DESTINATION MEDICAL CENTER CORPORATION

EXECUTIVE COMMITTEE

RESOLUTION NO. EC 14-2026

AUTHORIZING APRIL 1, 2026 CERTIFICATION TO DEED PURSUANT TO STATUTE

The following Resolution was offered by Mark Thein, seconded by Paul Williams.

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.

The question was on the adoption of the Resolution and there were 3 YEAS and 0 NAYS, as follows:

EXECUTIVE COMMITTEE
Destination Medical Center Corporation

	YEA	NAY	OTHER
Mark Thein	X		
Pamela Wheelock	X		
Paul D. Williams	X		

RESOLUTION ADOPTED on March 13, 2026.



ATTEST:_____
Pamela Wheelock, Chair
Destination Medical Center Corporation

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 $2,140,906,153.51 ("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

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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	Finaled	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	Finaled	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	Finaled	2/18/2025
Alteration	R24-0352CB	11/4/2024	4997	202 NW 6 Ave	$ 600,000	Redevelopment or Renovation	Residential	Rock Block Partners LLC	Finaled	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	Finaled	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	Finaled	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	Finaled	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	Finaled	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	Finaled	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	Finaled	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	Finaled	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	Finaled	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**

MAYO CLINIC

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,



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 _____

[1]Expenditures need to be after June 30, 2013

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

[3]This 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.

Form Revised 02/5/2026