

A GLOBAL DESTINATION

For Health & Wellness



DMC

Destination Medical Center
Rochester, MN

MISSION

With Mayo Clinic at its heart, the Destination Medical Center (DMC) initiative will be the catalyst to position Rochester, Minnesota as the world's premier destination center for health and Wellness; attracting people, investment and jobs to America's City for Health and supporting the economic growth of Minnesota and its biosciences sector.



DMC Goals



Create a comprehensive strategic plan



Leverage the public investment of \$585 million



Create approximately 30,000 new jobs



Generate approximately \$7.5 - \$8.0 billion in new net tax revenue



Achieve the highest quality patient, companion, visitor, employee, and resident experience



DMC Corporation (DMCC)

DMC Corporation is a public board who holds authority over the DMC Development Plan & individual projects.

Partners with:

State of Minnesota

City of Rochester

Olmsted County

Mayo Clinic

Economic Development Agency (DMC EDA)

The DMC EDA is a private non-profit agency responsible to develop, implement & operate the DMC Development Plan.

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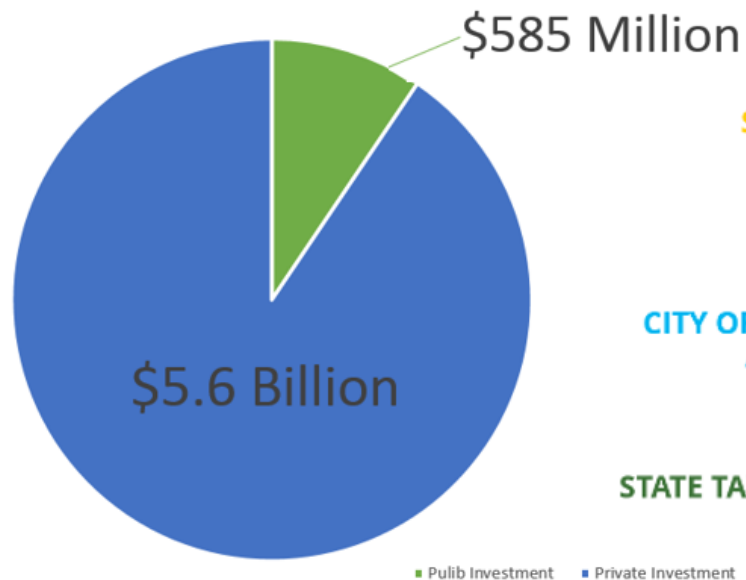
Jessica Schuler



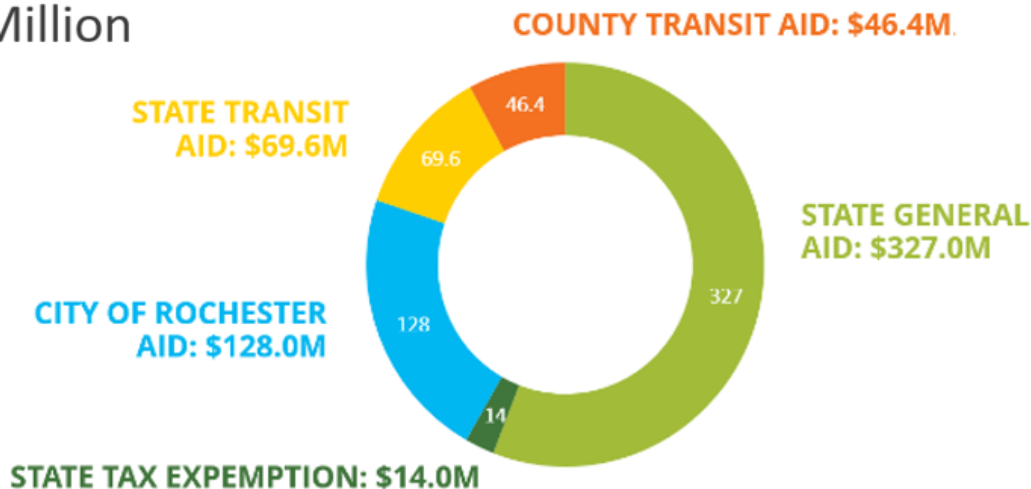
DMC Public-Private Investment Model

Total Investment

Private-to-Public Investment Ratio of approx. 10:1



Public Investment



Five Year Update



5 Year Update Overview

Why a 5-year update?

- To tailor economic development strategies to market conditions
- To account for how DMC catalyzed for economic growth from 2015-2019
- To gather community input
- To meet requirements of State Law

What is included?

- 2015-2019 results
- Plans for DMC Initiative from 2020-2024 (including COVID-19 impact analysis)



Report of Phase 1



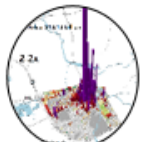
New Jobs

Over 7,000 new jobs were created, and more than 80% of those jobs paid more than Rochester's Area Median Income (which was \$74,880 in 2018).



New Investment

Through 2019, public investments of \$98M spurred private investment of \$963M in Rochester's DMC.



New Tax Revenue

The increase in jobs and investments have led to net new tax revenue ahead of projections at the end of 2019.



Plans + Prototypes

Major mobility and public realm planning and prototyping to tee up longer term projects to further economic growth and high-quality development.

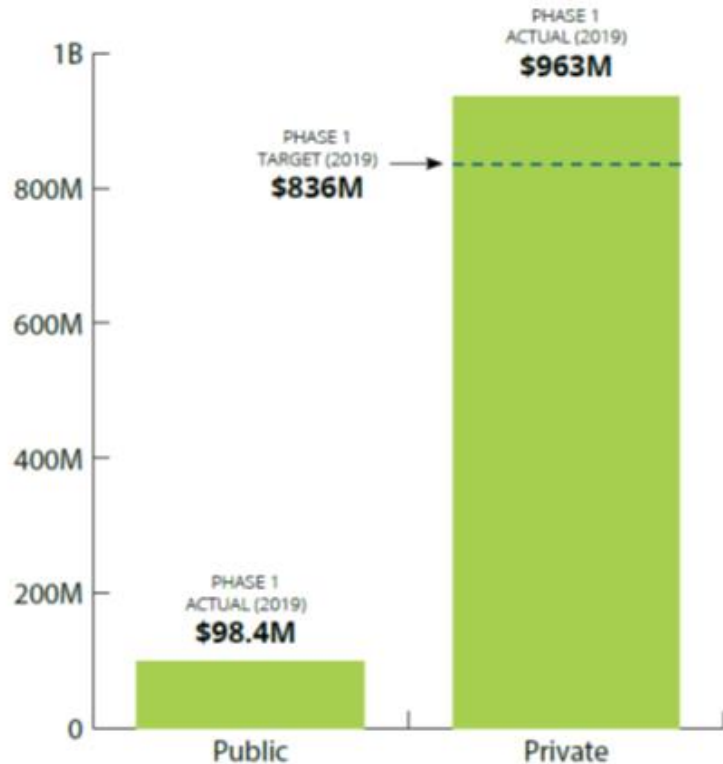


Transforming Experience

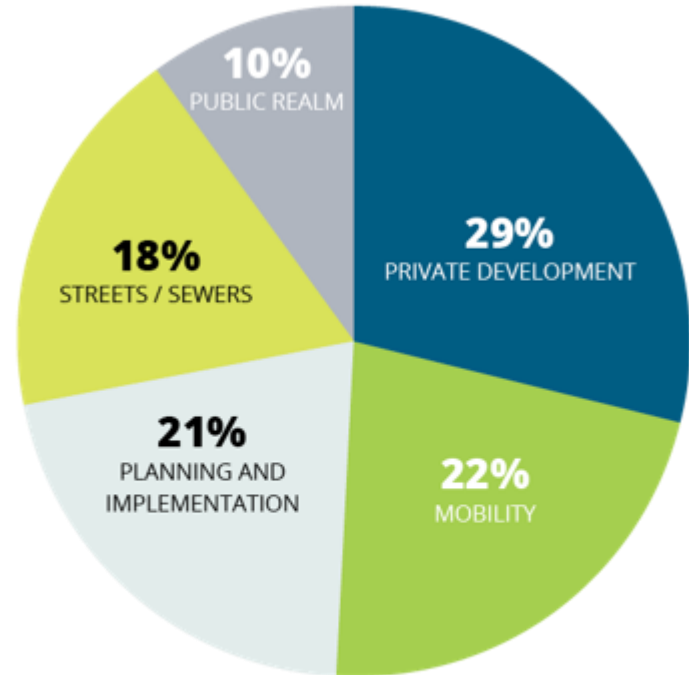
At the heart of it all is DMC's goal of becoming America's City for Health – by building on Rochester's history of care and innovation.



TOTAL INVESTMENT COMMITTED IN PHASE 1



Uses: Public Money (\$98M) in 2015-2019 was committed to these 5 areas





Findings: Impact on DMC Phase 2 Plans

Pre-COVID-19, Rochester had a growing economy. Development was largely aligned with demand. The full impact of COVID-19 is not yet fully understood, but findings indicate:

- **Downtown office space:** Rochester will have excess capacity in due to job loss and growth in remote work
- **Retail and restaurants:** those that depend on employees and visitors will be disproportionately affected
- **Hotels:** experienced a precipitous drop in occupancy rates. With Rochester's hotel pipeline, the market will continue to see occupancy rates below historical averages
- **Housing demand:** remains relatively strong. Growth in downtown residential will help to support the core's retail businesses



Path Forward: Need to Remain Nimble

Unlike natural disasters, this pandemic hit every city in the country. However, not all are developing recovery strategies.

Despite significant losses, Rochester has **fared better** than other cities.

Rochester is starting its recovery **from a place of strength**.

Rochester had a robust and growing economy. The healthcare industry and Mayo Clinic provide stability during weak economies, and the city has the tools from DMC to support growth.





Path Forward: Need to Remain Nimble

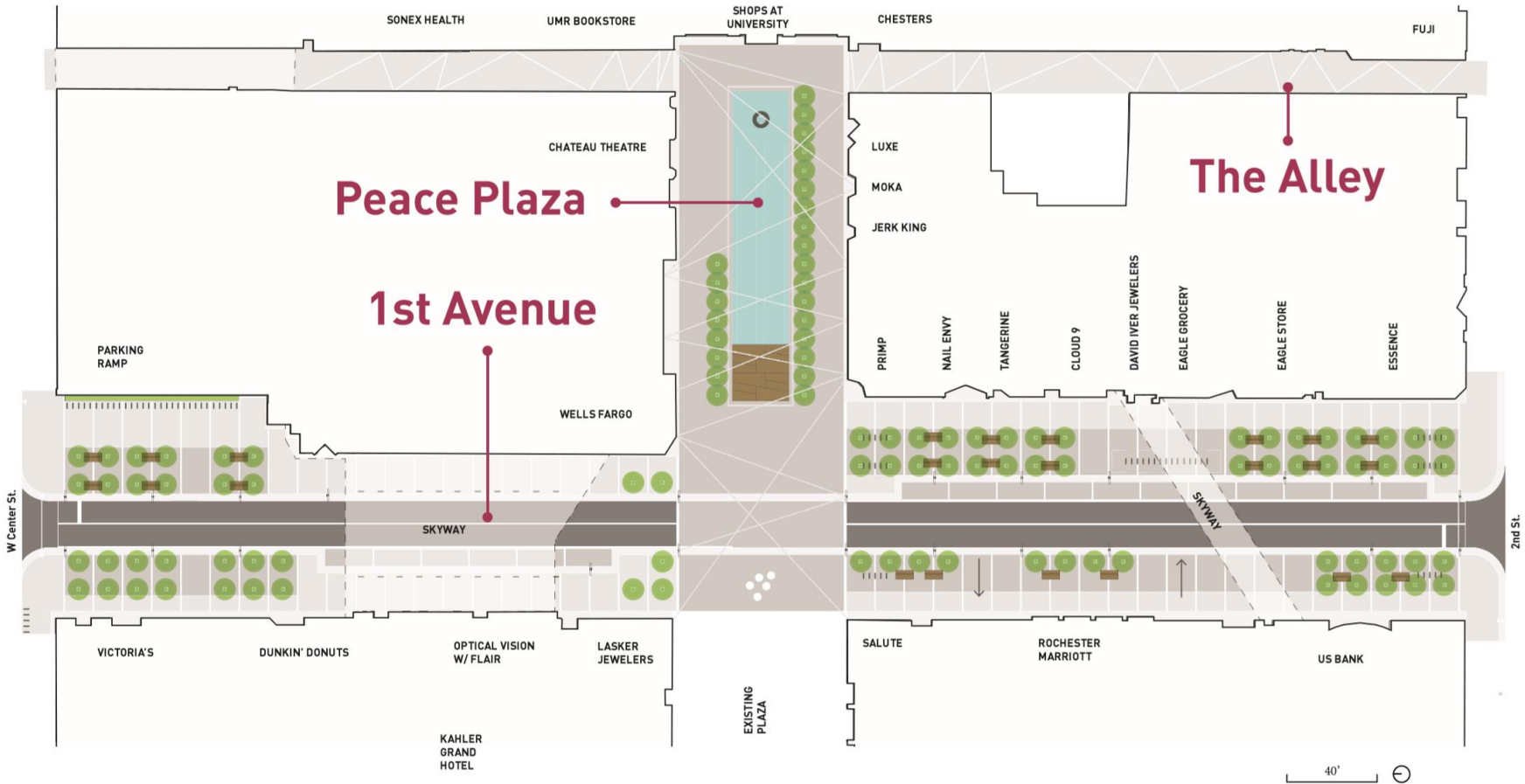
Future economic development strategies should:

1. Support existing local businesses
2. Prioritize public infrastructure
3. Reuse excess real estate capacity creatively
4. Diversify the economy
5. Support development proactively
6. Work from anywhere, work from Rochester

Working Differently: Heart of the City



Site Plan



Heart of the City: Building Differently

- Business Forward Strategy
 - Micro-phasing
 - Communications
 - Programming



Weekly Communications - Zoom Mtgs & Newsletters: project partners, community organizations, business and land owners



WELCOME TO THE HEART OF DOWNTOWN ROCHESTER
PHASE 1 PROJECT UPDATES



Welcome to the weekly progress updates on the Heart of the City Phase One project. You will receive an e-mail every Friday with an overview of construction progress from the past week and a look at what's to come.

The Heart of the City project team is available to help with any questions, concerns, comments and ideas.

You can contact the Heart of the City Team anytime at:

507-328-2021

The project team has heard from many businesses with great questions, ideas and suggestions and we thank you for your help.

Emergency Line: 507-218-3866







Working Differently: Discovery Square + Walk



Discovery Square - Progress

- **Economic Development-** Business recruitment activities continue, now include standing meeting with Mayo Clinic stakeholders for lead generation.
- **Residential and Retail** – Multiple developments now complete
- **Discovery Square 2-** Construction underway, anticipate late Q1/'22 completion.
- **One Discovery Square-** Now 97% leased, with proposals out for remaining space.



Discovery Walk – The New Public Realm

The Reality



The Aspiration



The Design



Discovery Walk – Arts & Community Input

Community Artists



Zoe Cinel



Sophia Chai



Ayub HajiOmar

Community Co-Designers



Wafa Elkhailifa
Sudanese Community Activist



Krista Jacobson
connection to communities dealing with
mobility challenges



Laurie Kumferman
YMCA



Chao Mwatela
RCTC Student Advising



Lap Nguyen
John Marshall High
School student



Jenny Rho
Community Health
Center



Jeremy Westrum
connection to communities dealing
with brain injuries



Discovery Walk - Progress

- **Construction Documents** – 75% complete
- **Underground Utilities** – Highly complex, multiple organizations working out the design, details and scheduling
- **Additional Features from Community** – snow melt, weather shelters and Soldiers Field extension; design and budgets being developed
- **Operations & Maintenance** - City staff developing plan and budget
- **Public Art** – Artist concepts are being integrated into the design documents
- **Business Forward** – Strategy development underway, with stakeholder input



THANK YOU

