

## DESTINATION MEDICAL CENTER CORPORATION

### RESOLUTION NO. 133-2023

#### Authorizing Report to the Legislature Pursuant to Statute

The following Resolution was offered by Brooke Carlson, seconded by R.T. Rybak.

#### 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. The report must include the following specific elements:

- (1) the development plan and any proposed changes to the development plan;
- (2) progress of projects identified in the development plan;
- (3) actual costs and financing sources, including the amount paid with state aid under section 469.47, and required local contributions of projects completed in the previous two years by the corporation, city, county, and the medical business entity;
- (4) estimated costs and financing sources for projects to be started in the next two years by the corporation, city, county, and the medical business entity; and
- (5) debt service schedules for all outstanding obligations of the city for debt issued for projects identified in the plan.

B. The DMCC and City staff have prepared a draft report, due on February 15, 2023, and attached as Exhibit 1. On February 6, 2023, the City Council approved the report.

#### RESOLUTION

**NOW, THEREFORE, BE IT RESOLVED**, by the Destination Medical Center Corporation 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 1, 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.

The question was on the adoption of the Resolution and there were 8 YEAS and 0 NAYS, as follows:

BOARD OF DIRECTORS  
Destination Medical Center Corporation

	<u>YEA</u>	<u>NAY</u>	<u>OTHER</u>
Douglas M. Baker, Jr.	<u>X</u>	_____	_____
James R. Campbell	<u>X</u>	_____	_____
Brooke Carlson	<u>X</u>	_____	_____
Kim Norton	<u>X</u>	_____	_____
R.T. Rybak	<u>X</u>	_____	_____
Mark Thein	<u>X</u>	_____	_____
Pamela Wheelock	<u>X</u>	_____	_____
Paul D. Williams	<u>X</u>	_____	_____

RESOLUTION ADOPTED on February 9, 2023.

ATTEST:   
Pamela Wheelock, Chair  
Destination Medical Center Corporation

# EXHIBIT 1

February \_\_, 2023

The Honorable Erin Murphy  
Chair, State and Local Government and  
Veterans Committee  
Minnesota State Senate  
3211 Minnesota Senate Building  
95 University Ave W  
St. Paul, MN 55155

The Honorable Ginny Klevorn  
Chair, State and Local Government Finance  
and Policy Committee  
581 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155-1206

The Honorable Bruce Anderson  
State and Local Government and Veterans  
Committee  
Minnesota State Senate  
2209 Minnesota Senate Building  
95 University Ave W  
St. Paul, MN 55155

The Honorable Jim Nash  
State and Local Government Finance and  
Policy Committee  
349 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155-1206

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 Hodan Hassan  
Chair, Economic Development Finance and  
Policy Committee  
Minnesota House of Representatives  
597 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155-1206

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 Jon Koznick  
Economic Development Finance and Policy  
Committee  
Minnesota House of Representatives  
281 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155-1206

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

The Honorable Liz Olson  
Chair, Ways and Means Committee  
Minnesota House of Representatives  
479 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155-1206

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

The Honorable Pat Garofalo  
Ways and Means Committee  
Minnesota House of Representatives  
295 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155-1206

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 Aisha Gomez  
Chair, Taxes Committee  
Minnesota House of Representatives  
453 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155-1206

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

The Honorable Greg Davids  
Taxes Committee  
Minnesota House of Representatives  
283 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155-1206

Commissioner Steve Grove  
Minnesota Department of Employment and  
Economic Development  
1<sup>st</sup> National Bank Building  
332 Minnesota Street, Suite E200  
St. Paul, MN 55101-1351

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

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

Re: Destination Medical Center - February 15, 2023 Report

Dear Senators, Representatives, Commissioners, and Chairs:

On behalf of the Destination Medical Center Corporation (the “DMCC”) and the City of Rochester (the “City”), we are pleased to submit this report on the progress of the Destination Medical Center (“DMC”) initiative, in accordance with Minnesota Statutes, Sections 469.40 – 469.47 (the “Act”).

As we look back on the year 2022, the DMC public-private partnership proved instrumental in turning from the challenges posed by the COVID-19 pandemic and towards the future of establishing the City as the world’s premier destination for health and wellness. The certified private investments demonstrate the on-going success of the

DMC initiative. From 2013 through 2021, the collective efforts of Mayo Clinic and other private entities exceeded \$1.2 billion in qualified private investments.

Specifically, in 2022, we certified a total of \$155,147,823.20 for the year ending December 31, 2021, which includes \$110,586,916.31 in Mayo Clinic investments and \$44,560,906.89 in other private investments. The cumulative total of Mayo Clinic and other private investments through 2021 is \$1,262,043,959.32. The City of Rochester has contributed \$56,861,752.23 in certified expenditures from July 1, 2013 through December 31, 2021.

In addition to these certified investments, there are many other projects proposed or under construction, the majority of which are private investments with no direct DMC public assistance. A map of the DMC development district and key projects is attached as Exhibit A.

The success of the DMC initiative may also be measured by employment and tax revenue. As detailed in the Five-Year Update to the Development Plan (the “Five-Year Update”), from 2015 – 2019, the City added approximately 7,700 jobs. More than 80 percent of the new jobs paid more than the City’s Area Median Income of approximately \$75,000. Rochester currently has one of the lowest unemployment rates in the country at 1.6%. Tax value per acre within the DMC district increased from approximately \$0.828 billion in 2015 to \$1.813 billion in 2020. A summary of significant projects is attached as Exhibit B.

This report will provide a brief background of the DMC initiative and then provide the responses required by the Act.

### **Destination Medical Center: Background.**

#### **A. Private Investment Leads the Public Investment.**

The Act required that private investment lead the way for this private-public model of partnership: over \$200,000,000 in Mayo Clinic and other private investment had to occur before any state funding would begin to flow. That threshold was met, and exceeded, in 2017.

#### **B. Development Plan.**

One of the primary goals of the Act was the adoption of a Development Plan. In September 2013, the DMCC established specific goals and objectives for the Development Plan: to create a comprehensive strategic plan, and over the life of the project, to stimulate over \$5 billion in private investment that will be supported by \$585 million in public funds, create 35,000-45,000 new jobs, generate \$7.5 billion to \$8.5 billion in net new tax revenue, and achieve the highest quality patient, visitor, and resident experience.

The Development Plan is the strategic framework for the Destination Medical Center initiative, establishing a comprehensive business and economic development

strategy. It includes land use, transportation and infrastructure planning, market research, funding priorities, business and economic development, and market strategies. Upon making the findings set forth in the Act, including finding that the City had approved the Development Plan, the DMCC adopted the Development Plan on April 23, 2015. The Act requires that the Development Plan be updated not less than every five years. The Five-Year Update was approved by the City and by the DMCC in 2020.

C. Mission Statement.

The DMCC's mission statement provides a framework to guide its work:

With Mayo Clinic at its heart, the Destination Medical Center (DMC) Initiative is the catalyst to position Rochester, Minnesota, as the world's premier destination for health and wellness; attracting people, investment, and jobs to America's City for Health and supporting the economic growth of Minnesota, its bioscience sector, and beyond.

D. Website.

The DMCC's website is: [www.dmc.mn](http://www.dmc.mn). The website contains the regular meeting schedule, meeting agendas, minutes, and other information on DMCC activities, as well as project updates, investor and developer information, subdistrict descriptions, market research, and ongoing activities of the EDA. The City's website, [www.rochestermn.gov](http://www.rochestermn.gov), also has a link to the DMCC website.

**Specific Elements Required to Be Included in the Report.**

Minnesota Statutes, Section 469.43, subd. 8 requires that five elements be included in this annual report.

(1) "The Development Plan and any proposed changes to the Development Plan."

The Development Plan was initially adopted on April 23, 2015 and amended in 2016 and in 2020 to modify the Destination Medical Center Development District, the geographic area in the City of Rochester in which public infrastructure projects are implemented to support DMC.

The Act requires that the Development Plan be updated not less than every five years. In 2020, the Five-Year Update was posted publicly and a public hearing was held. The Development Plan and the Five-Year Update can be found at the DMCC website: <https://dmc.mn/plan-priorities/>.

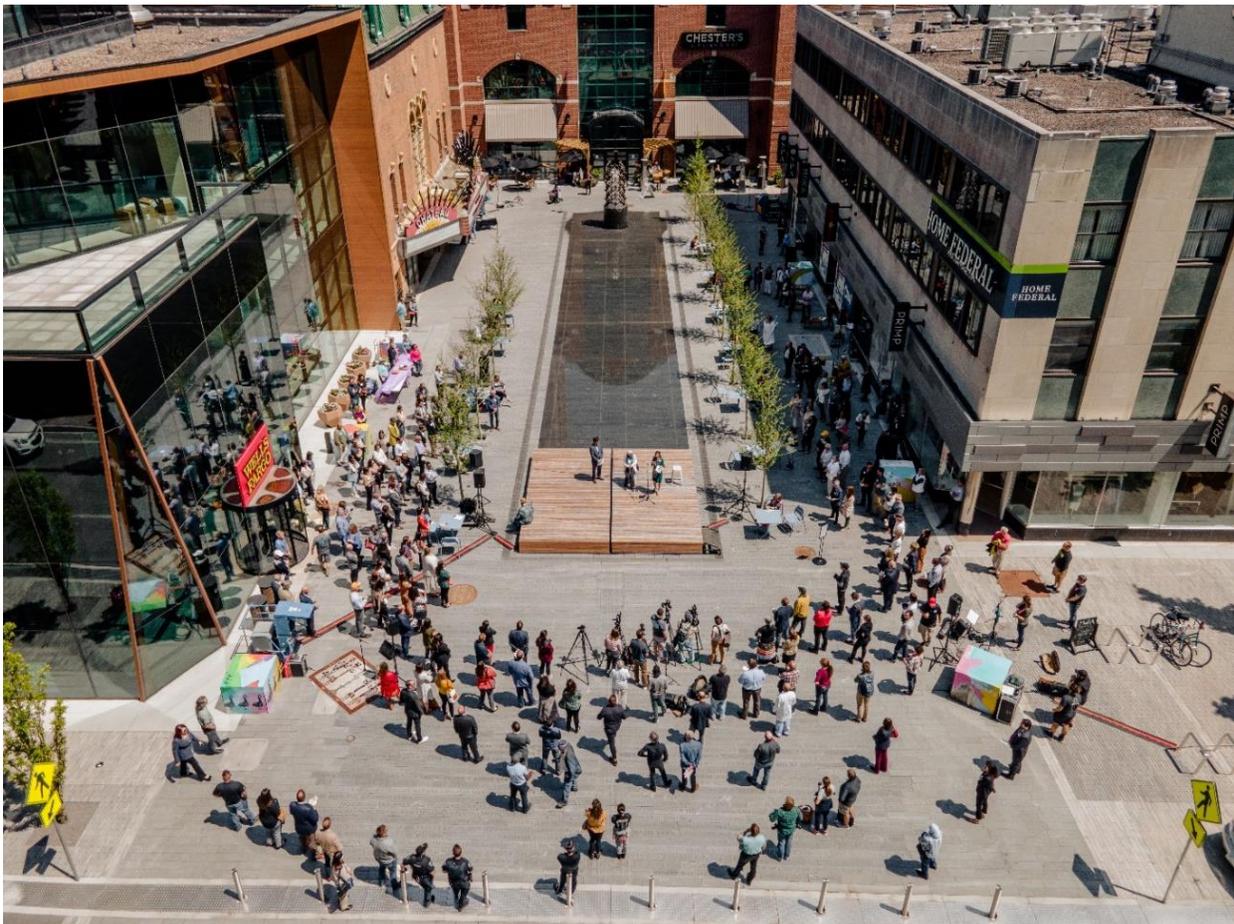
(2) "Progress of projects identified in the Development Plan."

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 note the progress in 2022 of certain approved projects, in particular:

Heart of the City Phase One: Heart of the City creates a true center of the City, where Mayo Clinic, commercial, hospitality, retail, and residential meet. Enhancing public spaces in Peace Plaza and First Avenue in the Heart of the City subdistrict, home to many hotels, restaurants, medical facilities, and entertainment venues, is a long-standing priority. The first phase of this project focused on renovating the east side of Peace Plaza and surrounding areas. New and expanded commercial and retail businesses occurred. A commemoration was held in May to celebrate the significant progress in completing phase one. Completion is expected in 2023.



Discovery Square Updates: Discovery Square is a sixteen-square-block area in the Development District and is the cornerstone of the DMC economic development strategy. As a live, work, and play environment, it has become a hub of biomedical research, education, and technology innovation. In 2022, construction was completed on

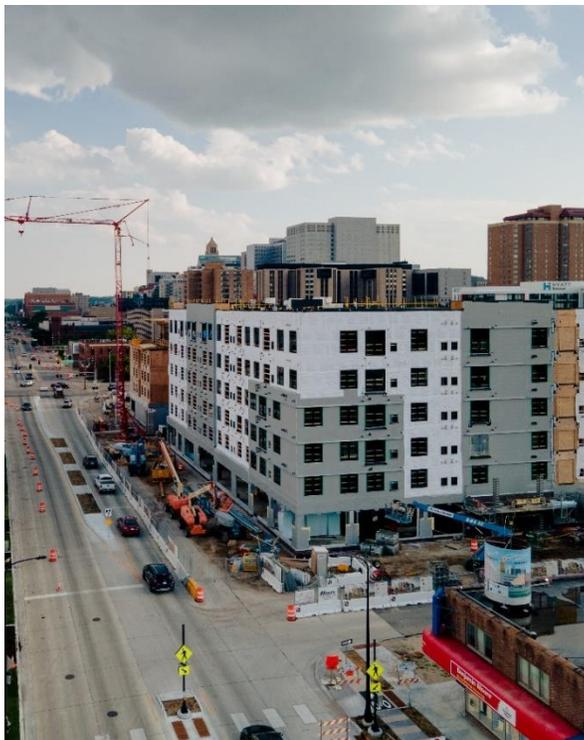
Two Discovery Square, a 125,000 square foot bioscience building that expanded the DMC bio-medical, research, and technology innovation campus. It features tech-forward tenant spaces designed with flexible lab capacity and leading-edge technology.



Discovery Walk: Construction is well underway for Discovery Walk, a four-block linear parkway along 2<sup>nd</sup> Avenue SW. It is planned to connect Annenberg Plaza to Soldiers Field Park and function as an extension of the Heart of the City public realm project. Discovery Walk will serve pedestrians and vehicle traffic while also serving as a catalyst to future private development in Discovery Square. Construction is expected to be completed in 2023.



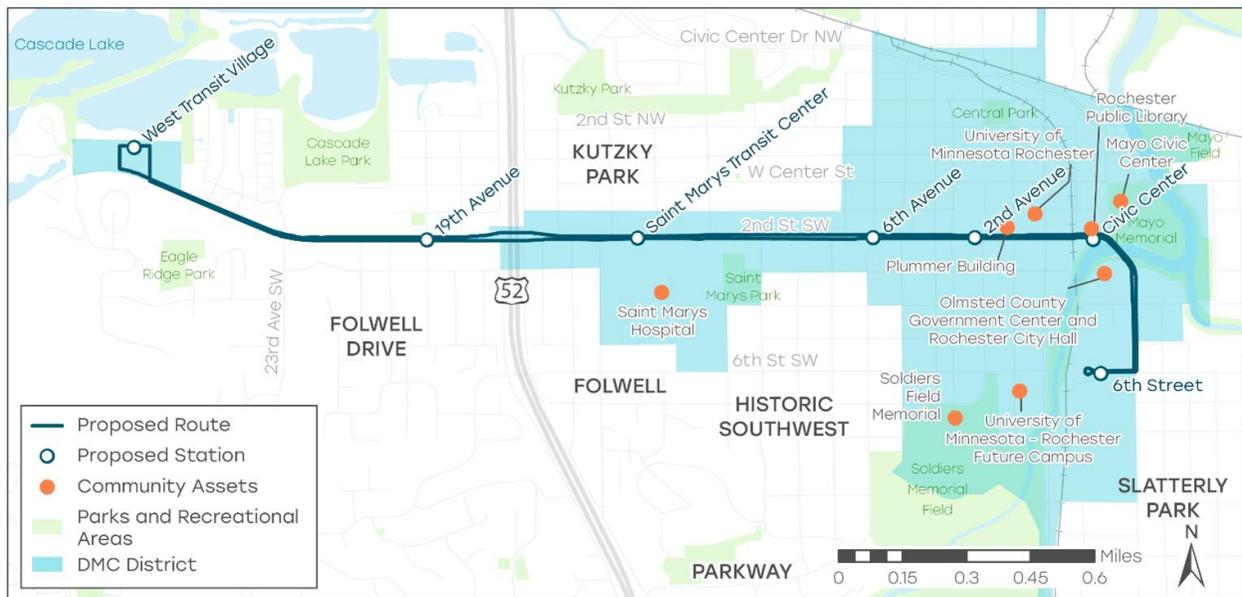
Bryk on Broadway Project: The Bryk on Broadway is a mixed-use, mixed-income apartment building with 180 workforce housing apartments, providing rents at varying levels. Construction is anticipated to be completed in the first quarter of 2023.



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 2022, the City adopted a preferred plan to guide the transformation of the redevelopment area to a future mixed-use neighborhood. Next steps include review by the Army Corps of Engineers, further design work, and interim site activation. In August of 2022, the City was awarded a RAISE grant in the amount of \$19.9 million for the Sixth Street Bridge crossing the Zumbro River. Funds from the DMCC- and City-approved Capital Improvement Plan supported both the small area plan and the Sixth Street Bridge initial planning and design work.



**Mobility:** In 2022, with community input, the DMCC and the City approved revisions to the approximately three-mile bus rapid transit project known as “Link BRT.” They approved a route realignment, including a new station on 6<sup>th</sup> Street SE, west of 3<sup>rd</sup> Avenue SE, and adding a westbound station at the downtown library. In addition, they approved enhanced station design, with weather projection for twelve stations and direct vertical access to pedestrian subways for three stations, to improve the riders’ use. These revisions were made to the pending Federal Transit Administration (FTA) Small Starts application. The amount of DMC funds is expected to remain constant. To advance the long-term success of this project, the City and Mayo Clinic entered a twenty-year operating agreement in which Mayo Clinic will cover the annual local match for operating costs and all riders may use the system without paying fares.



In addition to these projects, the DMCC and the City have approved a Capital Improvement Plan (“CIP”) for public infrastructure projects for 2023. Projects identified in the CIP are categorized as follows: Public Realm, Strategic Redevelopment, Streets and Sewers, and Mobility.

**Public Realm Projects** include:

- Chateau Theatre Improvements and Assets Preservation
- Discovery Walk Construction
- Education-Recreation Subdistrict (Soldiers Memorial Field Park)
- Downtown Waterfront: Riverfront Planning and Design

**Streets and Sewers Projects** include:

- Sixth Street Bridge, Sixth Street SE, Waterfront Connectivity
- Sanitary Sewer Capacity Bypass on 3<sup>rd</sup> Ave. SW

Mobility Projects include:

- Arrive Rochester Implementation
- Rapid Transit Implementation, including Second Street Reconstruction and Streetscape

Soldiers Memorial Field Park (“Soldiers Field”) contains 150 acres of memorials and active recreation space. The northern portion lies within the DMC district and is featured in the Development Plan. Discovery Walk will connect the Heart of the City to Soldiers Field and the Sixth Street Bridge will link Soldiers Field to the downtown waterfront area. In 2022, the City Park Board adopted a short-term Soldiers Field Master Plan. The 2023 CIP includes funding for planning, design, and construction for this significant project.

DMC public realm projects have benefited from a community co-design process that encourages the involvement of individuals and communities most impacted by a project. Community members are retained to assist with reaching previously underrepresented communities and perspectives. It is an example of the efforts to advance equitable and inclusive economic development strategies. Building on the success of community co-design in a variety of DMC-funded projects, in May 2022, a community co-design toolkit was created to assist others with inclusive engagement. It is available at: <https://dmc.mn/dmc-celebrates-community-co-design-toolkit/>.

The DMC-funded projects above reflect 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. Other projects, which are now proceeding without the need for public DMC support, include workforce and market-rate housing, extended stay hotels for patients and companions, renovations to historic properties, world-class medical care and research facilities, co-working space, small business improvements, and more.

(3) “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.”

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 private and Mayo Clinic certified investments to date is \$1,262,043,959.

In compliance with Minnesota Statutes Section 469.47, attached is the annual certification of Mayo Clinic and other private investment that was submitted to DEED on March 23, 2022, as revised June 16, 2022 (Exhibit C). We also attach the revised annual certification of City expenditures, which was submitted to DEED on June 15, 2022 (Exhibit D). DEED conducted its own audit process of the certified expenditures,

requested revisions, and then approved the expenditures. The DEED certifications, dated June 30, 2022, are attached (Exhibit E).

In addition, we offer the following information:

1. Through December 31, 2022, State Infrastructure Aid in the amount of \$97,591,189.36 has been received. No State Transit Aid has been received.
2. Actual costs paid by the City from commencement through December 31, 2022 have totaled \$79,018,424.79, 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 new parking ramp in the district. Just as the Mayo Clinic investments and other private investments have underscored the commitment to DMC, so too have the City contributions.
3. Through December 31, 2022, Olmsted County has contributed \$16,500,000.
4. The 2023 combined operating and capital improvements budget for the DMC totals \$52,181,135, a portion of which (approximately \$8 million) is being paid for with funding other than state funds. Of this amount \$3,419,779 will be provided by Olmsted 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. In addition, Mayo Clinic has pledged financial and in-kind funding to the EDA in the amount of \$1,411,390.

(4) "Estimated costs and financing sources for projects to be started in the next two years by the DMCC, City, Olmsted County and Mayo."

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 response to "2" and "3," above.

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

The debt service schedule is attached as Exhibit F.

CONCLUSION

Thank you for your consideration of this annual report. On behalf of both the DMCC and the City, we welcome your comments or questions. We look forward to continued progress on the Destination Medical Center initiative in 2023.

**DRAFT**

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Pamela Wheelock, Chair  
Destination Medical Center Corporation

**DRAFT**

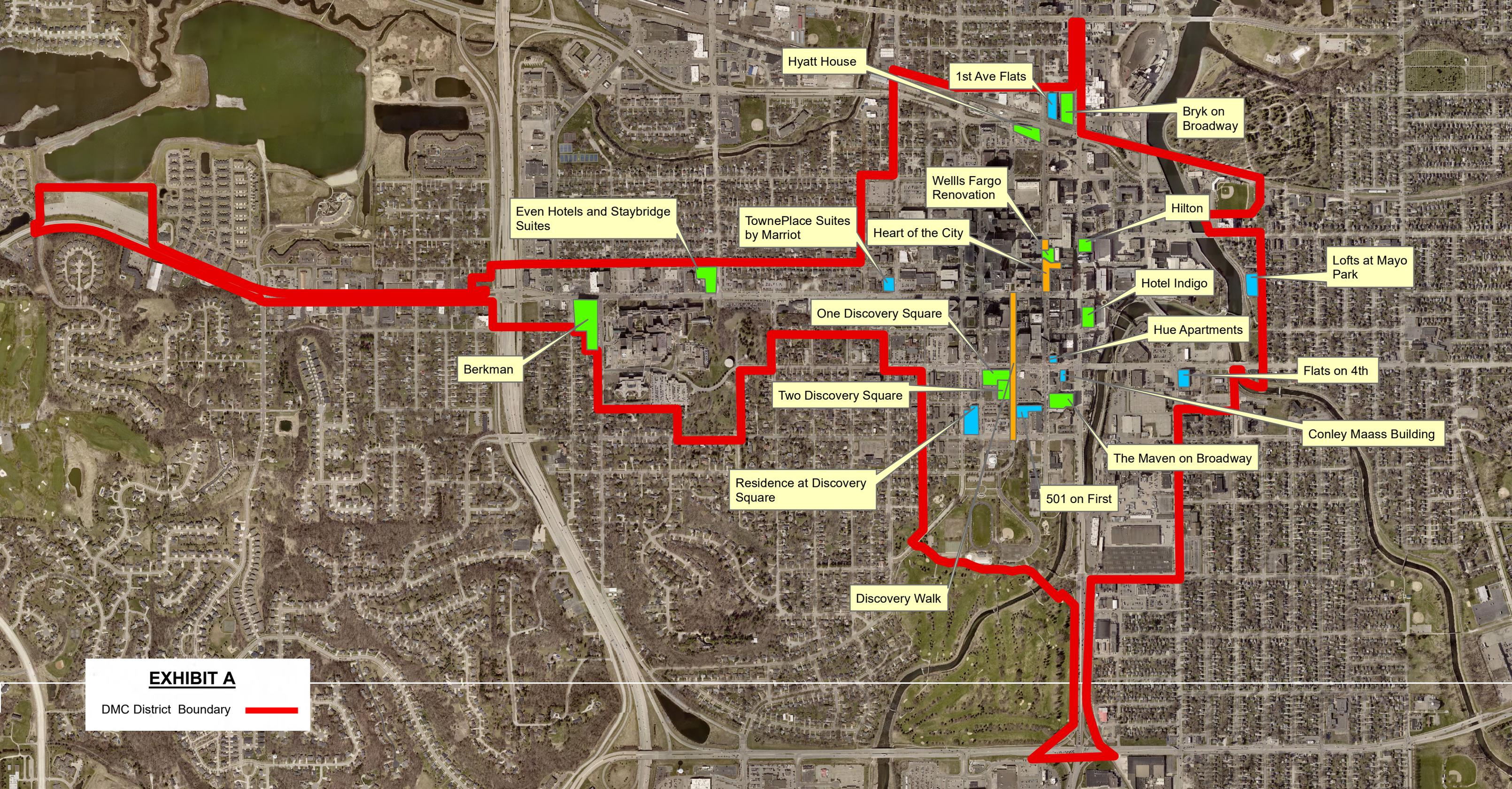
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Kim Norton, Mayor  
City of Rochester

Enclosures  
cc: Legislative Reference Library

## **TABLE OF EXHIBITS**

- Exhibit A** Map of DMC Development District and key projects
- Exhibit B** Summary of major projects
- Exhibit C** Annual certification of Mayo Clinic and other private investment dated March 23, 2022, as revised June 16, 2022
- Exhibit D** Revised annual certification of City expenditures dated June 15, 2022
- Exhibit E** DEED certifications dated June 30, 2022
- Exhibit F** City debt service schedule



Hyatt House

1st Ave Flats

Bryk on Broadway

Wells Fargo Renovation

Hilton

Even Hotels and Staybridge Suites

TownePlace Suites by Marriot

Heart of the City

Lofts at Mayo Park

Hotel Indigo

One Discovery Square

Hue Apartments

Berkman

Flats on 4th

Two Discovery Square

Conley Maass Building

Residence at Discovery Square

The Maven on Broadway

501 on First

Discovery Walk

**EXHIBIT A**

DMC District Boundary 

## **EXHIBIT B**

### **Summary of Major Projects in the Destination Medical Center Development District (Non-Mayo Clinic)**

#### **I. DMCC-APPROVED PROJECTS WITH PUBLIC FUNDING**

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 Apartments (formerly known as the “Alatus Project”): is located on 2<sup>nd</sup> 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.

The Maven on Broadway (formerly known as Urban on First): is located south of 4<sup>th</sup> Street SW between 1<sup>st</sup> 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.

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 will be 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, collaborative and retail space. 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 and is approximately 100 percent leased.

Wells Fargo Renovation (21 1st Street SW): 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.

## **EXHIBIT B**

Hotel Indigo Renovation: The Hotel Indigo project 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.

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 is providing approximately 257 construction jobs and while creating 38 permanent jobs. This project was completed in 2021.

Heart of the City Phase 1 – Peace Plaza: This phase of the project is a renovation of the east side of Peace Plaza and surrounding areas. The construction of this transformative project, which includes improved safety, accessibility, universal design elements, sustainability, integrated art and improved infrastructure, was largely completed in 2022.

Bryk on Broadway Project: This project 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 is expected to be completed the first quarter of 2023.

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.

## II. OTHER PRIVATE PROJECTS

Conley Maass Building: This project involved the renovation of a historic building into a restaurant space and leased space for high tech companies. The renovation was completed in 2016.

1st Avenue Flats: This is 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. The building opened in 2017.

Lofts at Mayo Park: The Lofts at Mayo Park is a five-story, 29-unit market rate rental apartment project, which opened in 2017.

Flats on 4<sup>th</sup>: This project is a six-story mixed use development consisting of 92 rental apartment units, with 19 of the units affordable to persons at 50% of the area median income, and 2,300 square feet of ground floor retail space. The building opened in 2018.

## **EXHIBIT B**

501 on First: 501 on First is a five-story, mixed use development consisting of 84 rental apartment units and 21,000 square feet of commercial/retail spaces. It opened in 2018.

Residence at Discovery Square: The Residence at Discovery Square is 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. It opened in 2019.

Hue Apartments: The Hue Apartments is a six-story, mixed use development consisting of 50 rental apartment units and 2,000 square feet of commercial/retail space. The Hue Apartments opened in 2020.

Even Hotels and Staybridge Suites: This is a 246-unit dual-branded hotel, which opened in 2021.

TownePlace Suites by Marriot: TownePlace Suites by Marriot consists of a 110-unit hotel with two levels of underground parking. The hotel opened in 2021.

## **EXHIBIT C**

**Annual Certification of Mayo Clinic and Other Private  
Investment Dated March 23, 2022  
as revised June 16, 2022**

(Correspondence to Steve Grove, Commissioner, Minnesota  
Department of Employment and Economic Development and  
Attachments 1, 2 and 3)

## EXHIBIT C

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

June 16, 2022

VIA ELECTRONIC AND U.S. MAIL

Steve Grove  
Commissioner  
Minnesota Department of Employment and Economic Development  
1<sup>st</sup> National Bank Building  
332 Minnesota Street, Suite F-200  
Saint Paul MN 55101

Dear Commissioner Grove:

On behalf of the Destination Medical Center Corporation ("DMCC") and Mayo Clinic, I am pleased to forward the following revised materials for the April 1, 2022 certification, pursuant to Minnesota Statutes Section 469.47, Subdivision 2. Since our original submission of the Certification of Expenditures dated March 22, 2022, we have been working with the City and with Jeremy LaCroix and have revised certain numbers as follows:

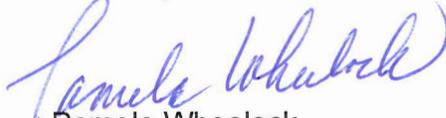
1. DMCC Certification: I enclose the revised DMCC Certification of Expenditures made by an individual or entity, other than Mayo Clinic, for the period ending on December 31, 2021 ("Attachment 1"). The City of Rochester, Minnesota, assisted with the compilation of this report. The amount of 2021 investments set forth in this report is \$44,560,906.89.
2. Mayo Clinic Certification: The Mayo Clinic certification has not changed since our submission dated March 22, 2022. I enclose correspondence and accompanying materials from Christina Zorn, J.D., Chief Administrative Officer, Mayo Clinic, dated March 3, 2022 ("Attachment 2"). Mayo Clinic is certifying expenditures for the period of January 1, 2021 through December 31, 2021 in the amount of \$110,586,916.31.
3. Summary of Investments: The revised summary page, entitled, "Certification of Expenditures, Destination Medical Center" is enclosed, setting forth total cumulative expenditures through December 31, 2021, in the amount of \$1,262,043,959.32 ("Attachment 3").

## EXHIBIT C

Commissioner Steve Grove  
June 16, 2022  
Page 2

Thank you for your consideration, and please do not hesitate to contact either 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 Destination Medical Center initiative.

Sincerely,



Pamela Wheelock

Chair

Destination Medical Center Corporation

Enclosures

cc: Destination Medical Center Corporation Board of Directors  
Dennis Dahlen, Mayo Clinic  
Jeremy LaCroix

## EXHIBIT C - ATTACHMENT 1

### 2021 Tracking Worksheet

#### Building Permits within the DMC Boundary

(Does not include Mayo Projects)

Year	Completed Projects
2014	\$ 38,400
2018	\$ 584,079
2019	\$ 7,585,007
2020	\$ 14,490,740
2021	\$ 438,000
<b>TOTAL</b>	<b>\$ 23,136,226</b>

#### 2019/2020 Destination Medical Center - Partially Completed Projects Tracking

Project	Address	Total Building Permit Value	2019	2020	2021
			Partial Completed Work	Completed Work	Completed Work
Hyatt House	315 1st Ave. NW	\$ 32,253,475.00	\$ 6,940,448.00	\$ 24,151,076.04	\$ 1,161,950.96
Eleven02	101 11th Ave. SW	\$ 29,690,975.00	\$ 4,159,810.90	\$ 24,377,346.96	\$ 1,153,817.14
		\$ 61,944,450.00	\$ 11,100,258.90	\$ 48,528,423.00	\$ 2,315,768.10

#### 2020 Destination Medical Center - Partially Completed Projects Tracking

Project	Address	Total Building Permit Value To Date	2020	2021
			Partial Completed Work	Completed Work
Two Discovery Square	415 2Ave SW	\$ 20,161,480.00	\$ 5,553,179.85	\$ 14,608,300.15

#### 2021 Destination Medical Center - Partially Completed Projects Tracking

Project	Address	Total Building Permit Value To Date	2021
			Partial Completed Work
Brky Apartments	401 N Broadway	\$ 25,000,000.00	\$ 4,500,612.64

**TOTAL \$ 44,560,906.89**

## EXHIBIT C - ATTACHMENT 1

Commercial Bldg	Alteration	R14-0094CB	3/14/2014	017965	101 E CENTER ST, ROCHESTER, MN 55904	\$38,400	Replaced all old windows, replace some brick that is bad and fill some holes	A & K Properties	Finald	11/17/2021
Commercial Bldg	Alteration	R18-0144CB	8/1/2018	017926	21 SW 1 ST, ROCHESTER, MN 55902	\$584,079	Interiorrenovation of existing retail bank including electrical, plumbing and HVAC. (Wells Fargo)	Wells Fargo	CO	10/13/2021
Commercial Bldg	Alteration	R19-0364CB	10/17/2019	018102	211 NW 2 ST 1311, ROCHESTER, MN 55901	\$75,000	Alteration to an existing dwelling unit. (Charter House)	CHARTERHOUSE INC - Deborah Kenitz	Finald	12/2/2021
Commercial Bldg	Alteration	R19-0308CB	12/9/2019	048779	624 SW 3 AVE, ROCHESTER, MN 55902	\$600,000	Adding an elevator to an existing 60,791 sf church. (Zumbro Lutheran Church)	ZUMBRO EVANGELICAL LUTHERAN	CO	1/26/2021
Commercial Bldg	Alteration	R19-0361CB	12/27/2019	025320	709 SW 1 AVE, ROCHESTER, MN 55902	\$47,924	Whirlpool equipment remodel and adding mechanical room. (Rochester Area Family YMCA)	YOUNG MEN'S CHRISTIAN ASSOCIATION	Finald	12/6/2021
Demolition	Commercial	R19-0015D	7/3/2019	017784	324 SW 1 AVE, ROCHESTER, MN 55902	\$50,000	Demolition of single story art building and existing parking lot	Ackerberg Group	Finald	12/6/2021
Demolition	Commercial	R19-0017D	7/25/2019	075680	1101 SW 2 ST, ROCHESTER, MN 55902	\$35,000	Demo of Virgil's Building	ROCHESTER HOTEL PARTNERS LLC	Finald	12/6/2021
Demolition	Commercial	R19-0021D	9/6/2019	017760	405 SW 1 AVE, ROCHESTER, MN 55902	\$40,000	Tear down and remove entire Damsey restaurant structure	Premier Bank	Finald	12/6/2021
Commercial Bldg	Commercial	R19-0211CB	2/27/2020	83133	601 SW 2 ST, ROCHESTER, MN 55902	\$5,437,083	Footing, foundation to level to for 6 story 110 unit hotel with 2 levels of underground parking. (TownePlace Suites by Marriott)	Portland Hotel LLC	Finald	8/13/2021
Commercial Bldg	Commercial	R19-0432CB	2/19/2020	81707	19 SW 1 AVE ROCHESTER, MN 55902	\$1,300,000	Tenant improvement new restaurant space within Kahler Hotel. (Olde Brick House)	Ringneck Restaurants Inc	CO	11/23/2020
Multi-Family Bldg	Alteration	R20-0020MFB	08/28/20	11576	1111 2 ST SW, ROCHESTER, MN 55902	\$30,913	Reinforcement of existing roof structure to accommodate the increase snow loading due to the 1102 Hotel built next to it. (Eleven02 Hotel Snow Drift)	Tyler Miles	Finald	12/13/21
Sign	Business	R20-0086S	08/25/20	83133	123 6 AVE SW, ROCHESTER, MN 55902	\$612,000	Wall signs for Towneplace Suites [lit] "TOWNEPLACE SUITES BY MARRIOTT"; "Will & Charlie's Pub	Persona Sign Company	Finald	12/13/21
Commercial Bldg	Alteration	R20-0050CB	04/08/20	83795	202 4 ST SW 240, ROCHESTER, MN 55902	\$612,468	Build out of second level space for new office use tenant. (Discovery Square)	Silver Lake Investors	CO	06/28/21
Multi-Family Bldg	Alteration	R20-0013MFB	04/20/20	17786	325 1 AVE SW, ROCHESTER, MN 55902	\$727,504	Reroofing, tuckpointing, window replacement, new entry doors, carpet, water piping, HVAC, lighting and misc. alteration throughout building. (Newbridge Apartments)	Tapestry Companies	CC	03/01/21
Sign	Business	R20-0073S	07/14/20	17784	33 4 ST SW, ROCHESTER, MN 55902	\$23,336	Wall signs for The Hue [lit]	ACKY-324 LLC	Finald	12/13/21
Commercial Bldg	New	R20-0053CB	08/05/20	83133	601 2 ST SW, ROCHESTER, MN 55902	\$11,660,444	New 6 story 110 guest room hotel with 2 levels of underground parking. (TownePlace Suites by Marriott)	TPS ROCHESTER I LLC	CO	08/13/21
Demolition	Demolition	R20-0009D	5/20/20	75694	18 1 Ave SE, Rochester 55904	\$824,075	Demolition and removal of existing building (former Post Bulletin building) on site	PB Rochester Investments LLC	Finald	12/13/21
Commercial Bldg	Alteration	R21-0027CB	2/4/2021	14505	44 SE 4 ST, ROCHESTER, MN 55904	\$ 20,000.00	Partial remodel of main level. Adding conference room, moving office, updating bathroom. (Schatz Law Firm)	Michael Schatz	Finald	8/27/2021
Commercial Bldg	Alteration	R21-0031CB	2/10/2021	17894	155 SW 1 AVE, #140, ROCHESTER, MN 55902	\$ 80,000.00	Interior alteration to existing by expanding kitchen line, adding a new hood and oven. (Bruegger's Bagel)	Fred Leon	C of C Issued	4/30/2021
Commercial Bldg	Alteration	R21-0156CB	5/24/2021	48779	624 SW 3 AVE, ROCHESTER, MN 55902	\$ 75,000.00	Remodel of approximately 1620 sq.ft. of existing space into a space for youth. (Zumbro Lutheran Church)	ZUMBRO EVANGELICAL LUTHERAN Sara Lichty	C of C Issued	12/2/2021
Commercial Bldg	Alteration	R21-0167CB	6/4/2021	81808	210 N BROADWAY AVE, #103, ROCHESTER, MN 55906	\$ 75,000.00	Fit-up of the Suite #103 at the Queen Center (210 N. Boadway) for "The Fit Loon"	SKIATHOS LLC	C of C Issued	10/19/2021
Commercial Bldg	Alteration	R21-0352CB	10/7/2021	17926	21 SW 1 ST, #102, ROCHESTER, MN 55902	\$ 25,000.00	interior demolition and remodel for Wells Fargo	ROCHESTER PROPERTY OWNER LLC	C of C Issued	10/28/2021
Multi-Family Bldg	Alteration	R21-0005MFB	3/2/2021	18102	211 NW 2 ST, #816, ROCHESTER, MN 55901	\$ 125,000.00	Remodel of apartment #816. (Charter House)	Kenitz	Finald	9/8/2021
Multi-Family Bldg	Alteration	R21-0037MFB	7/27/2021	81810	207 SW 5 AVE, APT 608, ROCHESTER, MN 55902	\$ 38,000.00	Kitchen Remodel	Cindy Boese	Finald	12/15/2021

\$23,136,226

## EXHIBIT C - ATTACHMENT 2



200 First Street SW  
Rochester, Minnesota 55905  
507-284-2511

March 3, 2022

Steve Grove  
Commissioner  
Minnesota Department of Employment and Economic Development  
1st National Bank Building  
332 Minnesota Street, Suite E-200  
Saint Paul, MN, 55101-1351

Dear Commissioner Grove:

Attached with this letter is Mayo Clinic's certification of qualified expenditures of the medical business entity for the Destination Medical Center (DMC) initiative from January 1, 2021, to December 31, 2021. The amount of qualified investment is approximately \$110.6 million. Major projects included the continued modernization of Mayo Clinic Hospital, Saint Marys Campus; many improvements to Mayo Clinic's downtown Rochester, Minnesota, campus; and investment in DMC's Discovery Square life science sub-district.

As in prior years, Mayo Clinic is taking a conservative approach when counting DMC-eligible capital expenditures. Overall, we spent more than \$340 million on capital projects and equipment in Rochester in 2021 including improving our medical tissues archive and purchasing world-class medical equipment. In total, we plan to invest more than \$1 billion in Rochester facilities and equipment between now and 2025. Through 2021, our DMC investment totals more than \$762 million.

Looking back on 2021, I am grateful for our hard-working staff—in Minnesota and across the globe—who have put the needs of the patient first and sustained Mayo Clinic as a beacon of hope and healing. Last year, our dedicated Mayo Clinic team served more than 1.4 million patients, administered more than 1.1 million COVID-19 tests, and expended more than \$1 billion on research activities. Mayo Clinic also committed to investing in our people and our communities, including a guaranteed 4% minimum salary increase for eligible allied health staff in 2022 and community investments in Rochester totaling more than \$8.5 million including significant contributions to the Coalition for Rochester Area Housing, the Southeast Regional Crisis Center, and COVID-19 outreach and education.

Together, these commitments to our patients, our people, and the places where we live and work demonstrate Mayo Clinic's continued efforts to sustain and grow Rochester as a global destination medical center. We remain committed to achieving the long-term DMC development and investment goals and, despite COVID-19, we remain on a strong path. We look forward to continuing our DMC partnership with the city of Rochester, Olmsted County, and state of Minnesota.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Christina Zorn".

**Christina Zorn, J.D.**  
Chief Administrative Officer  
Mayo Clinic

# EXHIBIT C - ATTACHMENT 2

## Permitted Expenditures from July 1, 2013 to December 31, 2021

Approval Date	Project/Req Number	Project/Equipment Name	2013 - 2020 Expenditures Reported	Prior Years Expenditures not previously reported	2021 Expenditures	Total Expenditures reported for 2021	Total Spent as of December 31st 2021
02/18/11	7R100580	Mary Brigh East Expansion	2,065,139.65	-	-	-	2,065,139.65
11/09/12	7R110910	Dermatology Remodel	9,123,648.24	-	-	-	9,123,648.24
11/09/12	7R121480	Sports Medicine Center	5,666,939.49	-	-	-	5,666,939.49
07/03/13	7R121370	2915 Warehouse Infrastructure	693,219.52	-	-	-	693,219.52
07/10/13	7R130470	Core 200 SMH Operating Room Renovation	1,411,411.46	-	-	-	1,411,411.46
07/10/13	7R100320	Anatomic Pathology Office Remodel	476,041.94	-	-	-	476,041.94
07/10/13	7R121490	Psychiatry and Psychology Master Plan, Phase 1A - Genereose Mair	1,213,985.91	-	-	-	1,213,985.91
07/11/13	7R120570	Development Remodel	2,679,274.32	-	-	-	2,679,274.32
08/01/13	7R130980/7R130981	Bed Tower Modernization MB east	44,118,257.74	-	-	-	44,118,257.74
08/01/13	7R130990/7R130991	Domitilla 3 Modernization	7,762,425.78	-	-	-	7,762,425.78
08/14/13	7R130650	Remodeling laboratory space on Guggenheim 5.	265,065.75	-	-	-	265,065.75
08/29/13	7R130810	Saint Marys Hospital Chiller Addition	4,631,632.46	-	-	-	4,631,632.46
09/25/13	7R130180	Institute Hills Chiller Replacement	441,903.16	-	-	-	441,903.16
11/06/13	7R130820	Radiation Oncology Room "E" Linear Accelerator Replacement	188,793.94	-	-	-	188,793.94
12/11/13	7R110200	DLMP Phlebotomy Remodel	1,615,648.60	-	-	-	1,615,648.60
02/05/14	7R120870	Mary Brigh Electrical Upgrades (Phase 3)	2,002,781.62	-	-	-	2,002,781.62
02/21/14	7R121420	SDSC Expansion Construction Only	21,500,990.14	-	-	-	21,500,990.14
02/26/14	7R121080	Creation of the consolidated freezer and BAP facility at the 2915 Warehouse	4,006,693.46	-	-	-	4,006,693.46
02/26/14	7R130690	Remodeling of multiple laboratories on Guggenheim 8	774,090.58	-	-	-	774,090.58
03/19/14	7R131440	Four Operating Rooms Off Core 700	3,082,756.73	-	-	-	3,082,756.73
04/23/14	7R131300	Remodeling within the Metabolomics Core on Alfred 5	616,212.48	-	-	-	616,212.48
20/20/14	R2007523 / 7R131300	Thermo TSQ Triple Quadrupole MS (assets 147506 & 145344)	596,292.00	-	-	-	596,292.00
04/23/14	7R131420	Remodeling within Opus 1 to accommodate space for a new CT machine	480,162.90	-	-	-	480,162.90
04/30/14	7R131270	Employee and Community Health Southeast Clinic	4,326,200.60	-	-	-	4,326,200.60
04/30/14	7R120690	Cardiac Catheterization Procedure Room 103 Remodel - Saint Marys, M	412,584.91	-	-	-	412,584.91
06/04/14	7R140130	Gonda 5, 5th PET/CT Installation & Uptake	301,874.69	-	-	-	301,874.69
06/18/14	7R140540	Executive, Development and International Program Expansion - Mayo Ea	1,389,522.23	-	-	-	1,389,522.23
07/02/14	7R131400	DOM 3/4 Infrastructure Revisions for Remodeling	2,109,759.78	-	-	-	2,109,759.78
07/23/14	7R130760	Clinical Genome Sequencing, Lab Expansion	296,600.82	-	-	-	296,600.82
08/14/14	CPC2010723 / 7R130820	Varian Medical Systems (asset 145374)	3,334,879.00	-	-	-	3,334,879.00
08/20/14	7R140480	CMCT and Prev. Med. Relocation Gonda 18 to Mayo East 17	358,383.16	-	-	-	358,383.16
03/04/15	7R140790	Cancer Center Station Eisenberg 4-3	892,147.20	-	-	-	892,147.20
03/18/15	7R140780	CT Simulator I Replacement Chariton S-259, S-261	191,170.81	-	-	-	191,170.81
11/13/14	CPC2010473/7R140780	CT Scanner - 5yr (Asset 162815)	687,812.80	-	-	-	687,812.80
04/29/15	7R150070	Chariton 2 Incremental 3T Body Scanner	749,773.48	-	-	-	749,773.48
04/29/15	CPC2015146/7R150070	3T Siemens Skyra MRI (asset 166875, 167065-167082)	1,637,261.00	-	-	-	1,637,261.00
05/13/15	7R150080	SMC, Mary Brigh Main NH, MR-MCR 1.5T Replacement Scanner	448,573.83	-	-	-	448,573.83
05/13/15	CPC2015438/7R150080	GE, 1.5T Optima MR450W (asset 165084, 165346-165359)	1,130,292.00	-	-	-	1,130,292.00
05/13/15	7R150090	SMC, Mary Brigh Main NH, MR-MCR 1.5T Replacement Scanner	595,824.88	-	-	-	595,824.88
05/13/15	CPC2015436/7R150090	DISCOVERY MRI Mary Brigh (assets 169437, 171643, 171651, 171661-)	1,513,704.55	-	-	-	1,513,704.55
07/22/15	7R130230	Renovation Mary Brigh Main, PACU - Phase 4	2,059,423.01	-	-	-	2,059,423.01
05/14/15	7R140390	SMH Mary Brigh East Corridor Relocation	4,918,632.07	-	-	-	4,918,632.07
02/25/15	7R140970	Dr. Lee Diamond Reactor Lab Remodel on Med Sci SL	226,408.57	-	-	-	226,408.57
7/23/2014	7R131280	MR-RO-CN-1-MR/PET installation	781,558.09	-	-	-	781,558.09
3rd qtr 2014	CPC2007008/7R131280	GE, DISCOVERY MR750 PET (Assets 149876, 150145-150157, 150668)	3,698,538.02	-	-	-	3,698,538.02
8/20/2014	7R140140	CT Scanner Replacements (3L, 3Z & 4J) - somatom - CH 2	561,057.62	-	-	-	561,057.62
3rd qtr 2014	CPC2010196/7R140140	Somatom Force CT (Asset 157628)	1,831,372.00	-	-	-	1,831,372.00
12/11/2014	7R140770	Linear Acc Replace Rm "C"	185,937.00	-	-	-	185,937.00
08/14/14	CPC2010723/7R140770	VARATHON MEDICAL; TRUE BEAM (Asset 162800)	2,895,908.00	-	-	-	2,895,908.00
08/14/14	CPC2010184/7R140770	SIEMENS; CT EDGE (Asset 163463)	856,459.02	-	-	-	856,459.02
08/14/14	CPC2010189/7R140770	SIEMENS; SOMATOM DEFINITION (Asset 164325)	862,578.20	-	-	-	862,578.20
10/9/2014	7R140160	Incremental MRI Body Scanner	603,049.87	-	-	-	603,049.87
08/14/14	CPC2010068/7R140160	SIEMENS; SKYRA 3T MRI (Asset 157191, 157322-157339)	1,859,239.00	-	-	-	1,859,239.00
12/12/2013	7R121290	GO3 Build 2 CT Bays	656,293.35	-	-	-	656,293.35
11/13/14	CPC2010188/7R121290	SIEMENS; SOMATOM FORCE CT (Asset 149843)	1,750,000.00	-	-	-	1,750,000.00
05/08/14	CPC2008778/7R120690	PHILIPS; XPER FD20 (Assets 147302, 147339, 147392)	1,649,213.30	-	-	-	1,649,213.30
1/9/2015	7R140090	Neurology Renovation, Mayo 8	4,989,615.93	-	-	-	4,989,615.93
8/21/2014	7R140220	Mayo 8 - Lobby Remodel	1,137,290.91	-	-	-	1,137,290.91
4/28/2015	7R140700	Vascular OR Core 801 SMH	1,059,949.88	-	-	-	1,059,949.88
5/30/2014	7R140170	Rad Vascular Imaging Ste 90	144,461.29	-	-	-	144,461.29
5/8/2014	CPC2008468/7R140170	SIEMENS MEDICAL; ARTIS ZEE (Asset 146871, 146872)	985,408.00	-	-	-	985,408.00
2/4/2013	7R130050	CT MBM Incremental Interventional CT	1,268,114.01	-	-	-	1,268,114.01
8/1/2013	CPC2002220/7R130050	SIEMENS; DEFINITION EDGE CT (Asset 148622, 148623)	1,315,697.00	-	-	-	1,315,697.00
10/15/2014	7R140150	CH N Neuro Scanner CN I-119C	561,796.54	-	-	-	561,796.54
8/14/2014	CPC2010082/7R140150	SIEMENS; PRISMA 3T MRI and Accessories (Asset 157677, 157935-157936)	2,241,875.00	-	-	-	2,241,875.00
12/11/14		USPS Building Purchase (Asset 156757, 156758)	2,185,017.25	-	-	-	2,185,017.25
8/14/2014	CPC2007616/7R140130	Land for Ronald McDonald House (Asset 147588, 147589)	1,000,203.16	-	-	-	1,000,203.16
2/17/2016	7R151530	GE, DISCOVERY 710 PET Scanner (Asset 148389)	2,103,046.58	-	-	-	2,103,046.58
5/25/2016	7R151390	Fixed Wing Building	533,262.51	-	-	-	533,262.51
5/29/2016	7R150870	Hematopathology Consolidation, Hilton Building 7th Floor	2,018,886.34	-	-	-	2,018,886.34
8/31/2016	7R160520	Vacate EI 7-17-2 Dermatology Phototherapy Phototherapy Relocation	439,830.58	-	-	-	439,830.58
3/31/2016	7R151490	Relocation of Respiratory Care Unit	1,184,489.68	-	-	-	1,184,489.68
6/30/2016	7R150740	Linen Service Depot-3939 Building	1,882,309.32	-	-	-	1,882,309.32
7/8/2016	7R151570	Media On Demand Replacement Project	699,440.19	-	-	-	699,440.19
4/27/2016	7R150760	Temporal Bone Lab remodel (original \$600K)	126,259.12	-	-	-	126,259.12
6/8/2016	7R160850	Dr. Misra Laboratory, Gugg 6	314,232.69	-	-	-	314,232.69
9/14/2016	7R160340	Lab Remodel Gugg 17 and 18	507,816.33	-	-	-	507,816.33
9/28/2016	7R151450	Space assignment for Dr. Burns and Dr. Scarisbrick surgery - Guggenhe	372,474.03	-	-	-	372,474.03
6/30/2016	7R140810	Guggenheim 13 Space Remodel	286,997.78	-	-	-	286,997.78
11/1/2015	7R151060, 7R15108E	Chariton Desk R Lobby Remodel	397,223.24	-	-	-	397,223.24
2/17/2016	7R150100	Jacobson Building Operating Rooms	23,568,520.11	-	-	-	23,568,520.11
2/17/2016	CPC2021826/7R150100	Chariton 1 PET/CT (DRX-1 Replacement) E-3006	132,948.22	-	-	-	132,948.22
May 2016	7R150210	GE - Discovery PET/CT 710 (Asset 178322)	1,500,726.20	-	-	-	1,500,726.20
9/29/2016	CPC2026475/7R150010	Gastroenterology & Hepatology Renovation	7,362,527.52	-	-	-	7,362,527.52
9/29/2016	CPC2026509/7R150010	Stryker Sales Corporation - Alfred & Integration (Assets 180598-180603)	1,126,322.95	-	-	-	1,126,322.95
Aug 2016	7R160670	Philips Fluoroscopy (Assets 181122-181123)	1,335,625.38	-	-	-	1,335,625.38
2/1/2014	7R140100	TT MRI Scanner	1,916,246.30	-	-	-	1,916,246.30
11/1/2015	7R150830	SMH Campus Radiology Consolidation	23,568,544.51	-	-	-	23,568,544.51
11/1/2015	7R150670 & 7R150671	Mary Brigh East Tower Additional Floors	17,320,752.84	-	-	-	17,320,752.84
12/1/2015	7R150970	Eisenberg 7-1 and 7-2	6,312,270.07	-	-	-	6,312,270.07
11/19/2015	7R131510	Pre Post Expansion on Gonda 2 Gonda 2-467	266,028.69	-	-	-	266,028.69
11/4/2015	7R141050	Franklin Heating Station Chiller #4 Replacement	2,286,167.61	-	-	-	2,286,167.61
5/9/2016	CPC2023942/7R141050	Mary Brigh 4, Room 106 Heart Rhythm Services Remodeling	538,985.91	-	-	-	538,985.91
11/4/2015	7R141060	Siemens - Fluoroscopy 106 (Asset 172294)	1,508,299.00	-	-	-	1,508,299.00
8/1/2016	CPC2024041/7R141060	Mary Brigh 4, Room 111 Heart Rhythm for Equipment Replacement	217,834.13	-	-	-	217,834.13
11/4/2015	7R150850	Siemens - Siemens fluoroscopy room 111 (Asset 179164)	801,942.00	-	-	-	801,942.00
11/4/2015	CPC2019384/5/7R150850	Chariton North MR-MCR NU 9T Replacement Scanner	354,930.50	-	-	-	354,930.50
11/4/2015	7R150840	MAGNETOM Prisma 3T (asset 173601)	2,184,842.00	-	-	-	2,184,842.00
5/1/2015	7R141150	Chariton North MR-MCR NT 1.5 Replacement Scanner	587,509.18	-	-	-	587,509.18
5/1/2015	R2017007/7R141150	SIEMENS; 1.5T OPEN 70CM (assets 169436, 171642, 171650, 171652-171653)	1,188,732.00	-	-	-	1,188,732.00
5/1/2015	7R141150	Research Biplane Angiography System Replacement	78,970.28	-	-	-	78,970.28
5/1/2015	R2017007/7R141150	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

# EXHIBIT C - ATTACHMENT 2

## Permitted Expenditures from July 1, 2013 to December 31, 2021

Approval Date	Project/Req Number	Project/Equipment Name	2013 - 2020 Expenditures Reported	Prior Years Expenditures not previously reported	2021 Expenditures	Total Expenditures reported for 2021	Total Spent as of December 31st 2021
		Precision Medicine Initiative					
May-16	7R160100, 7R160101, 7R160102						
	7R160103						
2Q16	R2025131/7R160100	Moloman (Asset 184543)	8,392,748.33				8,392,748.33
2Q16	R2025134/7R160100	Autogen (Assets 175437-175447)	4,031,557.00				4,031,557.00
2Q16	R2025138/7R160100	Hamilton Star (Assets 171685, 172326)	2,023,074.27				2,023,074.27
2Q16	R2025143/7R160100	Hamilton Bios Freezer (Asset 186447)	440,763.20				440,763.20
2Q16	R2025249/7R160100	Hamilton Bios Freezer (Asset 186447)	5,127,252.84				5,127,252.84
3Q16	R2026730/7R160100	PerkinElmer Spectrophotometer (Asset 169459)	39,920.00				39,920.00
3Q16	R2026898/7R160100	Hamilton Robotic Upgrades	45,951.00				45,951.00
4Q16	R2027700/7R160100	Hamilton Star (Asset 179090)	235,653.10				235,653.10
1Q17	R2030177/7R160100	Hamilton Tube Handler - REQ# 2027700	34,358.20				34,358.20
2Q17	R2031170/7R160100	Hamilton Capper/Decapper Motoman Line (Asset 183593)	77,010.00				77,010.00
3Q16	R2026141/7R160100	Hamilton Star EasyBlood Liquid Handler (Assets 181647-181649)	776,489.90				776,489.90
4Q16	R2027695/7R160100	Verso M2 - (Asset 179334)	729,256.34				729,256.34
1Q17	R2029764/7R160100	Hamilton EasyBlood Units (Assets 176522-176524)	721,818.90				721,818.90
1Q18	R2035655/7R160100	Hamilton Bios PMI #3 (PO 20028966)	4,030,363.09				4,030,363.09
11/1/2015	7R150570, 7R15057A-7R15057D	Hamilton Freezer Bios HL20 (PO 20031301)	2,509,226.94				2,509,226.94
8/11/2016	CPC2025789/7R15057B	Mary Brigh East Operating Rooms	727,108.67				727,108.67
8/11/2016	CPC2026999/7R150570A	Siemens - Artis Zeego Card. Thorax (Asset 180570)	1,466,062.00				1,466,062.00
12/1/2015	7R151460	GE - Discovery IGS 740 (Asset 179172)	1,363,946.45				1,363,946.45
12/1/2015	7R151470	Gonda 14 Radiographic Room DR Conversion E15-3011 RAD-MCR-GO	112,034.00				112,034.00
12/1/2015	7R150980	Gonda 14-158 Duo DR Replacement, E15-3014 RAD-MCR-GO14-158	154,034.23				154,034.23
8/19/2015	7R150650	West Pre/Post Remodel, Mary Brigh Main	2,022,954.79				2,022,954.79
8/19/2015	CPC2015772/7R150650	Radiology - Charlton 1, VG6 Replacement E15-3003	138,704.91				138,704.91
9/21/2016	7R160970	GE, DISCOVERY 670 PRO	948,408.45				948,408.45
12/21/2016	7R151630	Cardiovascular Diseases Patient Appointment Coordinator	200,409.53				200,409.53
12/21/2016	7R160540	Reproductive Endocrinology and Infertility Relocation	2,378,634.23				2,378,634.23
12/31/2016	7R151000	Remodel Mary Brigh 6 to increase Medical ICU capacity	1,954,174.55				1,954,174.55
5/25/2016	7R151380	Mayo Building - Substation MA-E-5 Replacement	612,251.93				612,251.93
6/14/2017	7R151560 & 7R170130	Pharmacokinetics Core Relocation	469,019.61				469,019.61
3/15/2017	7R151400	Remodel Baldwin 1 for ISP / Baldwin 1 Entry Vestibule Replacement	4,186,165.25				4,186,165.25
3/15/2017	7R160790	Mycology/TB Expansion Hilton 8	3,256,953.15				3,256,953.15
9/6/2017	7R151290	CMIL/NIL Relocation and Expansion, Hilton 7	1,511,410.88				1,511,410.88
9/6/2017	7R160160	Human Cellular Therapy N2 Tank Storage Facility	491,016.90				491,016.90
9/6/2017	7R170260	Conversion of OR 609 from Hybrid OR to Conventional OR	496,613.67				496,613.67
9/30/2017	7R170730	Gonda 2 Decontamination Space Remodeling	285,911.99				285,911.99
2/2/2017	7R161520	Eisenberg AHU S-55 Replacement to Support REI Practice Relocation 41st Street	803,858.23				803,858.23
8/10/2016	7R160940		4,892,701.70				4,892,701.70
3/8/2017	7R160110	Guggenheim 15-02 Integration of core facility and laboratory program	368,357.82				368,357.82
6/22/2016	7R160750	Aging Center Space Remodel, Guggenheim 7	551,139.89				551,139.89
12/7/2016	7R161510	Stabile 11 Lab construction - Revzin	314,372.07				314,372.07
1/11/2017	7R160980	Installation of Open MRI System, Opus 1	590,676.24				590,676.24
10/5/2016	7R160980	Lab renovation ST 11, CRM recruit, Dr. Quinn Peterson	121,165.35				121,165.35
1/4/2017	7R160290 & 7R160280	Saint Marys Campus Complex Intervention Unit	2,237,613.54				2,237,613.54
11/10/2016	CPC2026320/7R160280	E16-3005 MR MCR-GO3 1.5 MR Scanner #1	1,276,416.38				1,276,416.38
3/30/2017	7R161300	Siemens - MAGNETOM Aera (Asset 182886; 182863-182881)	1,688,565.00				1,688,565.00
12/7/2016	7R140380	RMC S-8 AHU Replacement	599,281.36				599,281.36
5/25/2016	7R151430	SMOP/Radiology Desk	3,571,641.14				3,571,641.14
5/25/2016	CPC2023488/7R151430	Mary Brigh Main SMC Radiology Hybrid Procedural Suite - MR Suite	2,180,505.45				2,180,505.45
10/1/2018	7R110520	Philips - Ingenia 1.5T Omega HP R5 Q1 (Asset 183632; 183685-183897)	1,474,847.09				1,474,847.09
10/1/2018	7R140180	SMH Bulk Medical Gas Systems Replacement	977,452.73				977,452.73
7/24/2018	7R140240	Mary Brigh Main West Entrance Upgrades	1,136,995.31				1,136,995.31
6/13/2018	7R150600	Neurology EEG/Epilepsy Remodel - DO 2 & JO 2	1,149,596.73				1,149,596.73
11/28/2018	7R151140	Gugg 13 Remodel	484,303.51				484,303.51
5/3/2018	7R151420/CPC2036523	Plummer Library Renovations Phase 3&4	433,105.21				433,105.21
2/22/2018	7R160610	Philips Healthcare (Asset 196890)	423,890.40				423,890.40
6/30/2018	7R160730	Office of Information Security Consolidation	1,117,001.99				1,117,001.99
11/6/2018	7R161270	Brackenridge Education Room Build out	526,051.76				526,051.76
7/1/2018	7R161450	USP 800 Hazardous Drug Handling Remodel	1,045,577.42				1,045,577.42
10/1/2018	7R161500	SMC Chilled Water Distribution Loop	934,150.96				934,150.96
3/1/2018	7R170050	Joseph Bidg Scope A Centralized Infrastructure	3,276,910.54				3,276,910.54
3/14/2018	7R170110	RMC S-5 Air Handling Unit Replacement	952,822.05				952,822.05
5/24/2017	7R170450	Tissue Typing Lab Pre-DNA Extraction Contamination Control	353,779.74				353,779.74
2/22/2018	7R170480	Retrofitting Med Sci 5 large animal facility, DCM Phase I	637,314.97				637,314.97
6/13/2018	7R170500	Consolidation/Relocation of Revenue Cycle	2,129,432.35				2,129,432.35
6/27/2018	7R170800	Gonda 15 Conversation of Family Waiting Room to Pre/Post Space	587,084.72				587,084.72
3/14/2018	7R170900	GU 5 Chakraborty lab construction, remodel west bay of GU 5	848,596.35				848,596.35
3/14/2018	7R180140	SMC OR 604,608, and 600 Decontamination Room Remodel, MB 1	1,118,164.67				1,118,164.67
6/13/2018	7R180150	E-18-3009 NM-MCR-CH1-R-PET/CT DRX2	159,572.79				159,572.79
7/1/2018	7R180440	SC18-3002 RAD-MCR-MAE4-I-Thoracic Reading Rooms	253,593.73				253,593.73
10/1/2018	R2050799 / 7R180440	Medical Sciences 3 (Dr. A. Pandey and Proteomics Core)	231,534.87				231,534.87
10/1/2018	R2050806 / 7R180440	Pandey Biosafety Hoods-REQ#-R2050799 (PO 20033617) (Assets	13,362.24				13,362.24
10/1/2018	R2050567 / 7R180440	Pandey BIOGNOSYS License-REQ#-R2050806 (PO 20033762)	12,000.00				12,000.00
		Pandey Fusion Lumos_2018-REQ#-R2050567 (PO 20033806)	1,308,079.83				1,308,079.83
		Pandey Lab Fisher Capital 1-REQ#-R2049967 (PO 20033266) (Assets					
		189861,190212,190906,193852)	57,209.39				57,209.39
10/1/2018	R2050783 / 7R180440	Pandey VWR shaker-REQ#-R2050783 (PO 20033611) (Asset	6,893.59				6,893.59
10/1/2018	R2050789 / 7R180440	Pandey Nikon scope-REQ#-R2050789 (PO 20033602) (Asset 190249)	18,759.83				18,759.83
2/1/2018	8R170470	Centralized Distribution of Utilities 41st Street	4,944,173.53				4,944,173.53
12/31/2016	7R151620	Hilton Substation Replacement	2,479,367.29				2,479,367.29
11/15/2017	7R170850	E17-3006 CT-MCR-GO3-R-3V Scanner	59,889.05				59,889.05
11/15/2017	CPC2030830/7R170850	Siemens Somatom Force (Asset 185457)	1,930,400.00				1,930,400.00
3/15/2017	7R140260	Psychiatry & Psychology Master Plan Phase I	1,482,321.51				1,482,321.51
3/16/2017	7R160140	Upgrade of Medium Voltage Switch Center	1,034,828.91				1,034,828.91
6/14/2017	7R160370	Mary Brigh Kitchen Replacement East Tower Ground Level	1,646,319.22				1,646,319.22
3/15/2017	CPC160390/7R160390	E16-3010 MCR-DT-Incremental Downtown CT Scanner #1	1,726,161.72				1,726,161.72
6/14/2017	7R160430	Siemens Somatom Force CT (Asset 188881)	2,084,921.00				2,084,921.00
6/14/2017	7R160640	E16-3009 RAD-MCR-GO14 Radiographic Room DR Conversion	308,593.62				308,593.62
9/6/2017	7R160910	Patient Lifts for Mary Brigh PCU SC & 5F	829,680.46				829,680.46
3/15/2017	7R160950	Mary Brigh Shell Space Fit-Up (NICU & PICU)	411,886.88				411,886.88
11/15/2017	7R161180	Antibody/Protein Immunology & Clinical Immunoassay Lab Relocation	3,644,272.87				3,644,272.87
11/15/2017	7R161200	Saint Marys Dialysis Unit	3,452,808.69				3,452,808.69
11/15/2017	CPC2032958/7R161200	E17-3005 MR-MCR-MBM-R-MR29 Replacement	780,175.64				780,175.64
11/15/2017	7R161280	GE, Signa Artist 1.5T (Assets 188037-188049)	990,208.00				990,208.00
10/26/2016	7R161350	Enhanced Critical Care Expansion	171,586.57				171,586.57
11/8/2017	7R170040	Relocation of Dr. Rajiv Kumar's Laboratory to GU 6, Drs. J. Grande and	280,649.20				280,649.20
12/31/2017	7R170080	Gonda 19 space remodel	267,061.02				267,061.02
1Q17	7R160310, 7R16031E	SMC Mary Brigh Surgical Services AHU Replacement	2,047,419.63				2,047,419.63
9/27/2017	7R160230	Mary Brigh 3rd Floor OR Rooms Fit Out	24,543,539.46				24,543,539.46
	R2050020 / 7R160230	Research PET/CT Charlton 6	2,291,819.29				2,291,819.29
4/11/2019	7R181000	Biograph Vision 600 (asset 192309)	2,015,000.00				2,015,000.00
4/11/2019	ROBB18C0010	REO Makeup and Export Water Tank	831,767.94				831,767.94
3/13/2019	7R180860	Global Business Solutions Consolidation	353,569.35				353,569.35
2/1/2019	7R170210	RST SMC/RMC Visitor Cafeteria	20,786.96				20,786.96
		Mail Order Pharmacy Relocation	7,545,680.99				7,545,680.99

# EXHIBIT C - ATTACHMENT 2

## Permitted Expenditures from July 1, 2013 to December 31, 2021

Approval Date	Project/Req Number	Project/Equipment Name	2013 - 2020 Expenditures Reported	Prior Years Expenditures not previously reported	2021 Expenditures	Total Expenditures reported for 2021	Total Spent as of December 31st 2021
4Q2019	CPC2034616, CPC2049576, CPC2049796, CPC2049797 / 7R170210	Pharmacy Automation - Innovation (Asset 195397)	2,722,535.76			-	2,722,535.76
2Q17	7R161540,7R170920,7R170922-7R170924, 7R17092E	Discovery Square	10,637,549.74		515,897.26	515,897.26	11,153,447.00
1Q17	7R161010,7R161020,7R161030,7R161031,7R161040-7R161042,7R161050,7R161060,7R161070,7R161080,7R161090,7R161100,7R161110,7R161120-7R161123,7R161130,8R160740	SMC Modernization and Growth	113,201,160.34		13,480,545.52	13,480,545.52	126,681,705.86
5/8/2019	7R160701	Sports Medicine Relocation to DAHLC 4	1,052,000.19		7,766.16	7,766.16	1,059,766.35
2/14/2019	7R170400 / ROAW19C0010	Archives Warehouse Tissue Registry Expansion	5,417,883.59		829,525.61	829,525.61	6,247,409.20
1/16/2019	7R170540	Redesign of Jacobson Locker Room	186,270.76				186,270.76
10/24/2018	7R170820	Remodel of GIH Research Space GU 17, Phase 1	1,075,337.47		212,374.74	212,374.74	1,287,712.21
5/30/2019	7R180100	SMH River Room	280,770.05		580,280.36	580,280.36	861,050.41
10/2/2019	7R180120	RST E18-3008 MR-MCR-GO3-I-3T MR Scanner	851,472.87				851,472.87
3/23/2018	R2036200 / 7R180140	Discovery MI 25CM (Asset 189900)	2,697,744.00				2,697,744.00
9/19/2018	7R180160	Radiology Office Space and 3D Lab on Joseph 6	2,916,525.65		553,814.08	553,814.08	3,470,339.73
7/27/2018	7R180200	SMC Decontamination Remodel Equipment and Replacement	1,265,367.54		20,173.90	20,173.90	1,285,541.44
6/25/2019	7R180240	RST Impact Lab Expansion CAR-T Cell Initiative	4,438,955.85		852,441.17	852,441.17	5,291,397.02
11/13/2019	7R180310	0068-18 E18-3021-RAD-MCR-MSH-MMB-R-RAD DR Conversion	412,119.12		1,688.00		413,807.12
8/15/2018	7R180360	Eisenberg Dumbwaiter Replace	1,229,313.11		1,410,068.65	1,410,068.65	2,639,381.76
9/30/2019	7R180450	Administrative Drop In Center	790,558.69		8,540.52	8,540.52	799,099.21
10/9/2019	7R180480	Dr. Pipe Lab-DiscSe1	843,180.42		6,685.50	6,685.50	849,865.92
10/18/2018	7R180610	Mayo Clinic Food Service, RMC	501,259.24		30,473.77	30,473.77	531,733.01
12/10/2018	7R180690	3D Metal Printer for Div of Engineering	724,548.73		(4,219.00)	(4,219.00)	720,429.73
2/14/2019	7R180750	41st Street Complex Employee Cafeteria	1,008,670.00		248,234.37	248,234.37	1,256,904.37
3Q2019	7R180900	RMC Eisenberg AHU-S62 Replacement	1,322,622.51		11,838.13	11,838.13	1,334,460.64
2Q2019	ROFF19C0010	41st St Complex Infrastructure Upgrades- Phase 3	728,311.55		728,311.55	728,311.55	1,020,934.06
3Q2019	ROJO18C0020	Joseph 1 Northwest Local Infrastructure-SMC River Room Expansion	85,696.04		24,890.22	24,890.22	110,586.26
8/28/2019	ROJO19C0010	0050-19 RST Creation of New MED 13 Hospital Service	4,729,460.52		298,572.25	298,572.25	5,028,032.77
2/14/2019	ROMA18C0020	Mayo 11 Remodel	7,283,353.56				7,283,353.56
6/28/2019	ROMB19C0030	RST SMC Sterile Processing Renovations	685,561.71		17,430.84	17,430.84	702,992.55
6/28/2019	ROOP19C0010	Opus MRI install	152,222.73		874.72	874.72	153,097.45
6/26/2019	R2064500/ROOP19C0010	3T GE Signa MRI (Assets 200174-200180; 200183)	5,468,004.77	1,506,529.08		1,506,529.08	6,974,533.85
6/13/2019	ROXX18C0020	Healthcare Technology Management Expansion at 1937 Building	260,590.09		1,237.50	1,237.50	261,827.59
10/2/2019	ROXX19E0180	RST Practice Optimization Acceleration	237,673.42		3,166.65	3,166.65	240,840.07
8/27/2018	7R151420	E17-3007 DE-MCR-CT-MBM-I-MP Hybrid Suite Phase 2	1,274,983.34		17,191.00	17,191.00	1,292,174.34
6/28/2018	7R170290	PHILIPS; AZURION 7 M20 (Asset 192750)	1,259,678.14				1,259,678.14
12/6/2018	7R180260	Human Cellular Therapy Expansion	1,237,268.47		803,679.01	803,679.01	2,040,947.48
8/12/2019	ROSI19C0010-ROSI19C0016	Revenue cycle consolidation / relocation	3,977,536.11		1,180.20	1,180.20	3,978,716.31
9/30/2019	7R170280	Subway Refresh Project	16,134,594.23		3,797,428.99	3,797,428.99	19,932,023.22
9/30/2019	R2047012 / 7R180120	GE, SIGNA PREMIER 3T (Assets 197210; 197272-197290)		2,635,208.68		2,635,208.68	2,635,208.68
11/01/19	7R170590	Remodel Mayo W15 Lobby and Reception	-	39,498.20	991,746.01	1,031,244.21	1,031,244.21
07/17/19	7R170750	Block 6 Parking Ramp Disco Square	-	732,687.87	5,171,212.85	5,903,900.72	5,903,900.72
12/10/2020	7R170980	Saint Marys Hospital Shared Procedural/Simulation/Techology	-	258,276.23	1,956,920.93	2,215,197.16	2,215,197.16
09/19/18	7R180180	RMC Surgical Remodel Phase 2 of 5	-	3,786,562.95	12,279,715.32	16,066,278.27	16,066,278.27
12/18/19	7R180280	Patient Lift Installations Mary Brgh 6C	-	31,443.39	253,843.14	285,286.53	285,286.53
9/29/2021	7R180300	Gonda 9 GIH Endoscopy Remodel	-	349,191.43	1,670,217.40	2,019,408.83	2,019,408.83
3/31/2020	7R180420	E18-3004 CT-MCR-ETM-I-MP-HPS-Phase 3	-	35,286.59	200,885.80	236,152.39	236,152.39
6/23/2021	7R180590/ROJO18C0030	2018 Nurse Call System Replacement	-	97,306.68	152,632.62	249,939.30	249,939.30
06/26/19	7R180970	CV EchoStress Consolidation with Renovation on Joseph 4 Infrastructure	-	158,912.74	1,167,967.64	1,326,880.38	1,326,880.38
06/26/19	CPC2053403 / 7R180970	E19-3007 MR-CMR-NCL-I 3T	-	298,669.25	415,519.05	714,188.30	714,188.30
04/10/19	7R180980	SIEMENS; MAGNETOM VIDA ( Assets 203494-203498; 203501)	-	18,472.86	499,250.55	517,723.41	517,723.41
04/10/19	CPC2051426 / 7R180980	E19-3004 MR-MCR-CNLR-NP MR Scanner	-	-	2,350,807.00	2,350,807.00	2,350,807.00
9/30/2020	8R141000	GE; SIGNA PREMIER 3T (Assets 206384,207102,207104,207105,207106)	-	-	2,350,807.00	2,350,807.00	2,350,807.00
12/16/20	ROE120C0150	Saint Marys Campus Peace Garden Landscaping	-	239,962.82	402,289.34	642,252.16	642,252.16
12/18/19	ROFF19C0020	EI 07 Eisenberg 7-4 Remodel	-	55,397.51	2,451,588.39	2,506,985.90	2,506,985.90
12/04/19	ROGE19C0010	FF 01 Comprehensive Occupational Recovery and Care Coordinat	-	95,974.81	445,520.75	541,495.56	541,495.56
03/11/20	ROGO19C0020	GE Inpatient Units Safety Updates and Renovation	-	1,457,022.68	2,876,674.52	4,333,697.20	4,333,697.20
12/18/19	ROGO19C0020	GE 03 Generose 3W and 3E Safety and Renovations	-	1,150,852.78	2,227,795.76	3,378,648.54	3,378,648.54
02/26/20	ROGO19C0050	GO 12 Center for Aesthetic Medicine and Surgery	-	70,457.68	1,433,612.93	1,504,070.61	1,504,070.61
12/16/20	ROGO19C0090	GO 03 SC19-3003 MR-MCR-GO3-I-Patient Prep Remodel	-	254,078.63	1,363,169.93	1,617,248.56	1,617,248.56
08/26/20	ROGO19C0100	GO 06 Exam Buildout	-	74,882.54	3,978,505.39	4,053,387.93	4,053,387.93
1/13/2021	ROGO20C0060	GO Increase in Capacity for Chemo Chairs	-	43,863.87	1,097,313.32	1,141,177.19	1,141,177.19
10/02/19	ROJO18C0010	GO 12 Medivator Redesign	-	332.28	286,477.89	286,810.17	286,810.17
11/27/19	ROMB19C0010	JO Relocation of Occupants to Consolidate Echo Stress	-	19,576.34	71,327.49	90,903.83	90,903.83
12/07/20	ROMB19C0020	MB 01 Frozen Section Laboratory Remodel	-	180,863.41	1,551,905.59	1,732,769.00	1,732,769.00
3/31/2020	ROSI19C0020	MB MN SC19-3002 DE-MCR-MBM-R-MP Reading Rooms	-	38,154.23	619,520.18	657,674.41	657,674.41
06/26/19	R2064500/ROMB19C0010	MB Core 500 West OR Renovation - North and South	-	206,240.90	3,000,180.66	3,206,421.56	3,206,421.56
1/19/2021	ROXX19C0050	SI 04 Conferencing Center Refurbish	-	3,386,764.63		3,386,764.63	3,386,764.63
4/7/2021	ROET20C0010	E19-3005 CT-MCR-DT#1-I-CT Scanner	-	172,186.99	443,975.48	616,162.47	616,162.47
12/16/20	ROGO20C0290	SIEMENS; SOMATOM DEFINITION (Asset 205102)	-	-	1,979,199.00	1,979,199.00	1,979,199.00
6/9/2021	ROJB20C0010	Outpatient Hematology & CAR-T Move to Chariton-Eisenberg	-	28,649.80	3,503,792.00	3,532,441.80	3,532,441.80
1/13/2021	ROSL20C0020	E21-3005 VNI-MCR-ETMNR-Angio Rm 6	-	-	95,204.45	95,204.45	95,204.45
7/15/2021	ROOP20C0010	SIEMENS; ARTIS Q (Asset 209373)	-	-	921,342.00	921,342.00	921,342.00
5/1/2019	ROXX19C0140	GO 15 Pain Procedure Room Fluoro Equipment Replacement	-	-	159,397.28	159,397.28	159,397.28
		JB Shell Space to an Incremental OR	-	-	192,553.63	192,553.63	192,553.63
		RST SDSC Office to Lab Conversion	-	-	2,236,842.53	2,236,842.53	2,236,842.53
		OP SL Opus and Kellen Utility	-	-	259,951.11	259,951.11	259,951.11
		Kellen Building	-	897,451.18	6,793,452.68	7,690,903.86	7,690,903.86

651,483,272.67    18,320,739.03    82,266,177.28    10,506,916.31    762,070,188.98

**EXHIBIT C - ATTACHMENT 3**

**Revised Certification of Expenditures  
Destination Medical Center**

For Calendar Year 2021

Due to Commissioner of Employment and Economic Development (DEED) by April 1, 2022

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 2021, 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 <sup>1</sup>	\$110,586,916.31	1
Total Expenditures Reported This Year for other Private Entities <sup>1,2</sup>	\$44,560,906.89	2
<b>TOTAL Expenditures This Year</b>	<b>\$155,147,823.20</b>	<b>3</b>

**All Expenditures claimed since June 30, 2013**

Previous Years Expenditures (cumulative)	\$1,106,896,136.12	4
<b>TOTAL Expenditures This Year<sup>3</sup> (from Box 3)</b>	<b>\$155,147,823.20</b>	<b>5</b>
All Claimed Expenditures as of 12/31/21 (Box 4 plus Box 5)	\$1,262,043,959.32	6
Qualified Expenditures claimed in 2021 (Box 6 minus \$200,000,000)	\$1,062,043,959.32	7

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

General State Infrastructure Aid Qualified for (Box 7 multiplied by .0275)	\$29,206,208.88	8
State Transit Aid Qualified for (Box 7 multiplied by .0075 and then multiplied by .6)	\$4,779,197.82	9

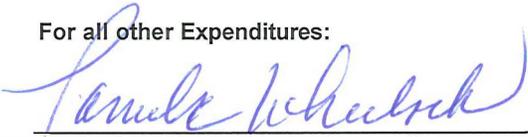
By providing my signature below, I am hereby certifying that, to the best of my knowledge, the information stated herein is accurate, true, and complies with the provisions of Minnesota Statutes Section 467.47 and the approved methodology as outlined in the City of Rochester Commissioner of Employment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

**For Expenditures By the Medical Business Entity:**

  
\_\_\_\_\_  
Mayo Clinic Chief Financial Officer

5-23-22  
\_\_\_\_\_  
Date

**For all other Expenditures:**

  
\_\_\_\_\_  
Destination Medical Center Corporation

6/16/22  
\_\_\_\_\_  
Date

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

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

<sup>3</sup>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.

## EXHIBIT D



City of Rochester  
201 4th Street SE  
Rochester, MN 55904

Phone: 507-328-2900  
Fax: 507-328-2901

June 15, 2022

Steve Grove  
Commissioner  
Minnesota Department of Employment and Economic Development  
Economic Development Division  
1<sup>st</sup> National Bank Building  
332 Minnesota Street Suite E200  
St Paul, MN 55101-1351

RE: City of Rochester Revised DMC Certificate of Contributions for January 1, 2021 through December 31, 2021

Dear Commissioner Grove:

The City of Rochester is hereby revising our certification of our local contributions under General Aid Contributions and Transit Aid Contributions for calendar year 2021 towards the local matching contributions for the Destination Medical Center development found on the attached Certification of Contributions form. The original certification of 2021 expenses, dated March 23, 2022, was for the amount of \$4,480,952.25 for General Aid Contributions and \$6,135,967.49 for Transit Aid Contributions. The cumulative previous contributions total \$54,132,085.87, for a combined total of \$58,613,038.12. Since that time, after review with internal and DEED staff, changes were made to the certified total.

For 2021, upon review with the DEED auditors, adjustments were made that decreases the amount of General Aid Contributions reported for 2021 to \$2,729,666.77 and reduces the amount reported for Transit Aid Contributions to zero. The cumulative effect of this change is a decrease to our certification for 2021. Our new certified 2021 amount is \$2,729,666.77 for a cumulative total of contributions as of 12/31/2021 of \$56,861,752.64 for General Aid Contributions and \$0 for Transit Aid Contributions.

This revised certification is pursuant to the executed agreement between DEED and the City of Rochester. The deadline for revisions was extended to June 15<sup>th</sup> this year.

The City sincerely appreciates the assistance that has been and continues to be provided to us from you and your staff as we undertake this important DMC Development for Minnesota.

Sincerely,

A handwritten signature in black ink that reads 'Dale Martinson'.

Dale Martinson, Director of Finance  
City of Rochester



## EXHIBIT D

Steve Grove, Commissioner DEED

Page 2

June 15, 2022

cc: Kevin McKinnon  
Jeremy Lacroix  
Pam Wheelock, Chair DMC Corporation  
Kim Norton, Mayor  
Patrick Seeb  
Noloan Schild

Aaron Parrish  
Brent Svenby  
Kaela Brennan  
Alison Zelms  
Amanda Mack



# EXHIBIT D

## Certification of Contributions

### City of Rochester

For Calendar Year 2021

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

**REVISED AS OF JUNE 15, 2022**

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 2021, 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> \$ 2,729,666.77 1

##### **General State Aid Qualified for this Year** (Medical Entity/DMCC match also required)

General State Infrastructure Aid Qualified for (Annual Exp. multiplied by \$2.55) \$ 6,960,650.26 2

##### **Cumulative City General Aid Contributions**

Cumulative Previous Contributions \$ 54,132,085.87 3

Contributions This Year \$ 2,729,666.77 4

Cumulative Contributions as of 12/31/2021 \$ 56,861,752.64 5

Cumulative State Aid Qualified for as of 12/31/2021 \$ 144,997,469.23 6

State GSIA expended this year \$ 12,228,618.85 7

#### **TRANSIT AID**

##### **Transit Aid Contributions Reported this Year**

Transit Aid Contributions Reported This Year by the City of Rochester<sup>1,2</sup> - 8

##### **Transit State Aid Qualified for this Year** (Medical Entity/DMCC match also required)

State Transit Aid Aid Qualified for - 9

##### **Cumulative City Transit Aid Contributions**

Cumulative Previous Contributions - 10

Contributions This Year (from Box 8) - 11

Cumulative Contributions as of 12/31/2020 - 12

Cumulative State Aid Qualified for as of 12/31/2021 - 13

State Transit Aid expended this year - 14

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 *Brooke Carlson*

*6/14/2022*  
\_\_\_\_\_  
Date

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

*6/15/2022*  
\_\_\_\_\_  
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



June 30, 2022

Pamela Wheelock, Chair  
Destination Medical Center Corporation  
C/O Kaela Brennan  
McGrann Shea Carnival  
Straughn & Lamb, Chartered  
800 Nicollet Mall, Suite 2600  
Minneapolis, MN 55402-7035

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 2021 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 revised certification listed \$110,586,916.31 in Mayo Clinic expenditures and \$44,560,906.89 in other expenditures. The Mayo Clinic provided DEED with information on all invoices and payments (more than 12,000 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 68 expenditures totaling \$9,018,157.38. We selected one expenditure from each of the 68 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 26 completed projects for \$23,296,226 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 9 of the 10 projects' values, dates, eligibility, and completion. One project was located outside of the DMC area and was ineligible. The city also approved \$62,397,519.85 in expenditures on eight projects that are completed over multiple years. Your revised certification reduced and properly listed the total amount of other private entities expenditures at \$44,560,906.89. 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 2021 Destination Medical Center

## EXHIBIT E

Expenditures are the \$155,147,823.20 as you certified (in a revised certification). DMC cumulative Expenditures are now \$1,262,043,959.32. As directed by statute, \$200 million is subtracted from this amount to provide Qualified Expenditures of \$1,062,043,959.32. Based on this figure and adequate general aid contributions from the city, I have determined the City of Rochester has qualified for \$29,210,609 of General State Infrastructure Aid in 2022. As per state statute, this payment will be made prior to September 1.

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

Regards,



Steve Grove  
Commissioner

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

## EXHIBIT E



June 30, 2022

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 2021 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 2021 Certification listed \$2,729,666.79 in city general aid contributions between July 1, 2013 and December 31, 2021. You provided a detailed listing of more than 600 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 41 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.

Your revised certification listed \$0 in transit contributions and no transit aid will be paid by DEED for 2021.

The amount of your general aid contributions qualifies you for the annual maximum of \$30 million of general aid, however Qualified Expenditures from Mayo Clinic and others were \$1,062,203,959. This amount of Expenditures reduces the amount of general aid to the city to \$29,210,609. Your excess Contributions will be credited towards future years. We will be providing payment prior to September 1 as mandated by statute.

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

Regards,

Steve Grove  
Commissioner

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

# EXHIBIT F

Post-Sale

**\$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
Average Life.....	11.963 Years
Average Coupon.....	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