



DMC
Destination
Medical Center

Destination Medical Center Corporation
Board of Directors
Executive Committee Meeting

Friday, March 13, 2026
11:00 A.M.

DESTINATION MEDICAL CENTER CORPORATION (DMCC)

EXECUTIVE COMMITTEE SPECIAL MEETING

Friday, March 13, 2026
11:00 A.M.

Remote Viewing: <https://www.youtube.com/@DestinationMedicalCenter>

AGENDA

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|---|------|
| I. Call to Order | |
| II. Roll Call | |
| III. Approval of Agenda | 1 |
| IV. Approval of Minutes: March 26, 2025 | 2 |
| V. April 1, 2026 Certification to DEED (Presenters: Patrick Seeb, EDA; Doug Holtan, Mayo Clinic; Cindy Steinhauser, City of Rochester). | 3 |
| <u>Resolution A</u> : Authorizing and Approving the April 1, 2026 Certification to DEED Pursuant to Statute | |
| VI. Adjournment | |

DESTINATION MEDICAL CENTER CORPORATION (DMCC)
EXECUTIVE COMMITTEE SPECIAL MEETING

Thursday, March 26, 2025
3:00 P.M.

MINUTES

- I. Call to Order. Chair Pamela Wheelock called the meeting to order at 3:00 p.m.
- II. Roll Call. Chair Pamela Wheelock, Vice Chair Kim Norton, Treasurer Mark Thein, and Secretary Paul Williams were present. James Campbell and Randy Schubring also attended the meeting. Secretary Williams participated via interactive technology due to a scheduling conflict.
- III. Approval of Agenda. Treasurer Thein moved approval of the agenda. Vice Chair Norton seconded the motion. Ayes: Vice Chair Norton, Treasurer Thein, Chair Wheelock, and Secretary Williams. Nays: None.
- IV. Approval of Minutes: March 14, 2024 and June 28, 2024. Vice Chair Norton moved approval of the minutes. Treasurer Thein seconded the motion. Ayes: Vice Chair Norton, Treasurer Thein, Chair Wheelock, and Secretary Williams. Nays: None.
- V. April 1, 2025 Certification to DEED. Patrick Seeb, DMC EDA Executive Director, Doug Holtan, Mayo Clinic Department of Facilities and Support Services Chair, and Cindy Steinhauser, Deputy City Administrator of the City of Rochester, presented the 2024 DMCC private expenditures report. Mr. Seeb reported that in 2024, the eligible private expenditures exceeded \$185 million. Final certification will result in the release of General State Infrastructure Aid (GSIA) and State Transit Aid. Mr. Holtan stated that Mayo Clinic invested over \$176 million in 2024, its largest-ever DMC-certified investment. Ms. Steinhauser presented non-Mayo Clinic private investments, including retail, housing, restaurant, and life science projects.

Resolution A: Authorizing and Approving the April 1, 2025 Certification to DEED Pursuant to Statute. Vice Chair Norton moved approval of the resolution. Treasurer Thein seconded the motion. Ayes: Vice Chair Norton, Treasurer Thein, Chair Wheelock, and Secretary Williams. Nays: None.
- VI. DMC Updates. Mr. Seeb and Ms. Steinhauser provided updates to the board related to the Link bus rapid transit project, federal project funding, the 2025 update to the twenty-year DMC development plan, possible DMC joint funding applications, the balance of available DMC funds, and shared lab coordination.
- VII. Adjourn. Chair Wheelock adjourned the meeting.

**APRIL 1 REPORT TO
THE MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT (DEED)**

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- Resolution Authorizing April 1, 2026 Certification To DEED Pursuant To Statute
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- Non-Mayo Clinic Expenditures
- Mayo Clinic Expenditures Letter
- 2025 Certification of Expenditures

MEMO

TO: Destination Medical Center Corporation

FROM: Destination Medical Center Economic Development Agency

RE: **2025 DMC PRIVATE INVESTMENT**

By April 1 of each year, the DMC Corporation and Mayo Clinic must report private investment to the State of Minnesota Department of Employment and Economic Development (DEED). This reporting relationship is one aspect of the unique DMC economic development model, which requires the annual reporting of local public and private expenditures to receive the annual state DMC contribution. The formal report follows this summary memo.

New private investment in 2025, comprised of expenditures by Mayo Clinic and other private developers, totals more than \$348 million, a nearly \$163 million increase over 2024:

- Mayo Clinic private investment: \$342.2 million
- Non-Mayo-Clinic private investment: \$5.7 million

Investments include the ongoing improvement and expansion of Mayo Clinic facilities across the city of Rochester as well as housing, health tech, retail, and other non-Mayo-Clinic expenditures across the DMC development district.

DESTINATION MEDICAL CENTER CORPORATION

EXECUTIVE COMMITTEE

RESOLUTION NO. EC _____-2026

**AUTHORIZING APRIL 1, 2026 CERTIFICATION TO DEED
PURSUANT TO STATUTE**

BACKGROUND RECITALS

A. Minnesota Statutes, Section 469.47, provides that by April 1 of each year, the medical business entity (Mayo Clinic) must certify to the Commissioner of the Department of Employment and Economic Development (“**DEED**”) the amount of expenditures made by Mayo Clinic in the preceding year. For expenditures made by an individual or entity other than Mayo Clinic, the Destination Medical Center Corporation (“**DMCC**”) must compile the information on the expenditures and may certify the amount to DEED. The certification to DEED must be in the form prescribed by DEED and include any documentation and supporting information regarding the expenditures that DEED requires.

B. Staff from the City of Rochester and the Destination Medical Center Economic Development Agency (“**EDA**”) have prepared the draft certification, due on April 1, 2026, attached hereto as Exhibit A.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, by the Executive Committee of the DMCC Board of Directors that the Chair or Vice Chair of the DMCC is authorized to execute and submit the report to DEED as required by Minnesota Statutes, Section 469.47, in a form similar to the form attached hereto as **Exhibit A**, as may be modified through further discussions with Mayo Clinic or the City of Rochester, and to take such other actions as are necessary and appropriate to effectuate the timely submission of the report to DEED.

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EXHIBIT A

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

March 13, 2026

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 2025 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, 2025 (“Attachment 1”). The City of Rochester, Minnesota assisted with the compilation of this report. The amount of 2025 investments set forth in this report is \$5,709,296.00
2. Mayo Clinic Certification: I enclose correspondence and accompanying materials from Natalie Caine, Chief Administrative Officer, Mayo Clinic in Rochester, dated March 2, 2026 (“Attachment 2”). Mayo Clinic is certifying expenditures for the period of January 1, 2025 through December 31, 2025 in the amount of \$342,327,221.03.
3. Summary of Investments: The summary page, entitled “Certification of Expenditures, Destination Medical Center” is enclosed, setting forth total cumulative expenditures through December 31, 2025, in the amount of \$2,061,204,842.10 (“Attachment 3”).

As these certifications reflect, the DMC initiative has entered a period of sustained delivery at scale. Rochester has recorded more than \$1 billion in annual construction activity for three consecutive years, driven in significant part by Mayo Clinic’s multi-year downtown expansion, which is now underway across multiple active building sites and is expected to continue through the end of the decade. DMC has supported more than \$200 million in public infrastructure

investments to date, contributing to the redevelopment of approximately 15 city blocks and a doubling of downtown housing units.

At the same time, local partners are actively working to ensure that Rochester's downtown remains resilient and accessible during this period of extraordinary construction activity. The scale of Mayo Clinic's expansion and related infrastructure improvements will reshape much of the downtown district over the coming years. In response, the City of Rochester, the DMC Economic Development Agency, and community partners have advanced coordinated strategies to support businesses, residents, and visitors during this period of disruption. These efforts include construction mitigation programs such as Business Forward, storefront activation initiatives that support downtown merchants and entrepreneurs, and coordinated housing and community development efforts such as the Coalition for Rochester Area Housing. Major public investments are also moving forward, including the Link bus rapid transit system, which is expected to strengthen downtown connectivity and create new opportunities for transit-oriented development in the years ahead.

Thank you for your continued collaboration and oversight of this initiative. As the DMC initiative progresses, the DMCC remains committed to the performance-based framework established by the Legislature, ensuring that public infrastructure investments remain aligned with verified private investment and that the initiative continues to advance long-term economic vitality for Rochester and the State of Minnesota. Please do not hesitate to contact the DMCC or Mayo Clinic should you require additional information. We look forward to continuing to work with the State of Minnesota, the City of Rochester, Olmsted County, Mayo Clinic, and our other partners to ensure the DMC initiative remains accountable, effective, and aligned with the Legislature's intent.

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

**DMCC Certification of Expenditures
2025 -- Non-Mayo Clinic**

| Permit Type | Permit Number | Permit Date | Parcel ID | Address | Valuation | Investment Type (New Construction, Redevelopment-Renovation) | Space Type | Owner | Permit Status | Date |
|-------------|---------------|-------------|-----------|-------------------------|--------------|--|-------------------------------|---|---------------|------------|
| Alteration | R23-0390CB | 4/24/2024 | 12773 | 624 W Center Street | \$ 550,000 | Redevelopment or Renovation | Residential | Gift of Life Inc | C of C | 5/9/2025 |
| Alteration | R24-0219CB | 7/12/2024 | 14431 | 332 S Broadway | \$ 70,000 | Redevelopment or Renovation | Retail, Dining, Entertainment | Robert Beeman | Finald | 1/16/2025 |
| Alteration | R24-0028CB | 8/16/2024 | 25727 | 844 S Broadway | \$ 100,000 | Redevelopment or Renovation | Retail, Dining, Entertainment | TRCH Plaza LLP | C of O | 12/17/2025 |
| Business | R24-0023S | 5/7/2024 | 48797 | 400 SE 4th Street | \$ 22,500 | Redevelopment or Renovation | Retail, Dining, Entertainment | Holiday Station Stores Inc. | Closed | 12/16/2025 |
| Alteration | R24-0257CB | 9/3/2024 | 68010 | 202 SW 1st Ave | \$ 120,000 | Redevelopment or Renovation | Education | Moose Enterprises LLC | Finald | 12/15/2025 |
| Alteration | R24-0341CB | 10/9/2024 | 78115 | 310 S Broadway | \$ 535,000 | Redevelopment or Renovation | Office | 310 Broadway LLC | C of C | 2/25/2025 |
| Alteration | R24-0178CB | 8/16/2024 | 84104 | 217 SW 14 Ave | \$ 195,000 | Redevelopment or Renovation | Residential | Knickerbrocker Berkman LLC | Finald | 2/18/2025 |
| Alteration | R24-0352CB | 11/4/2024 | 4997 | 202 NW 6 Ave | \$ 600,000 | Redevelopment or Renovation | Residential | Rock Block Partners LLC | Finald | 2/12/2025 |
| Alteration | R24-0324CB | 10/7/2024 | 17886 | 111 S Broadway | \$ 500,000 | Redevelopment or Renovation | Retail, Dining, Entertainment | BGD 5 Mall LLC | Finald | 7/24/2025 |
| Alteration | R24-0094CB | 4/25/2024 | 18448 | 301 N Broadway | \$ 75,000 | Redevelopment or Renovation | Retail, Dining, Entertainment | 3rd Charm Enterprises LLC | Finald | 7/30/2025 |
| Alteration | R24-0033MFB | 6/12/2024 | 48706 | 101 NE Civic Center Dr. | \$ 2,304,100 | Redevelopment or Renovation | Residential | EWR Rochester Civic Square Apartments LLC | Finald | 9/2/2025 |
| Alteration | R24-0417CB | 12/11/2024 | 77149 | 1203 SW 2 Street | \$ 45,000 | Redevelopment or Renovation | Retail, Dining, Entertainment | Canadian Honker Restaurant | Finald | 1/21/2025 |
| Alteration | R24-0376CB | 11/7/2024 | 79535 | 123 SW 16 Ave | \$ 200,000 | Redevelopment or Renovation | Retail, Dining, Entertainment | RP Second Street LLC | Finald | 3/12/2025 |
| Alteration | R24-0418CB | 5/29/2025 | 83045 | 10 E Center Street | \$ 85,000 | Redevelopment or Renovation | Retail, Dining, Entertainment | Legacy Fund I LLC | Finald | 5/29/2025 |
| Alteration | R25-0203CB | 6/25/2025 | 14305 | 319 S Broadway | \$ 90,485 | Redevelopment or Renovation | Education | JLB Properties LLC | C of O | 9/30/2025 |
| Alteration | R25-0016CB | 2/27/2025 | 14442 | 30 SE 3 Street | \$ 84,699 | Redevelopment or Renovation | Health | City Center I LLC | Finald | 4/23/2025 |
| Alteration | R25-0128CB | 4/21/2025 | 83795 | 202 SW 4th Street | \$ 93,000 | Redevelopment or Renovation | Research | Mayo Clinic (as building tenant) | C of O | 8/27/2025 |
| Sign | R25-0028S | 4/8/2025 | 88116 | 705 SW 1 Ave | \$ 24,512 | New Construction | Residential | First and B of Rochester LLC | Closed | 10/23/2025 |
| ReRoof | R25-0434RBR | 9/10/2025 | 11525 | 104 SW 16 Ave | \$ 15,000 | Redevelopment or Renovation | Residential | Freetly and Johnson LLC | Finald | 10/8/2025 |

\$5,709,296

Building Permits within the DMC Boundary

(Does not include Mayo Projects)

| Year | Completed Projects |
|--------------|-------------------------------|
| 2023 | \$ 550,000 |
| 2024 | \$ 4,851,600 |
| 2025 | \$ 307,696 |
| TOTAL | \$ 5,709,296 |



March 2, 2026

Matt Varilek
Commissioner
Minnesota Department of Employment and Economic Development
Great Northern Building
180 E. 5th Street #1200
Saint Paul, MN 55101-1351

Dear Commissioner Varilek:

On behalf of Mayo Clinic, I am pleased to share the organization's 2025 report of private investments related to the Destination Medical Center (DMC) initiative. These investments reflect Mayo Clinic's continuing commitment to advancing patient care, research and innovation in Minnesota while strengthening the state's economy and workforce.

In 2025, Mayo Clinic recorded more than \$342.3 million in DMC-qualified investments across Rochester. Most expenditures supported Bold. Forward. Unbound. in Rochester, the largest capital project in Mayo Clinic's history. This transformative effort is reshaping the downtown campus to create flexible spaces for care and discovery, expand patient access and better connect new facilities to the community. Mayo also modernized other key facilities, advancing digital and translational research and improving care delivery for patients, visitors and staff. Each investment supports Mayo Clinic's mission, sustains thousands of jobs and strengthens Rochester's innovation ecosystem, attracting startups and collaborators from across Minnesota and beyond.

Mayo Clinic is grateful for the State of Minnesota's partnership in realizing the DMC vision. This collaboration drives continued investment in Rochester and strengthens Minnesota's standing as a global leader in health care and innovation. As the state's largest private employer, Mayo Clinic's mission and the dedication of our staff ensure these investments deliver lasting impact for patients, communities and our future.

We look forward to continuing this important work with our public partners and the leaders who make Minnesota a global destination for excellence in health and discovery.

Sincerely,

A handwritten signature in cursive script that reads "Natalie Caine".

Natalie Caine
Chief Administrative Officer – Rochester
Mayo Clinic

cc: Kevin McKinnon, Deputy Commissioner of Economic Development, Minnesota Department of Employment and Economic Development

**Certification of Expenditure
Destination Medical Center**

For Calendar Year 2025

Due to Commissioner of Employment and Economic Development (DEED) by April 1, 2026

The Medical Business Entity and the Destination Medical Center Corporation (DMCC) Board of Directors (assisted by the City of Rochester) hereby submit to the Department of Employment and Economic Development (DEED) the following report for expenditures that relate to the Destination Medical Center (DMC) Development for the calendar year 2025, and the certifications required to support the documentation under the City of Rochester Commissioner of Employment and Economic Development State Infrastructure Aid Agreement.

Expenditures Reported this Year

| | | |
|---|-------------------------|----------|
| Total Expenditures Reported This Year by Medical Business Entity ¹ | \$342,327,221.03 | 1 |
| Total Expenditures Reported This Year for other Private Entities ^{1,2} | \$5,709,296.00 | 2 |
| TOTAL Expenditures This Year | \$348,036,517.03 | 3 |

All Expenditures claimed since June 30, 2013

| | | |
|--|--------------------|---|
| Previous Years Expenditures (cumulative) | \$1,792,869,636.48 | 4 |
| TOTAL Expenditures This Year ³ (from Box 3) | \$348,036,517.03 | 5 |
| All Claimed Expenditures as of 12/31/25 (Box 4 plus Box 5) | \$2,140,906,153.51 | 6 |
| Qualified Expenditures claimed in 2025 (Box 6 minus \$200,000,000) | \$1,940,906,153.51 | 7 |

State Aid Qualified for This Year (local government match also required)

| | | |
|---|-----------------|---|
| General State Infrastructure Aid Qualified for (Box 7 multiplied by .0275) | \$53,374,919.22 | 8 |
| State Transit Aid Qualified for (Box 7 multiplied by .0075 and then multiplied by .6) | \$8,734,077.69 | 9 |

By providing my signature below, I am hereby certifying that, to the best of my knowledge, the information stated herein is accurate, true, and complies with the provisions of Minnesota Statutes Section 467.47 and the approved methodology as outlined in the City of Rochester Commissioner of Employment and Economic Development State Infrastructure Aid Agreement.

For Expenditures By the Medical Business Entity:

Mayo Clinic Chief Financial Officer

Date

For all other Expenditures:

Destination Medical Center Corporation

Date

¹Expenditures need to be after June 30, 2013

²Other Private Entities' certification of expenses may be certified retroactively in 2014 after the Destination Medical Center District and Development Plan are adopted.

³This figure is based solely upon project building permit costs. Minn. Stat. § 469.47, subd 1(d) permits additional expenditures, and discussion is underway as to how to document such additional expenditures, which may result in adjustments.

