

EDA Tech Hubs (Draft 1)

Strategy Development Narrative Outline

Add bullet points providing information for the following:

I. Name of Consortium

- ?BioMN ?BioRochester

II. Region

- Rochester, MN Metropolitan Statistical Area

III. Technology Area

- Biotechnology, medical technology, genomics, and synthetic biology

IV. Partners

- Destination Medical Center Economic Development Agency (DMC EDA)
 - o A 20-year \$5.6B public/private partnership between the State of Minnesota, Olmsted County, the City of Rochester, and Mayo Clinic that includes \$585M of public funding available for infrastructure development.
- Mayo Clinic
 - o Business Development: Mayo Clinic's front door to business, from technology commercialization to strategic partnerships, catalyzing innovation to shape the future of healthcare for the benefit of patients.
 - o Innovation Exchange: Provides internal innovators and external entrepreneurs and startups throughout the health care industry with premier medical and business insights, as well as the connections needed to bring their breakthrough innovations to market.
 - o Office for Entrepreneurship: Provides Mayo Clinic staff members and students with entrepreneurship education, networking opportunities and application support for their innovations.
- University of Minnesota Rochester
 - o An agile start-up campus already committed to career pathways in emerging health technologies.
- Rochester Area Economic Development, Inc (RAEDI)
 - o Leads and supports economic, community and workforce development initiatives that retain, grow and diversify the greater Rochester economy.
- Medical Alley Association
 - o MN-based trade association that actively supports over 1000 healthcare startups each year, many of them from under-represented and first-time founders to find capital, customers, and talent. Advised by a diverse board to ensure programs are impactful and equitable, Medical Alley is active in over 20 countries to bring new technology and talent to the state and expand export opportunities for Minnesota companies.
- souWorkforce Development Inc.
 - o A nonprofit agency that serves job seekers and employers throughout Southeast Minnesota, connecting people with the resources they need to find and gain

meaningful employment, using their knowledge of local labor trends, communities, resources, and employers.

- Southeast Service Cooperative (tentative)
 - A public, non-profit agency serving over 100 public and private school districts, cities, counties, and other organizations in the 11-county southeast region of Minnesota to strategically vision, develop, and deliver cooperative services.
- Community Mobilization Resource Coalition (tentative)
 - ~~A non-profit that offers a centralized point for individuals who are seeking community resources that will build capacity for diverse communities in Rochester, serve as a bridge to community integration and provide a platform for integrating diverse perspectives.~~
 - A community-based coalition comprising BIPOC non-profits, for-profits, and professionals to be a bridge that connects racially marginalized communities to each other and to advocate policies and offer digital innovation solutions toward reducing disparity of social determinants of health.
 - CMRC members have been facilitators and co-designers of a number of co-design projects
 - CMRC member organizations and professionals have years of experience in Information Technology and BioTechnology.
- City of Rochester
 - The mission of the City of Rochester is to provide a safe, attractive environment through the responsive, efficient, and cost-effective delivery of municipal services, enhancing community pride by improving the physical, environmental, economic, cultural, and social quality of the community.

Who will serve as consortium lead?

- Destination Medical Center Economic Development Agency

Who will serve as Regional Innovation Officer? (see pages 8-9 of Notice of Funding Opportunity) – identify specific individual or propose plan for identifying individual and describe their profile

- The Regional Innovation Officer hire will be the first priority should this funding application be successful. The successful candidate will have the following attributes:
 - Education background: Bachelors, Masters, and/or PhD in life sciences, engineering, business administration or other technology field.
 - Experience: Several years of experience in strategic planning, project management, product develop- and/or business development.
 - Skills: Expertise in working with cross-functional teams across the public and private sectors, developing and building new relationships, creative problem solving and a proven ability to innovate and embrace risk.

V. Climate and Environmental Responsibility

How will project be designed to minimize environmental impacts on disadvantaged communities?

- **XXX**
- **XXX**

How will current and future weather- and climate-related risks be addressed?

- **XXX**

VI. Equity

What disadvantaged populations will benefit from the project?

- **XXX**
 - o What this grant would mean to CMRC constituents
 - It will promote vibrancy and growth opportunities for minority-owned technology companies and bring to the forefront the lesser-known diverse technology skill sets that exist in our community.
 - It will incentivize under-tapped international investment sources that some CMRC member organizations have connections with. (See the RICE idea as an example).
 - For workforce development, it will further fund engagements with the BIPOC community to promote Community Technical Education (CTE) to build the necessary workforce pipeline needed for the building of Tech Hub. (See RCTC/Perkins Grant as an example)
 - It will fund CMRC participations in BIPOC youth mentoring in tech such as P-Tech, Rise for Youth,
 - It will offer Co-design opportunities for the CMRC BIPOC affiliated communities
 - o What this grant will benefit CMRC itself
 - It will help CMRC solidify its operational model of being a resource hub to connect BIPOC communities to each other and to motivate racially marginalized groups to avail themselves of economic opportunities in the tech ecosystem.

How will project provide for inclusive community engagement, ensuring that economic benefits are shared by all?

- Community Co-Design is a process the DMC EDA has developed and propagated to foster inclusive community engagement. Initially piloted during the design phase of Discovery Walk, Community Co-Design is an approach to encourage, compensate, and prioritize the inclusion of diverse populations throughout the design and development process. Community Co-Design has become a valued and effective community-centric approach to developing healthy and equitable projects, policies, and practices in the Rochester region. We will utilize the Community Co-Design Toolkit for all projects associated with this grant.

VII. Use of Strategy Development Grant

The [Destination Medical Center initiative](#) is the largest economic development program ever undertaken in Minnesota. It is a 20-year \$5.6B public/private partnership between the State of Minnesota, Olmsted County, the City of Rochester, and Mayo Clinic. This includes \$585M of public funding available for infrastructure development, at least \$3.5B of capital investment commitments by Mayo Clinic in Rochester, and \$2.1B of other private development. Launched in 2015, the DMC EDA is tasked with stewarding the \$585M of public funds for forward-looking infrastructure investments in the core downtown Rochester business district. These investments were deemed necessary by Minnesota leadership so that Mayo Clinic – the state's largest private employer – could continue to grow and thrive in Rochester.

As a technology engine, Mayo Clinic is without peers, ranked as the #1 institution for commercializing new technologies as reported by Heartland Forward in 2022. Hundreds of new inventions emerge every year from the clinical and academic activities of Mayo Clinic. The [Mayo Clinic Department of Business Development](#) is tasked with taking that technology to market by partnering with technology companies, investors, and innovation ecosystems around the world. In 2022 that translated into 500+ invention disclosures, 400+ patent submissions, and 150+ licenses executed.

And while Mayo Clinic alone is an extraordinary technology hub, more was needed for this region to become a true regional technology hub. That is why the DMC Master Plan included a cornerstone “economic engine” called [Discovery Square](#). This 16-block innovation district is a live-work-play technology hub where healthcare companies of all sizes work to take new technologies to market.

The vision of Discovery Square is to bring together businesses, inventors, entrepreneurs, investors, talented staff, and supportive programming into the sphere of Mayo Clinic. Anchored by the One and Two Discovery Square buildings, and through the business recruitment efforts of the DMC EDA, Mayo Clinic, plus regional partners such as the [Medical Alley Association](#), Greater MSP, and the MN Dept of Employment and Economic Development, Rochester is now home to 40+ healthcare technology companies.

The Discovery Square economic development strategy, informed by data-driven market studies, focuses on three key activities: 1) Build Awareness; 2) Build Infrastructure; and 3) Build Ecosystem.

Build awareness – In late 2022, DMC conducted a comprehensive survey of high-growth life science company executives (n=168), and corporate site selection advisors from the finance, accounting, and real estate industries (n=153). In total, more than 300 individuals that represented growing organizations from around the globe took the “DMC Awareness & Perception” study and provided valuable feedback on their general level of awareness of Rochester as a business destination, their likelihood to invest (or recommend an investment) in Rochester, and perceptions and misperceptions of the region as a business destination. In total, just 31% of respondents were familiar with Rochester as a business investment destination. Additionally, despite 82% of company executives having contemplated investment location decisions recently, only 7% of them considered Rochester as part of their evaluation. A full 75%

of our target audience (*high-growth life science company executives contemplating an investment decision*) did not consider Rochester for their investment.

In response to this DMC has engaged on an aggressive strategy of Awareness Building in partnership with Mayo Clinic, the Minnesota Department of Employment and Economic Development (DEED), and other organizations throughout Minnesota. We are accomplishing these goals by partnering with industry leaders that can magnify our message, by reaching out directly to high-value targets with the Rochester value proposition, by educating and empowering our local ecosystem members to carry the message when they are doing business, and by increasing the frequency and scale of the outbound marketing we do as an organization.

Build infrastructure – at its core, DMC is an infrastructure empowering organization. We work with partners in the City of Rochester to identify what infrastructure needs exist in the community, and we deploy public funds to facilitate their creation. We work to ensure those assets have a utility that goes beyond existing needs, and that those assets are of a caliber and scale that allows them to be a driver of additional investment. In the Awareness and Perception study completed in 2022, we learned that robust infrastructure, including turn-key lab space, was a major decision driver of company investment decisions. We also learned that one way we could alter the perception that Rochester is “too small,” or “too rural” was to ensure we had infrastructure and physical assets that were on par with the major US centers of gravity within the life science industry.

We have built, and are continuing to build, an innovation district in Discovery Square that represents as good an opportunity as anywhere in the world. It is adjacent to the main Mayo Clinic research campus, it is home to the University of Minnesota-Rochester, and it houses high-growth startups, and industry leaders, in one 16-block area. We look to continue to build physical infrastructure and assets in Rochester that will leverage all the vast opportunities this community currently houses and create a landing spot for the brightest technologies in the global economy.

Build ecosystem – While this region has an extraordinary technology engine in Mayo Clinic, and we are uniquely positioned to build awareness and infrastructure through the historic MN investment via the DMC initiative, building the ecosystem is the soft spot in our 3-pronged strategy. Thus, this strategy development grant will be used to harden the ecosystem strategy of <name>. With support from this grant, we will pursue the following activities to develop a comprehensive strategy to build the <name> ecosystem strategy.

The “Build Ecosystem” activities funded by this project:

- Hire a Regional Innovation Officer to lead this effort.
- Initial planning: We will convene our regional partners to develop a roadmap for development of a comprehensive ecosystem strategy.
- Ecosystem membership: With our partners we will coordinate a comprehensive assessment of the Rochester regional ecosystem to curate a list of technology companies, talent, service providers, suppliers, innovators and entrepreneurs.
- Needs assessment: We conduct a needs analysis, to fully understand what is needed to develop a supportive ecosystem for the region.

- Strategy development: Based on input from the needs assessment, develop a comprehensive strategy that enables us to build the necessary supportive ecosystem.
- Workforce development: We will partner with companies and our education providers (public schools, technical colleges, and universities) to comprehensive regional workforce development strategy to support the healthcare technology industry.

VIII. Geographic Constraints

- Benefits a small, rural community under 250,000