and wellness. Its objectives include advancing research and innovation, defining new aging-in-place design guidelines, and bringing science-based solutions to market.

The lab will consist of up to two prototype residential units integrating environmental sensors and adaptive health technology to support health and wellness monitoring.

The project will be developed in partnership with multiple collaborators. To date, the DMC EDA has served as an informal advisor and catalyst.

### DMC District Housing Developments

Several planned housing developments supported through DMC-related actions are described elsewhere in the board packet, including Civic Center North, the West Transit Village Liner Housing, Loom Apartments, and the Mayflower project.

### **Attachments / Exhibits**

None at this time.

## **SPARK CHILDREN'S MUSEUM BACKGROUND AND STRATEGIC CONSIDERATIONS**

FEBRUARY 2026

### **Requested Board Action**

None; intended for discussion at this time.

### **Background**

SPARK Children's Museum offers a hands-on, play-based learning environment for children and families in Rochester. Originally a grassroots initiative with traveling exhibits in local schools, the museum has grown into a nonprofit focused on early learning, creativity, and exploration. SPARK is now located in the Apache Mall, its second site, with a lease through 2030.

The museum's board of directors recently engaged a strategic planning firm to guide its next phase of growth, including mission refinement, long-term space planning, and capital strategy. Concurrently, DMC EDA staff began collaborating with the executive director and board to clarify the museum's goals. As a result, SPARK has identified a future downtown or downtown-adjacent location as a strategic priority.

By August 2026, the SPARK board must select a future location.

#### DMC EDA's interest and role in this effort to date

SPARK aligns with all three DMC priorities. The museum supports Accelerating Innovation by providing early exposure to STEM, health, creativity, and problem-solving, which inspires future talent and strengthens Rochester's innovation culture. It advances Design for Wellbeing by offering an accessible, family-centered environment that promotes child development and community health. SPARK also contributes to Driving Purposeful Growth by serving as a potential downtown anchor, generating consistent foot traffic, diversifying downtown activity beyond office and clinical uses, and complementing assets such as Discovery Square.

### **Attachments / Exhibits**

None at this time.



## DISCOVERY SQUARE INFRASTRUCTURE: BIOLABS ROCHESTER

FEBRUARY 2026

### Requested Board Action

None, intended for information only.

### Highlights & Key Considerations

- **Execution Phase:** BioLabs Rochester has transitioned from planning to active pre-opening execution, with construction underway, governance structures in place, and a targeted opening in September 2026.
- **Leadership & Discipline:** Recruitment is underway for the BioLabs Rochester Site Director, targeted for February/March 2026, supported by a clear governance framework, structured Recruitment Playbook, and disciplined prospect screening.
- **Market Activation:** Coordinated marketing and business development activity is underway through DMC's 2026 calendar, including Discovery Exchange at the JP Morgan Healthcare Conference, to build a qualified tenant pipeline ahead of opening.

### Background

BioLabs Rochester was announced on October 15, 2025, marking BioLabs' first Midwest location. The facility will be located on the third floor of Two Discovery Square and is now moving through implementation, with partner coordination, facility planning, construction, and ecosystem integration underway. BioLabs Rochester is scheduled to open in September 2026.

#### Construction Update

Construction is progressing on schedule and has entered an active execution phase.

- **Construction Documents:** The full CD set was released in mid-December and is currently under review, with consolidated feedback targeted for submission by the first week of January.
- **Budget & Pricing:** Mortenson is completing final pricing based on the CD set, which will establish the baseline construction budget. Subsequent changes will be managed through bulletins or change orders, with an emphasis on consolidating early adjustments to avoid rework and cost escalation.
- **Procurement & Mobilization:** Early procurement and mobilization are underway through January, including layout of walls, initial framing, and long-lead items. The building generator has been released, with major casework procurement next.
- **Coordination:** Monthly onsite OAC (Owner–Architect–Contractor) meetings were set to begin in January.

### Construction Schedule (High Level):

- Late March: Painting
- April: Interior glazing ahead of ceiling grid
- June: Flooring and lab casework
- July: Doors, finishing, cleaning
- Late July: Punchlist
- July 31, 2026: Target Temporary Certificate of Occupancy (TCO)
- August: Signage, equipment installation, and final low-voltage systems (AV, network, security)

The construction schedule supports on-time delivery and the planned September opening.

### BioLabs Rochester Governance

BioLabs Rochester operates under a defined governance framework to ensure strategic alignment, operational discipline, and accountability across partners.

- **BioLabs Executive Committee:** Provides overall strategic oversight, ensures alignment with the approved business plan and partner intent, oversees committee performance, and serves as the escalation point for cross-committee or strategic issues.
- **BioLabs Operations Committee:** Oversees financial stewardship and operational governance, including budgets, financial performance, compliance, and risk management.
- **BioLabs Marketing Committee:** Guides awareness, demand generation, and tenant recruitment strategy, coordinating outreach, collateral, digital presence, and pipeline management.
- **BioLabs Selection Committee:** Oversees tenant admission, continuation, and exit decisions, ensuring quality, fit, and long-term ecosystem value.

### Staffing

The BioLabs Rochester Site Director (Director, Business Operations & Strategy) role is currently open and represents a critical leadership position for site launch and operations. The Site Director will lead ecosystem engagement, tenant recruitment, financial performance, day-to-day operations, and community programming.

This role will serve as the primary on-the-ground connector between BioLabs Rochester and Mayo Clinic, DMC, investors, and the broader life sciences ecosystem, while operating within BioLabs' national governance and operating model. Recruitment is underway with a goal of filling the position by February/March 2026.

### BioLabs Rochester Marketing

Marketing and recruitment efforts are being coordinated through DMC's 2026 Business Development Calendar and the BioLabs Marketing Committee, which meets twice monthly.

Key elements include:

- Integrated national and international outreach
- Resolution of coordination issues, development of shared collateral, and alignment of digital presence



- Use of a Prospect Screening Criteria algorithm to guide early outreach and referrals
- Discovery Exchange at JPMorgan (January 12–14) as the first major BioLabs Rochester-focused marketing effort
- Ongoing storytelling, pipeline development, and coordinated referrals ahead of opening

### **Attachments / Exhibits**

None at this time.



## **DOWNTOWN INFRASTRUCTURE ALIGNMENT**

FEBRUARY 2026

### **Requested Board Action**

None; intended for information only.

### **Highlights & Key Considerations**

- **Mayo Clinic Progress:**
  - Ozmun Building demolition is now complete, clearing the site for future integrated medical facilities.
  - Damon Parking Ramp demolition and related site work are underway, with coordination between Mayo, the City, and DMC to manage traffic, noise, and access.
  - The Site Development Plan will be submitted soon for the West Logistics Center.
  - Utility relocation and sequencing continue, guided by joint City–Mayo–DMC coordination teams to minimize service and traffic disruption.
  - Progress continues on the South Parking Ramp, North Arrival Parking Ramp, St. Marys Parking Ramp and West Transit Village Parking Ramp. All ramps are scheduled to come online at the end of 2026.
  
- **Future Project Phasing:** The City is working internally and with Mayo to build out the 2026-2028 construction sequencing for DMC CIP projects. In the last week, the city has formally assigned project managers to \$38 million in DMC funding dedicated to public infrastructure projected adjacent to Bold. Forward. Unbound. in Rochester. The city's project managers will begin direct coordination of their assigned projects with Mayo's construction management teams.
  
- **Current Projects:**
  - **Reimagining 6<sup>th</sup> Ave W and Reconnecting Downtown Mobility Network:** With the permanent street vacation of 3rd and 4th Avenues and significant Mayo-led construction along the 6th Avenue West corridor, two initial projects utilizing DMC CIP funding are well into conceptual design with the city's consultant Toole Design of Minneapolis.
    - The City-DMC project team has been coordinating closely with Mayo and nearby downtown stakeholders to gather feedback.
    - Design concepts were presented to City Council at a November study session.
    - With this feedback, staff and the design team have updated materials for presentation to the Pedestrian & Bike Advisory Committee (PBAC) and February 2<sup>nd</sup> City Council meeting.
    - Staff will present updated concept plans to the City Council on February 2<sup>nd</sup> and make a recommendation to proceed with the preliminary and final design phases of both the Reimagining 6<sup>th</sup> Ave W and Reconnecting the Downtown Mobility Network Projects.

- At this meeting, staff will also bring forward a design contract amendment for the Reimaging 6<sup>th</sup> Ave W Project that will allow city staff to continue to engage with Toole Design through 100% design and the preparation of bid documents.
- Neighborhood Impact Study – 2026 Implementation
  - DMC team worked with Gehl to host a workshop with City of Rochester staff to understand the scope, scale, priorities, and potential metrics for a 2026 Neighborhood Impact Study.
  - DMC will identify next steps to complete the framework and implement the study including a potential partnership with UMR to give students an opportunity to participate in neighborhood engagement, data collection, analysis, and reporting.
  - Neighborhood engagement is ongoing with Kutzky Park and beginning with Lowertown which both fall within the *Bold.Forward.Unbound.* in Rochester impact area.

## Background

Mayo Clinic's *Bold. Forward. Unbound. in Rochester* represents one of the most significant private development efforts in Minnesota's history—a more than \$5 billion investment that will transform Mayo's Rochester campus over the next decade. The multi-phase plan includes the replacement of existing facilities, new clinical and logistics buildings, and substantial upgrades to public streets, utilities, and the pedestrian environment.

The Downtown Infrastructure Alignment program coordinates related public improvements within and surrounding the Mayo Clinic campus construction zone, including the adjacent neighborhoods.

Its purpose is to align City, DMCC, and Mayo capital projects to ensure:

- Continuity of mobility and access for patients, employees, and residents during construction;
- High-quality public realm design that reflects DMC's standards of experience and accessibility; and
- Long-term reinvestment in connections between Mayo's campus, Discovery Walk, and nearby neighborhoods.

The 2026–2027 DMC Capital Improvement Plan, approved by the DMCC in September 2025, continues this coordinated effort by dedicating approximately \$19 million per year for extraordinary public infrastructure projects adjacent to *Bold. Forward. Unbound.* in Rochester (see map below). The DMCC resolution outlines expectations for review and approval of infrastructure project funds as follows:

- 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;
- 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





## **DOWNTOWN RIVERFRONT**

FEBRUARY 2026

### **Requested Board Action**

None; intended for information only.

### **Highlights & Key Considerations**

- In August, City of Rochester received a \$500,000 grant to build a new plaza on the Zumbro Riverfront trail including \$50,000 in matching funds from DMC Riverfront CIP funds.
  - Multiple focus groups and engagement opportunities were completed to identify potential themes for activating the project area after construction along with identifying preferences of specific architecture styles.
  - Key project team members and the design consultant have worked together to collaborate on ideas and visioning for the space.
  - Project design will happen over the winter and is scheduled to be completed in Spring 2026.
  - Current project schedule calls for the construction phase to happen in the summer and fall of 2026.
  
- In December, City and DMC staff met to identify potential small-scale strategies to advance riverfront priorities in preparation for larger riverfront projects. The team will reconvene in early 2026 to discuss these strategies as well as a possible developer RFP for these sites.

### **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.



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.

Several pre-development improvements are completed or 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.
- The City of Rochester received a \$499,114.80 grant from the Minnesota Pollution Control Agency (MPCA) to build a new plaza on the Zumbro Riverfront Trail. The project includes a bike node, seating, a bike-fixit station, and a bio-filter area to manage stormwater. The grant falls under the MPCA's Community Resilience implementation grants to help communities prepare for climate change impacts like flooding and extreme weather.

### **Attachments / Exhibits**

None at this time.

## HEART OF THE CITY

FEBRUARY 2026

### Requested Board Action

None; intended for information only.

### Highlights & Key Considerations

- The paver adjustments were wrapped up this summer with the flipping of some raised lettered pavers. This strategy was informed by community feedback.
- Activation and use of the space continue to grow.
- The Taco Shop recently opened in a vacant building on the plaza. Another restaurant is slated to open next year in the vacant Wells Fargo street level space.
- City, DMC, and Rochester Downtown Alliance staff initiated weekly site walks of the Heart of the City area to monitor maintenance needs, identify private vendor violations of operating protocols, and look for low/no cost opportunities to improve the experience for all visitors.

### Background

The Heart of the City initiative represents a key component of the DMC public realm development program, focused on transforming Peace Plaza and the 1st Avenue corridor into a welcoming civic and commercial space. Originally identified in the 2015 DMC Development Plan and approved by the DMCC Board that year as a priority capital project, the City of Rochester was designated as the implementing entity. Funding commitments were incorporated into the 2016 and 2017 City Capital Improvement Plans, enabling design development and early preconstruction work.

In 2016, a design team led by RSP Architects and Coen+Partners was selected following a national design competition that emphasized pedestrian experience, public art, and activation potential. Construction began in 2019 after final design approval and funding authorization from the DMCC Board, with substantial completion achieved in 2021. The project included full reconstruction of Peace Plaza, 1st Avenue streetscape enhancements, public art installations, upgraded utilities, and improved stormwater management.

Following three years of heavy year-round use, a proactive maintenance assessment identified localized paver settling and joint deterioration in the Peace Plaza. To maintain long-term accessibility and durability, the DMC EDA and City recommended—and the Board approved—a \$175,000 project budget amendment to support targeted paver resetting and surface treatment work in 2025.



East Peace Plaza underwent modifications to improve the performance and create a more welcoming environment in the space. Through the modifications of the pavers that also included adjustments to the tree wells around the water feature, the City has enhanced the environment to provide more confidence in activating the space while also providing additional space for navigating during events. The City continues to promote the activation and support the community through a vibrant downtown atmosphere.

In tandem, DMC and its partners advanced programming initiatives. These included coordinated seasonal events, public art installations, wellness and cultural activities, and collaborations with the Rochester Downtown Alliance, designed to sustain daily activation and reinforce DMC's investment in the downtown public realm.

The 2025 DMC EDA Work Plan emphasized continued investment in downtown public-realm maintenance, activation, and design coordination—activities that build upon the Heart of the City's successful framework and extend its principles into adjacent downtown corridors.

In May 2026, the DMC EDA and its partners will bring forward a post construction analysis that will include a summary of the work completed including engineering, construction and community member interviews. This analysis will also address next steps as recommended.

### **Attachments / Exhibits**

None at this time.

## LINK BRT STATUS

FEBRUARY 2026

### Requested Board Action

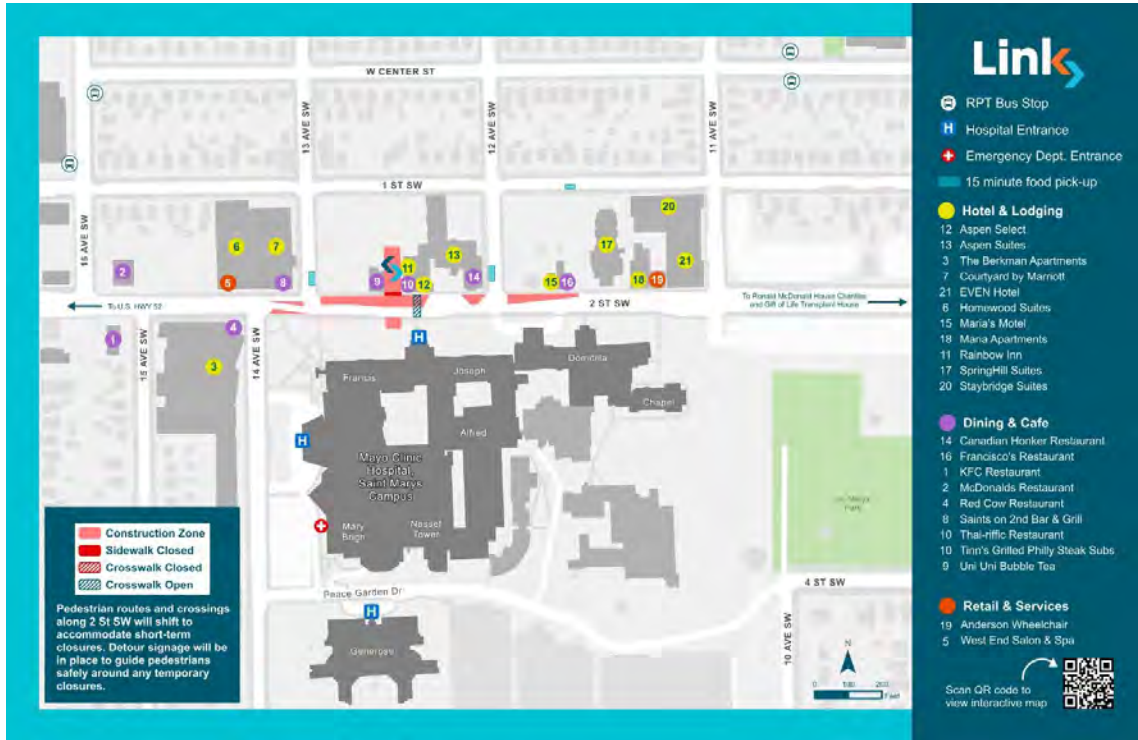
None; intended for information only.

### Highlights & Key Considerations

- Bidding Status:
  - 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 March 2026, with an anticipated start of construction by Summer of 2026.
  - Volume E: The City is currently reviewing 90% Design plans for the West Transit Village Driver Facilities and Restrooms. The 100% Design plans will be completed for review by mid-February and will be issued for bid by end of February. Construction is anticipated to begin by summer of 2026.
- Vehicles: The city received the first Link bus from New Flyer in August. An in-depth inspection is currently being completed by city staff and the acceptance process is ongoing. The 11 remaining buses are scheduled to enter the production line in early April 2026 with delivery to Rochester between June and August 2026. Per the existing production schedule, all 12 Link buses should arrive in Rochester by mid-August 2026.
- Construction Updates:
  - City, DMC, and Mayo Clinic staff and consultants continue to coordinate on construction phasing and closures to ensure minimal impact and continued access to Mayo and others impacted.
  - A weekly Link construction update emails are being distributed to the public and Link project updates are available at the following website <https://linkrapidtransit-rpu.hub.arcgis.com/> There are over 350 subscribers who receive the weekly email update.
- Business Forward: 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, West Transit Village, 19<sup>th</sup> Ave SW and 6<sup>th</sup> Street SE.
  - Multiple tools are in place based upon feedback from local business owners including:
    - A weekly Link BRT Newsletter
    - Support from Rochester Local and Neighborly Gifts

- Integrating travel information into <https://www.downtownrochesterconstruction.org/>
- Dynamic pedestrian scale wayfinding

○ Example Pedestrian Wayfinding Map:



• Property Acquisitions:

While the city has already procured all property rights needed to execute the project, city staff continue negotiations with a few remaining property owners in an attempt to reach voluntary settlement agreements in order to avoid having to use the full eminent domain process.

**Background**

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.



DMC EDA Staff are working in collaboration with 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.

Project Schedule: It is anticipated that Link BRT will officially open in the summer of 2027.

- 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 new Mayo Parking Ramp. Link underground infrastructure work will continue through 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 11<sup>th</sup> Ave SW and east of 14<sup>th</sup> Ave SW on 2<sup>nd</sup> Street SW. Construction between 11<sup>th</sup> Ave SW and 12<sup>th</sup> Ave SW has been completed and has reopened to traffic. 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 6<sup>th</sup> St SE and 3<sup>rd</sup> Ave SE intersection and on the new 6<sup>th</sup> Street SE road segment. Current 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. 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. The contractor continues work on the BRT platform at 19<sup>th</sup> Ave SW and the local transit platform at 23<sup>rd</sup> Ave SW both on 2<sup>nd</sup> 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 Link BRT buses located at the Public Works Transportation Operations Center. Regular construction meetings have commenced between the contractor and the construction management team. The contractor is currently procuring materials for the project. The contractor plans to start construction work on Volume D in March of 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 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

## Project by the Numbers

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
<b>TOTAL PROJECT ESTIMATE</b>	<b>\$ \$173,981,836</b>
UNALLOCATED CONTINGENCY	\$ 22,752,072
<b>REVISED TOTAL PROJECT ESTIMATE</b>	<b>\$ 196,733,908</b>

### Risks to On-Time Completion:

- Due to the unforeseen conflict with the high voltage duct bank at Saint Marys Transit Center, construction was paused while investigations were completed and design of the duct bank relocation progressed. The DMCC Board authorized a change order of \$975,000 in December for the approval of the winter conditions to keep the project on track.
- Current unforeseen items that the project team are tracking include:
  - RPU Utility Duct Bank conflict
  - Building Permit comments and plan revisions
  - Vehicles additional changes and modifications
- There are no additional risks to completing the project on time for Summer of 2027

### Upcoming Project Major Milestones:

- 2<sup>nd</sup> Street SW – Begin construction on the Saint Marys Transit Center and Pedestrian Tunnel to begin in middle January
- 2<sup>nd</sup> Street SW - 12<sup>th</sup> Ave to 13<sup>th</sup> Ave is scheduled to close temporarily in Spring 2026
- Complete Stations at 19<sup>th</sup> Ave, 6<sup>th</sup> Street SE and Civic Center/Library by August 2026
- Begin work on 2<sup>nd</sup> Ave Stations in the summer of 2026
- Substantially complete Maintenance Bay Addition by winter 2026
- Receive all remaining buses by Fall of 2026

**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

**List Of All Project Change Orders To Include, At Minimum, The Approval Date, Scope Of Work, And Amount Of The Change Order: See Exhibits Below**

SCC#	SCC Description	Budget	Expenditures to Date
10	Guideway & Track Elements	\$4,818,000	\$1,296,857
20	Stations, Stops, Terminals, Intermodal	\$60,382,000	\$1,405,236.20
30	Support Facilities: Yards, Shops, Admin. Bldgs	\$7,106,114	\$250
40	Sitework & Special Conditions	\$33,652,018	\$4,789,245.22
50	Systems	\$6,128,000	\$169,935.17
	<i>Subtotal 10-50</i>	<u>\$112,086,132</u>	
60	ROW, Land, Existing Improvements	\$12,256,132	\$12,202,925.20
70	Vehicles	\$21,726,404	\$910,884.11
80	Professional Services	\$27,925,000	\$20,990,260.46
	<i>Subtotal 10-80</i>	<u>\$173,993,668</u>	
90	Unallocated contingency	\$22,752,072	\$1,638,715.70
	<b>Total</b>	<b>\$196,745,740</b>	<b>\$43,404,309.06</b>

## Change Orders - Volume A (as of December 2025)



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
		<b>TOTAL SPENT</b>	<b>\$56,940.00</b>

## Change Orders - Volume B (as of December 2025)



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 <sup>th</sup> 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	\$2,424.96
CO B007	Connection to 6 ½ Street	Connect Existing Parking Lot to egress at 6 ½ Street SE	\$3,600
CO B009	J-Barrier with Fence	Additional barricades 11th Ave to 12th Ave	\$95,000.00
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	\$5,518.00
Continues	on page 2		

## Change Orders - Volume B (as of December 2025)



Change Order#	Change Order Name	Description & Action Steps	Impact to Cost
CO B012	6th Street Changes	Design Changes to multi-use trail and sidewalks for driveway access to adjacent properties	\$13,992.00
CO B013	Retaining Wall Cap Blocks	Modify Designed Retaining Wall for Cap Stone Blocks Per City Standards	\$28,823.00
CO B014	Lower Watermain	Remove Installed Watermain, Lower to elevation under Pedestrian Tunnel	Pending
CO B015	Seal Coal Chutes	Discovered abandoned coal chutes to existing business between 11 <sup>th</sup> Ave and 13 <sup>th</sup> Ave. Blocked and mortar openings.	\$5,632.00
CO B016	Surplus Pavers	Owner directed change to brick pavers	\$66,708.65
CO B017	Storm Sewer VE	Contractor proposed Value Engineering to revise Storm Sewer Structures	Pending
CO B018	Void	CO was canceled. Holding for future change order	\$0
CO B019	Temporary Lighting	Temporary Lighting supplied for replaced existing lighting in Parking Lot areas.	\$13,000
CO B020	Paint Signal Poles	Paint Traffic Signal Poles per City Standards	\$56,000
CO B021	MnDOT Sign Pole Changes	Design changes requested by MnDOT Signage Review	Pending
<b>TOTAL SPENT</b>			<b>\$349,425.39</b>

## Change Orders - Volume C (as of December 2025)



Change Order#	Change Order Name	Description & Action Steps	Impact to Cost
CO C001	Owner Supplied Materials	<del>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.</del>	\$0
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	\$77,000
CO C005	Asbestos in Building Demo	Additional Vermiculite discovered in debris of building, separating material and hauling per RAP	\$10,757.82
CO C006	Snowmelt Junction Boxes	Plan revisions for the stations to add additional Jbox	\$46,109.000
CO C007	Station Slab Crown	Plan revisions, no cost or schedule change	\$0
CO C008	Heater Access Panels	Plan revisions for modifications of stations to include for systems controls for snow melt	\$123,493.49
CO C009	Winter Conditions	Provide heating, housing and modifications to the Earth Retention System for winter conditions to continue work	\$975,000
<b>TOTAL SPENT</b>			<b>\$1,232,360.31</b>

**Change Orders - Vehicles (as of December 2025)** **Link**

Change Order#	Change Order Name	Description & Action Steps	Impact to Cost
CO 002	Tarriff Increases	Tariff Cost increase implemented by New Flyer	\$ 200,000
		<b>TOTAL SPENT</b>	<b>\$200,000.00</b>

**Attachments / Exhibits**

None at this time.

## 6<sup>TH</sup> STREET BRIDGE, NEIGHBORHOOD SAFETY, & RIVERFRONT IMPROVEMENTS

FEBRUARY 2026

### **Requested Board Action**

None; intended for information only.

### **Highlights & Key Considerations**

#### Shared Goals:

The 6th Street Bridge, Neighborhood Safety, & Riverfront Improvements Project advances the community's shared goals for improved riverfront access and neighborhood connectivity, complementing DMC's broader focus on livability and infrastructure improvement. The bridge will provide a safe crossing and renewed access to the river while maintaining essential flood protection.

#### Funding:

The \$35.8 million project is funded through federal, state, and DMC sources:

- \$19.9 million from the U.S. Department of Transportation;
- \$10 million in DMC funds; and
- \$5.9 million from the Minnesota Department of Transportation (MNDOT).

#### Key focus areas for 2026 include:

- **Flood Protection and Permitting:** Coordination with the U.S. Army Corps of Engineers (USACE) to ensure floodwall modifications maintain protection while enabling under-bridge trail connections.
- **Conditional Letter of Map Revision (CLOMR):** Submit CLOMR to FEMA for approval.
- **Property Acquisition and Environmental Review:** Acquisition activities and NEPA / railroad approvals are underway with approximately 65% completed.
- **Finalize Design Elements:** Advance to 100 percent design while identifying which elements will be part of the base bid versus bid alternatives.

#### 2026 DMC EDA Work Plan Alignment:

The project directly supports DMC EDA 2026 Work Plan priorities to:

- Advance mobility and riverfront connectivity;
- Integrate equitable and accessible design through co-design and engagement;

- Increase infrastructure along with Link BRT and West Transit Village improvements;
- Enhance downtown livability and reinvestment through public realm design.

#### Next Steps:

The design team is working at around 90% design and advancing towards 100% design with final plans anticipated by April 2026. Value engineering discussions have ensured DMC priorities continue to be included in the final design. Construction is expected to begin in Fall 2026 and continue throughout 2027. Current work focuses on refining design after Fall 2025 engagement, permitting, and alignment with adjacent infrastructure initiatives and construction.

#### **Background**

In May 2025, the City of Rochester submitted the new bridge plan to MNDOT for approval following completion of 30% design, marking the transition from concept plans to detailed engineering plans.

The 6th Street Bridge has long been identified as a key link in DMC's Downtown Waterfront and Connectivity Framework, which envisions continuous access and activation along the Zumbro River corridor.

Once complete, the bridge will:

- Reconnect east–west street networks divided by prior flood-control infrastructure;
- Establish pedestrian and bicycle facilities, separated from automobile traffic;
- Extend the downtown trail system; and
- Create new public open space supporting river-oriented recreation and gathering.

The bridge will feature divided traffic lanes, dedicated non-motorized paths, and underpass trail connections that expand safe river access. Public seating and landscape areas will draw on native plant species to maintain ecological integrity and support habitat for river wildlife.

Select river-edge access and park enhancements may advance in future phases as additional funding becomes available.

#### **Attachments / Exhibits**

None at this time.

## **CIVIC CENTER NORTH (SHERMAN)**

FEBRUARY 2026

### **Requested Board Action**

None; intended for information only.

### **Highlights & Key Considerations**

- Archaeological exploration was completed on the site in October 2025, no adverse findings.
- Developer anticipates closing on financing in February 2026 with planned construction commencement when ground thaws in spring, and not later than May 2026.

### **Background**

The Civic Center North site, located between 1st Avenue SE and the Zumbro River, has long been identified as a priority redevelopment opportunity within the DMC district. The 2015 DMC Development Plan envisioned this area as a “northern gateway” that connects the Mayo Civic Center, riverfront, and surrounding neighborhoods through a mix of housing, lodging, and civic amenities.

The 2020 Development Plan Update reaffirmed the importance of the site as a catalyst for new residential density, improved pedestrian access to the Zumbro River, and activation of underutilized riverfront land.

Following a competitive selection process in 2022, Sherman Associates was chosen as the preferred developer. Concept plans emphasize a balance of market-rate and affordable housing, structured parking to support both residents and event activity, and high-quality public realm improvements that enhance the downtown experience.

As of late 2025, preliminary design and financial modeling have been completed. The project’s estimated \$138.5 million total investment leverages multiple funding tools, including tax increment financing, housing revenue bonds, and DMC/City public-realm support. Together, these tools close feasibility gaps typical in high-cost, mixed-income urban housing while ensuring strong architectural and environmental standards.

### **Attachments / Exhibits**

None at this time.



## **LOOM APARTMENTS (ONWARD)**

FEBRUARY 2026

### **Requested Board Action**

None; intended for information only.

### **Highlights & Key Considerations**

- \$4 million of GSIA funding was granted to this project in May 2025 to support the development of 141 units of affordable housing (100% of the units are income restricted to those earning at or below 50% AMI).
- That funding was contingent on project commencement before year-end 2025. In December 2025 DMCC authorized an extension of the \$4 million GSIA allocation to this project until August 15, 2026, contingent upon the same project components as the original approval.
- On January 5, 2026 Rochester City Council authorized a Land Swap Purchase Agreement between the City of Rochester and Onward Investors Value Fund III, LP.
- When the developer requested the extension in 4Q2025 the project plan included seeking State bonding in January 2026. However, City staff informed DMC staff that the developer elected not to pursue the January bonding cycle. We expect to have more clarity on the project's viability and ability to meet the August 15, 2026 deadline for DMC funds at the 2Q2026 meeting.

### **Background**

The Loom Apartments project is a 100% affordable housing development on a Gateway corridor location into the DMC District (515 4th Street NW, along Civic Center Drive) 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.



**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.

**Attachments / Exhibits**

None at this time.

## 2<sup>ND</sup> STREET SW PUBLIC REALM ENHANCEMENT (GERRARD)

FEBRUARY 2026

### Requested Board Action

None; intended for information only

### Highlights & Key Considerations

- DMC funding of \$2.3725 million was granted to support a mid-block pedestrian public realm connection and support the land value for the prototype workforce for-sale condominium component of this mixed use project.
- In December, DMCC and City Council authorized an extension of the \$2.3725 million GSIA allocation to this project until May 31, 2026, contingent upon all the same project components as the original approval.
- The City of Rochester has been negotiating the Development Assistance Agreement (DAA) with the developer and is anticipating bringing forward a final version of that agreement to City Council.

### Background

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 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 2nd 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 2nd Street (see below from 2009 2nd 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 street grid. 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 landowner 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. The creation of these mid-block passageways is not possible without the participation of willing landowners.



### **Attachments / Exhibits**

None at this time.

## WEST TRANSIT VILLAGE

FEBRUARY 2026

### Requested Board Action

None; intended for information only.

### Highlights & Key Considerations

- Affordable housing developer Aeon’s application to Minnesota Housing Finance Agency (MHFA) for funding the Phase 1 (75 units of Senior affordable housing) was successful and on December 19, 2025 the project was awarded over \$17.5M in funding from MHFA via this highly competitive process.
- Construction of the Phase 1 Mayo Parking Ramp is underway and expected to be complete by year-end 2026.

### Background

The DMC vision for the West Transit Village is to provide an authentic place for living, shopping and recreating 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.

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 phased 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. Expected opening day of the BRT system is in 2027.



### Attachments / Exhibits

None at this time.



## BUSINESS DEVELOPMENT: 2025 REVIEW & 2026 PREVIEW

FEBRUARY 2026

### Requested Board Action

None; intended for information only.

### Highlights & Key Considerations

- **2025 Execution:** Business Development exceeded most awareness and ecosystem engagement goals and delivered material outcomes that strengthened long-term capacity, not just activity.
- **Strategic Progress:** BioLabs Rochester, improved ecosystem coordination, and sector-based initiatives marked a shift from episodic engagement to durable platforms.
- **2026 Focus:** The 2026 program emphasizes conversion, coordination, and disciplined execution, building on momentum while improving efficiency and outcomes.

### 2025 Business Development Objectives

- Increase awareness of Rochester and Discovery Square among HealthTech companies and intermediaries
- Expand and mature the business development pipeline
- Strengthen ecosystem coordination and partner alignment
- Advance platforms that translate health innovation into economic outcomes

### Major 2025 Outcomes

- **BioLabs Rochester:** The announcement of BioLabs' first Midwest location in Two Discovery Square validated Rochester's HealthTech fundamentals and advanced enabling infrastructure for early-stage companies.
- **Ecosystem Coordination:** Events such as Pitchfest and the Global HealthTech Innovation Summit demonstrated improved coordination across Mayo Clinic, DMC, and state and regional partners.
- **Sector Expansion:** The Aging in Place / Tech-Enabled Housing initiative emerged as a new platform connecting health innovation to real estate, technology, and care delivery.
- **Tangible Success:** in addition to the upcoming BioLabs presence in Two Discovery Square, five high growth HealthTech companies called One Discovery Square home in 2025.
  - Emmyon (Suite 160, One DS):
  - NeuRealities (Suite 100, One DS):
  - Sersense (Suite 230, One DS):
  - SimeDx (Suite 160, One DS):
  - iMacular Regeneration (Suite 160, One DS):

Metric	Goal	Actual
Total Outreach & Events	30	<b>53</b>
Lead Generation Campaigns	15	<b>25</b>
Prospects	1,000	<b>1,500</b>
Opportunities	250	220
Amplifier Pitches	100	<b>160</b>

Metric	Goal	Actual
Partner Connects	200	<b>325</b>
Opportunities Advanced	200	<b>202</b>
Higher Education Events	3	2
Investment Group Events	3	2
Local Startup Events	2	<b>3</b>
Research Projects	1	<b>2</b>

#### 2026 Business Development Objectives

- Convert increased awareness into qualified opportunities and outcomes at BioLabs Rochester, and throughout the Rochester HealthTech Ecosystem.
- Maintain consistent presence in priority HealthTech markets as we continue to refine and expand our program of work.
- Strengthen coordination across DMC, Mayo Clinic, BioLabs, and state and regional partners to ensure minimal overlap and increased efficiency.
- Support long-term economic diversification aligned with DMC's 20-year strategy.

#### 2026 Business Development Goals

- 35-40 Business Development Activities
- 800-900 Prospects (companies met)
- 200 Opportunities (companies referred)
- 25 Wins (meaningful collaborations)
- 5 Locates (presence in DS)

#### 2026 Program Overview

- HealthTech Industry Lead Generation
  - Continued presence at priority global convenings (e.g. JPM, LSI, BIO, HLTH, AdvaMed, MEDICA, BIO Europe)
  - Focus on founders, investors, intermediaries, and companies aligned with Mayo Clinic and Discovery Square

- Geographic Market Lead Generation
  - Targeted outreach in Belgium/Germany, Southern California, Canada, and virtual investor markets
  - Position Rochester as a coordinated soft-landing location for global HealthTech companies
- Ecosystem & Capital Engagement
  - Continued engagement with investor networks and ecosystem platforms (AngelFest, Angel Capital Association, curated inbound delegations)
  - Selective, higher-impact local convenings in Rochester

#### Recruitment Discipline and Partner Coordination

A core focus of the 2026 program is strengthening recruitment discipline and execution consistency as awareness and inbound interest continue to grow.

- **Recruitment Playbook:** DMC, in coordination with BioLabs and Mayo Clinic, is implementing a formal Recruitment Playbook to guide how prospects are identified, screened, advanced, and onboarded. The playbook establishes shared criteria, defined handoffs, and consistent workflows to ensure recruitment activity aligns with strategic priorities and available capacity.
- **Partner Alignment:** Increased coordination among DMC, Mayo Clinic, BioLabs, DEED, GreaterMSP, Medical Alley, and other partners will align outreach, referrals, and follow-up, reducing duplication, and improving the external experience for companies.
- **Pipeline Quality:** The 2026 program places greater emphasis on pipeline quality and conversion, ensuring awareness activity translates into viable opportunities that can mature into sustained economic activity.

#### **Attachments / Exhibits**

- Business Development activity review



# 2025 Business Development



Photo: Governor Walz with representatives from DMC, Mayo Clinic, and BioLabs during the BioLabs Rochester Reception.

## BioLabs Rochester: A Defining Year for Discovery Square

Every year brings progress. Some years mark a turning point. In 2025, the announcement of BioLabs Rochester clearly did both. It was the highlight of the year for Discovery Square and one of the most significant ecosystem announcements in Rochester's history.

Announced publicly in October, BioLabs Rochester represents the culmination of many years of deliberate strategy, partnership building, and execution. This moment did not happen overnight. It reflects nearly a decade of work rooted in the Discovery Square Master Plan and the long-term vision of Destination Medical Center as a 20-year economic development initiative.

BioLabs is the world's leading network of shared laboratory and innovation spaces for early-stage life science companies, with locations in some of the most competitive innovation districts globally. Its decision to locate its first Midwest facility in Rochester is a meaningful signal. It confirms that Discovery Square has reached a level of readiness and credibility that places it on a new, global playing field.

The 16,000 square foot BioLabs Rochester facility will open in September 2026 in Two Discovery Square. It will provide fully equipped wet labs, private lab space, offices, and shared amenities designed specifically for early-stage biotech and HealthTech companies. Just as important as the space itself is the location. BioLabs Rochester will sit 495 steps from Mayo Clinic, embedded directly within the Discovery Square Innovation District.

That proximity has always been central to the Discovery Square strategy. From the beginning, the district was designed to function as connective tissue between Mayo Clinic and the private sector. It is meant to be a place where companies can work alongside clinicians, researchers, and innovators, reducing friction and accelerating the path from discovery to application. BioLabs brings that intent into focus in a tangible and highly visible way.

The announcement also validates the core assumptions of the Discovery Square Master Plan. The plan called for shared lab environments, flexible infrastructure, and nationally recognized partners to anchor the district and lower barriers for early-stage companies. BioLabs Rochester delivers directly on that strategy. It shifts Discovery Square from promise to platform and provides a globally recognizable point of entry for founders, investors, and partners.

This milestone reflects the importance of visibility. The 2022 Awareness and Perception Study reinforced that Rochester's challenge was not capability, but awareness and scale perception. BioLabs addresses that gap. It is a known entity in global life science circles, and its presence in Discovery Square sends an immediate and credible signal that the ecosystem is real, active, and investable.

BioLabs Rochester is a clear example of what sustained public-private collaboration can produce. The project reflects alignment among Mayo Clinic, Destination Medical Center, the City of Rochester, the State of Minnesota, and Mortenson. That level of coordination is difficult, but it is essential for projects of this scale and significance. It demonstrates Rochester's ability to move from vision to execution on complex, long-horizon initiatives.

From an economic development perspective, the impact is substantial. BioLabs Rochester lowers barriers to entry for startups, attracts venture capital and strategic partners, and strengthens Discovery Square's role within Minnesota. It creates new pathways for talent, links education to entrepreneurship, and expands access to innovation by providing a front door for early-stage companies that might otherwise bypass Rochester.

Equally important, BioLabs Rochester reinforces Rochester's position as the southern anchor of the Medical Alley corridor. It strengthens connections to national and international networks while amplifying Minnesota's broader leadership in health technology, medical devices, biotech, and healthcare AI.

Most importantly, this announcement validates a core principle behind DMC's strategy. Ecosystems do not emerge by chance. They are built deliberately over time through infrastructure, partnerships, and consistency of execution. BioLabs Rochester is proof that Discovery Square has crossed that threshold.

This is not an endpoint. It is a platform. BioLabs Rochester will attract new companies, deepen collaboration, and accelerate the next phase of Discovery Square's growth. It signals clearly that Rochester is positioned not only to support innovation, but to compete for it at a global level.

In a year defined by momentum, BioLabs Rochester stands apart. It reflects years of focused effort coming together and marks a decisive step forward for Discovery Square and Rochester's innovation economy.



Photos: BioLabs Founder Johannes Fruehauf with Governor Tim Walz, Representatives from DMC, City of Rochester and Mayo Clinic.

## 2025 EOY Awareness Metrics

	Goal	Actual
Events and Conferences	30	53
Industry Outreach & Events	15	25
Company Pitches	1,000	1,500
Leads Generated	250	220
Amplifier Pitches	100	160

## 2025 EOY Ecosystem Metrics

	Goal	Actual
Ecosystem Partner Connects	200	325
Ecosystem Opportunities	200	202
Higher Education Events	3	2
Investment Groups Events	3	2
Local Startup Events	2	3
Research Projects	1	2

## 2025 Discovery Square HealthTech Startup Cohort

### Emmyon

- Technology: Investigating muscle atrophy and small molecules to improve muscle strength, mass, and metabolism.
- Location in Discovery Square: Suite 160, One DS
- Employees: 3
- HQ Location: Coralville, IA

### iMacular

- Technology: Medical device for macular degeneration, developing a tissue support structure called macular O-rings.
- Location in Discovery Square: Suite 160, One DS
- Employees: 5
- HQ Location: Rochester, MN

### NeuRealities

- Technology: Operator of an AI-powered spatial computing technology firm intended to revolutionize medical education.
- Location in Discovery Square: Suite 100, One DS
- Employees: ~40 globally, 2-3 in Rochester
- HQ Location: London, UK

### Sersense

- Technology: Developer of microfluidic point-of-care technologies for biomarker detection.
- Location in Discovery Square: Suite 230, One DS
- Employees: 6
- HQ Location: Rochester, MN

### SimeDx

- Technology: AI powered point of care respiratory diagnostics for intensive care.
- Location in Discovery Square: Suite 160, One DS
- Employees: ~10 globally
- HQ Location: London, UK



# Business Development

## Q4 2025



### Q4 Activities

- **AdvaMed**, San Diego
- **Cell & Gene Meeting on the Mesa**, Phoenix
- **Twin Cities Start Up Week**, Minneapolis
- **Global HealthTech Innovation Summit**, Rochester & Minneapolis
- **BIO Europe**, Vienna
- **Portugal Trade**, Rochester
- **MEDICA**, Düsseldorf
- **DEED Business Development Mission**, Zurich, Düsseldorf and Berlin
- **BioLabs Charite**, Berlin
- **Tech-Enabled Aging in Place Visit**, Seoul



*Photo: Chris Schad and GHTIS delegates in front of the Mayo Building.*

## Global HealthTech Innovation Summit Connects International Innovators to Mayo Clinic and Rochester

In October, Destination Medical Center hosted the Global HealthTech Innovation Summit, convening international development authorities and innovation leaders for a multi-day immersion into Mayo Clinic, Discovery Square, and Minnesota's broader HealthTech ecosystem.

The Summit was designed to help organizations advising high-growth HealthTech and MedTech companies better understand how international innovators can successfully engage with Mayo Clinic and enter the U.S. market. The program intentionally began in the Twin Cities, with sessions led by the Minnesota Trade Office, GreaterMSP, Medical Alley, and industry experts outlining Minnesota's commercialization strengths, before transitioning to Rochester for deeper engagement.

At Two Discovery Square, participants heard directly from Mayo Clinic research, business development, and innovation leaders, including sessions on early collaboration, formal partnership pathways, data access through Mayo Clinic Platform, and

At Two Discovery Square, participants heard directly from Mayo Clinic research, business development, and innovation leaders, including sessions on early collaboration, formal partnership pathways, data access through Mayo Clinic Platform, and investigator matching via the Innovation Exchange. A highlight of the Summit was the reverse pitch sessions, where Mayo Clinic clinicians shared unmet clinical needs and active areas of innovation, providing rare clarity on how external companies can align with Mayo Clinic priorities.

Overall, the Summit reinforced Rochester's role as a trusted entry point for global collaboration and positioned Discovery Square as a platform where international innovation connects to clinical practice, commercialization, and long-term partnership.



*Photo: Johannes Fruehauf (BioLabs), Janani Reisenauer (Mayo Clinic) on a panel at Charité.*

## DEED Trade Mission to Switzerland and Germany

In November, Destination Medical Center participated in the Germany and Switzerland Trade Mission led by Governor Tim Walz and organized by the Minnesota Trade Office at DEED.

More than 50 Minnesota companies and organizations joined the delegation, including DMC partners GreaterMSP and Medical Alley. Across the mission, DMC participated in more than 20 meetings with European companies, hospitals, and ecosystem organizations exploring collaboration, commercialization, and U.S. market entry.

A signature moment of the mission was a BioLabs-focused event hosted at Charité, convening leaders from Charité, Mayo Clinic, Greater Paris University Hospitals (AP-HP), and BioLabs. The discussion centered on the role of shared innovation infrastructure, including the newly announced BioLabs Rochester, in accelerating translation, lowering barriers for startups, and strengthening hospital-led innovation ecosystems. Charité operates a similar innovation platform in Berlin, making the exchange especially relevant.

The event featured remarks from Governor Walz and Charité leadership, followed by a panel discussion on global collaboration across technology transfer, clinical trials, AI, and data access.

# Q4 2025 Prospects

2025 | QUARTER 4

ABB robotics	Clear.bio	GHP Scientific Limited	Labfly by DiAvEn	Nutromics
Admit Therapeutics	Clock Bio Limited	Global Factories	Lameditech	On Target Laboratories
Aegle Therapeutics	Clovo Ltd	Graf Hartmetall	Latus Bio	OncaNova ltd
AEM August Elektrotechnik	CMR Surgical	Gran Lab Ltd.	Lindo	OncoRes Medical
Affinia Therapeutics	Cognimate	Grundium	Loupes Advisory Group	Onescope SA
AI MEDICAL OPTIMISATION	Coherus Oncology	Gulf Medical Technologies (GMT)	Luminoma Diagnostics Ltd	Orbican
Aignostics	ColoPlast	Hatopy Ltd	LYMVIVA LTD	Organ Analytics
AiKNIT	Corcillum	HBVTech	M&M Software	Oxitone
Aktormed	Corvus Health	Heady Rehab Ltd	Macu4 AG	Pharmedica
Alfred Surgery AS	Crely	HEALINGSOUND	MarrowX	Physidean
Algorithmiq	Cromerix Ltd	Healthy-Longer GmbH	MedGEO	pi4_robotics
Alimetry	CureAge Therapeutics Ltd	HelloFace	Medtronic	PIA Automation Holding GmbH
Allogenetics	CV new Co	Hemotag	Melodi Health	Pirche AG – Transplant Diagnostics
Amentum	Cybertron	Herosupport SA	Min blodprove (My blood sample)	Preimure
argenx	Dean of Zen	HISTOSONICS	Miracell	Protalea Bio Limited
Arivin Therapeutics	dEEGtal	HMA Technologies Ltd	MIROMR	Proximie
Asensus Surgical	Distalmotion	Holo-Scan Holdings LLC	Momentis Surgical	PulpDigital.ai
Asgard Therapeutics	DocBay	Hy2Care	Moon Surgical	Qnomx AG
AtaCor Medical	ECHO Communication Ltd	iDEAS matelligent group	Morphocell	ReFleks Limited
Autsera Ltd	ElastiHeal	Immuthera	MotionRAD	Regenyx
Axena Health	Eleuthra Photonics	imphatec Ltd.	MOWA Healthcare AG	RheumaGen
Baxter	Elucent Medical	Indigo Diabetes	mpWAV	Rollon
Bcon Medical	Embryonet AI	Infinicell Bio Limited	MultivisionDx Oy	Roselin Medical Ltd
Bearcover	Enamentis	Inossia AB	Murali Medical	Safe Implant Technology
Bio Beat	Endorra Health	Institute for Healthcare Robotics and Automation (IFOHRA)	Myka Labs	Samsung Electronics
BioCanim	Ennocure	invIOs GmbH	MyoPax	Sandbox Bioscience Ltd.
Biohit Oyj	EPD Prazisions	iollo	Nanogrow Biotech	Sarvas Health Ltd
Biolnx	Ex Neuro	iPasy	Nascent Therapeutics	SmartFem
Bionevix Ltd	Exosystems	Ixchel	Navigation Sciences	Smartsound
BioOra	eXRt Intelligent Healthcare Limited	Johnson and Johnson MedTech	Neura Robotics	Sonas Pharmaceuticals NI Limited
BodyOwn Limited	Faction Imaging	Kagami Innovations	neuRealities	SPECTRE BIO LIMITED
Boston Scientific	Ferronova	Kenai Therapeutics	Neurolieve Biosciences Ltd.	
Building Health Technologies Limited	G Life Quantum	KLEIS THERAPEUTICS LIMITED	Neuropath Biosciences Ltd	
Calibra Bio Ltd	GA INNOVATIONS LTD	KLS Martin	Neurotact Ltd	
Cardis.IO (cardisio)	Galytx Ltd	Kuka	Nimbo Health Limited	
Cascader Ltd	Gelectric Medical		NOBOX	
Clarix Imaging	Gestalt Automation		Novocaddy	



## ENERGY AND SUSTAINABILITY

FEBRUARY 2026

### Requested Board Action

None; intended for information only.

### Highlights and Key Considerations

#### Sustainability Integration Across Projects:

In December 2025, the City of Rochester completed Phase 2 of its Downtown Building Energy Transition, electrifying the Mayo Civic Center, Civic Theater, Rochester Art Center, and Rochester Public Library. These buildings are the first geothermal district energy system in the State of Minnesota. DMC is a proud partner of this initiative and milestone.

The Energy Integration Committee (EIC) hosted its first workshop in December to begin developing phase 2 of the EIC Action Plan. The group is comprised of City, Olmsted County, Mayo, University of Minnesota Rochester, and Rochester Public Utilities. There will be two more workshops before a completed action plan is finished by April 2026. The action plan will align adopted sustainability plans and goals across each organization to identify opportunities for collaboration and innovation.

DMC is joining the City of Rochester, Mayo, Rochester Olmsted Council of Governments (ROCOG), Rochester Public Schools, and the University of Minnesota Rochester to begin shared Transportation Demand Management (TDM) Planning. The group is evaluating planning processes taking place across each organization to align opportunities and identify collaborative projects. TDM pilots and programs will help advance progress on mode shift goals and reduce vehicle miles traveled (VMT).

#### 2026 DMC EDA Work Plan Alignment:

DMC, the City of Rochester, Rochester Community & Technical College, Rochester Public Schools, Semcac, and Center for Energy & Environment kicked off the Healthy Air & Homes initiative in January. The program will recruit and hire Community Navigators who will receive paid training to receive Building Science Principles (BPS) certification. Navigators will engage with homeowners and renters to provide Healthy Homes kits, share resources on energy efficiency, and perform energy audits.

DMC was accepted into United States Green Building Council (USGBC) Winter 2026 Local Green Building Policy Accelerator cohort. Participation in the cohort provides green building policy best practices and technical assistance. Over the course of six weeks, staff will identify actionable next steps that are aligned with local and regional goals and showcase innovative initiatives to update DMC's Sustainable Building Guidelines.

## **Background**

Since its adoption in 2015, the DMC Development Plan has identified sustainability and energy efficiency as central to Rochester's economic and environmental future. The plan and its subsequent 2020 Update established goals to reduce greenhouse gas emissions, expand multimodal access, and promote compact, resource-efficient development patterns.

Over the past decade, DMC's energy and sustainability program has advanced these goals through a series of public and private investments that integrate environmental stewardship into downtown growth.

Key achievements include:

- **District Infrastructure:** Planning and implementation of energy-efficient district systems, including ongoing work toward a district-energy network and storm-water reuse infrastructure designed to serve future development zones.
- **Sustainable Mobility:** Major commitments to electrified public transit through the Link Bus Rapid Transit project, coordinated bike and pedestrian connectivity improvements, and parking management strategies that support mode shift.
- **Public Realm and Resilience:** Incorporation of sustainable design features in projects such as Discovery Walk, Heart of the City, and Riverfront planning, emphasizing storm-water filtration, native plantings, and high-efficiency lighting.
- **Private Development Leadership:** Encouragement of LEED-certified and energy-efficient construction within DMC districts, including One and Two Discovery Square, and mixed-use projects that meet or exceed state energy-code standards.
- **Collaborative Innovation:** Partnership with Mayo Clinic, Rochester Public Utilities, and the City of Rochester to evaluate renewable-energy and carbon-reduction opportunities, including electric-vehicle charging infrastructure and building-performance benchmarking.

Together, these initiatives demonstrate the DMC EDA's ongoing role in embedding sustainability and energy performance into the fabric of Rochester's growth. Looking ahead, future work will continue emphasizing measurable outcomes—reductions in energy use, emissions, and vehicle dependence—while supporting innovation that enhances Rochester's livability and competitiveness as a global destination for health and wellness.

**Attachments / Exhibits**

None at this time.



## **EQUITABLE ECONOMIC DEVELOPMENT**

FEBRUARY 2026

### **Requested Board Action**

None; intended for information only.

### **Highlights & Key Consideration**

#### REDI 2026 Program & DMC Developer Pipeline

Expanding the Urban Land Institute (ULI) Real Estate Diversity Initiative (REDI) developer readiness program to increase participation in DMC-related development by connecting emerging developers to real projects and partnerships. The REDI 2026 application is closed, and as a member of the REDI Committee I am reviewing applications, with decisions by mid-December 2025. We will present the DMC Community Co-Design equitable engagement tool to the 2026 cohort, and the program has already resulted in connections with two new emerging developers who will be added to our monthly check-ins in January.

#### Community Co-design & Youth Leadership

In Summer 2026, the Youth Co-Design Lab will engage RPS high school students and UMR undergraduates in a paid, short-term program to address real community challenges using equity-centered co-design, culminating in presentations to city and county leaders. In parallel, we are transitioning the DMC Community Co-Design webpage to the City of Rochester website, where the City will serve as the primary host for this work, and we are continuing to update the Community Co-Design Toolkit. Together, these efforts strengthen youth leadership, cross-sector collaboration, and community-driven project design across Rochester.

#### 2026 DMC EDA Work Plan Alignment:

The 2026 DMC EDA Work Plan embeds equity by expanding engagement, strengthening leadership, and supporting inclusive practices. Staff coordination includes piloting new engagement tools, a Youth Summer Co-Design Experience, leadership training, and the Equity Series. The plan continues collaboration with the Coalition for Rochester Area Housing to address housing disparities for underserved residents, including BIPOC communities and seniors, while applying equitable economic development principles to infrastructure and real estate projects.

## Background

Equitable Economic Development remains at the heart of DMC's commitment to inclusive prosperity and shared growth. Building on earlier efforts supported by external grants, DMC EDA has continued to integrate equity and inclusion across all operations and project planning processes.

Our current work focuses on four key priorities:

- Expanding access to opportunity: DMC supports local entrepreneurship, small business growth, and developer readiness programs that help more people participate in Rochester's evolving economy.
- Continuing our partnership with the Coalition for Rochester Area Housing: Together, we are advancing projects that help close housing disparities for underserved and underrepresented communities, including BIPOC residents and seniors.
- Integrating equitable engagement and lived experience approaches: DMC's equitable engagement framework ensures that residents, workers, and community members most affected by projects are directly involved in shaping outcomes, from concept development through design and evaluation.
- Strengthening partnerships to advance equity learning and practice: Through the Equity Alliance Equity Series, DMC continues to partner with the City of Rochester to build community-wide best practices that contribute to a more vibrant and equitable Rochester.

In recent years, this work has grown from a grant-supported initiative into a core part of how DMC operates. Equitable engagement, inclusive procurement, and workforce diversity goals are now part of project management, communications, and capital investment planning. For example, the 2025 Development Plan Update engaged residents, students, and employers in conversations about how health, accessibility, and belonging can be reflected in future public spaces and mixed-use development. Looking ahead, the 2026 Work Plan will continue to build on this foundation by:

- Expanding developer readiness programs and outreach to increase participation in DMC-related development.
- Working closely with housing, workforce, and mobility partners to align investments with equitable access goals.
- Applying equitable engagement methods early in project planning to ensure community voices guide priorities and design.



- Tracking measurable outcomes such as workforce and business participation, developer diversity, and community satisfaction to evaluate progress toward our equity goals.

Equitable Economic Development is also a central focus of the 2025 Development Plan Update, which defines equity as both a guiding value and a measurable result, reflected in workforce participation, ownership diversity, and community satisfaction.

Through this ongoing work, DMC EDA continues to build a development model that connects economic growth with health, inclusion, and long-term community well-being, ensuring Rochester's transformation benefits everyone who lives and works here.

### **Attachments**

None at this time.



## TARGETED BUSINESS AND WORKFORCE UTILIZATION

FEBRUARY 2026

### Requested Board Action

None; intended for information only.

### Highlights and Key Considerations

#### Q4 2025 Reporting

- Total workforce participation for Q4 2025 reached 34,206 hours across major DMC infrastructure projects.
- Women accounted for 1,145.5 hours (3.35%) against a 9% goal, and minority workers accounted for 833.9 hours (2.44%) against a 15% goal, indicating continued gaps in participation.
- Targeted Business (TB) participation totaled \$857,287 (7.66%) of \$11.19M, exceeding the 4% Heavy/Highway goal.
- Reporting reflects interim data submitted outside the new reporting system, which is still in implementation.

#### Federal Rule-making

- **Federal update:** DOT's October 2025 Interim Final Rule suspends DBE goal setting nationwide and requires reevaluation of all certified firms under a race- and gender-neutral standard. These guidelines apply only to new DOT projects bid after October 3, 2025.
- **Local impact:** Federal changes affect only federally funded transportation projects. DMC and City-funded projects can continue promoting small and underrepresented business participation.
- **City response:** Continue to apply City or DMC participation goals only to locally funded projects where no Federal DOT funding is used.
- **2026 Work Plan alignment:** Priorities include tracking participation, coordinating with partners on small business certification, and strengthening workforce development pipelines.

### Background

Since its inception, DMC has embedded targeted business and workforce utilization into its development framework to ensure that Rochester's growth benefits local and historically excluded firms and workers. During Q4 2025, workforce participation continued across major infrastructure projects, with overall activity remaining strong, while women and minority participation remained below established goals, underscoring the need for continued contractor engagement and workforce strategies. Targeted Business utilization exceeded the Heavy/Highway goal despite incomplete contractor reporting and delayed payments on select projects, and DMC EDA continues to monitor federal guidance, report outcomes, and refine outreach to advance inclusive growth in alignment with the 2026 Work Plan.

### DMC Workforce and Targeted Business Participation Quarter 4 2025:

- **Current Goals**
  - Workforce Participation – Women: **9%**
  - Workforce Participation – Minorities: **15%**
  - Targeted Business – Commercial: **7%**
  - Targeted Business – Heavy/Highway: **4%**
  
- **Projects Reported**
  - J1037 – Downtown Building Energy Transition (DBET) Phase 1
  - J8707 – Volume A (BRT West Transit Village Sewer Improvement)
  - J8707 – Volume B (BRT Civil Underground Utilities)
  - J8707 – Volume C (BRT St. Mary’s Transit Area)
  - J8707 – Volume C (St. Mary’s Transit Area – Heavy Highway / Station Stops)
  - J7919 – 6<sup>th</sup> Street Bridge
  - Link Land Acquisition
  
- **Project Notes / Data Limitations**
  - **J8707 – Volume A:** No payments to date; targeted business variance remains **–4%**.
  - **J1037 – DBET Phase 2:** Partial-period data submitted; remaining data pending.
  - **J7919 – 6<sup>th</sup> Street Bridge:** Payments-to-date not provided; TB reported as a percentage of total contract value; partial-period data only.
  - **Future Updates:** Payment-to-date data will be incorporated once received.
  - **System Status:** Reporting software is in implementation; current reporting reflects interim submissions.

### Highlights

- Strong overall workforce activity across DMC infrastructure projects.
- Women and minority workforce participation remain below established goals, underscoring the need for continued equity-focused workforce strategies.
- Targeted Business utilization exceeded the Heavy/Highway benchmark despite incomplete contractor data.
- Full implementation of the reporting system will improve accuracy, compliance, and accountability

### **Attachments**

- Q4 2025 Targeted Business and Workforce Utilization Reporting

## Q4 2025 Targeted B and Workforce Utilization Reporting

Workforce Participation (WP)									
Project Name	Total Work Hours	Women Hours	Women %	Women Goal	Variance	Minority Hours	Minority %	Minority Goal	Variance
J1037 - Downtown Building Energy Transition (DBET) Phase 2	12,411.15	9.75	0.08%	9.00%	-8.92%	128.75	1.04%	15.00%	-13.96%
J8707 - Volume A (West Transit Village Sewer Improvement)	926.00	13.75	1.48%	9.00%	-7.52%	26.75	2.89%	15.00%	-12.11%
J8707 - Volume B (Civil Underground Utilities and Infrastructure)	18,271.43	1011.50	5.54%	9.00%	-3.46%	650	3.56%	15.00%	-11.44%
J8707 - Volume C (Commercial - St Marys Transit Center)	1,849.50	110.50	5.97%	9.00%	-3.03%	28.5	1.54%	15.00%	-13.46%
J8707 - Volume C (Heavy Highway - Station Stops)	748.00	0.00	0.00%	9.00%	-9.00%	0	0.00%	15.00%	-15.00%
<b>Total</b>	34,206.08	1145.50	3.35%	9.00%	-5.65%	834	2.44%	15.00%	-12.56%

Targeted Business (TB)					
Highway Projects	Total Paid to Date	TB Paid to Date	Actual TB %	TB Goal	Variance
J1037 - Downtown Building Energy Transition (DBET) Phase 2	\$ 3,229,370.71	\$16,283.75	0.50%	4.00%	-3.50%
J8707 - Volume A (West Transit Village Sewer Improvement)	\$ -	\$0.00	0.00%	4.00%	-4.00%
J8707 - Volume B (Civil Underground Utilities and Infrastructure)	\$ 7,469,455.57	\$748,628.55	10.02%	4.00%	6.02%
Link Land Acquisition	\$ 493,556.21	\$92,375.00	18.72%	4.00%	14.72%
<b>Highway Subtotal</b>	\$ 11,192,382.49	\$857,287.30	7.66%	4.00%	3.66%
Commercial Projects	Total Paid to Date	TB Paid to Date	Actual TB %	TB Goal	Variance
J8707 - Volume C (Commercial - St Marys Transit Center)	\$ 3,226,872.15	\$292,557.76	9.07%	7.00%	2.07%
<b>Commercial Subtotal</b>	\$ 3,226,872.15	\$292,557.76	9.07%	7.00%	2.07%
<b>Total</b>	\$ 14,419,254.64	\$1,149,845.06	7.97%	7.00%	0.97%

Professional Technical Services									
Workforce Participation	Total Work Hours	Women Hours	Women %	Woman Goal	Variance	Minority Hours	Minority %	Minority Goal	Variance
J7919 - 6th Street Bridge	4,936.70	936.75	18.98%	9.00%	9.98%	441.50	8.94%	15.00%	-6.06%
<b>Total</b>	4,936.70	936.75	18.98%	9.00%	9.98%	441.50	8.94%	15.00%	-6.06%
Targeted Business	Contract Value (\$)	TB Paid to Date	TB % of Contract to Date						
J7919 - 6th Street Bridge	\$3,211,994	\$8,244	0.26%						
<b>Total</b>	\$3,211,994	\$8,244	0.26%						