

May  
2016

# RDDC Annual Report

Rochester Downtown Development Corporation  
100 Chestnut St., Suite 1910 • Rochester, NY 14604 • (585) 546-6920

## MESSAGE TO MEMBERS



Heidi Zimmer-Meyer  
President



David Beinetti  
Chair

Many of us are involved in recasting the center of the city. Nowhere is this more apparent than in the area immediately surrounding Main & Clinton.

Clear signs that the market sees opportunity are everywhere: new ownership of the Hyatt Hotel property; the City's project to rebuild sidewalks and add 60 on-street parking spaces between St. Paul/South and the Liberty Pole; the Democrat & Chronicle Media Group's move into new quarters on the Midtown block; and major housing conversion projects planned or underway in the Cox, Granite, Alliance, Metropolitan, Sibley, Tower280, 88 Elm, and 50 Chestnut buildings.

The City brought the ULI's Rose Fellowship here in March to advise on how to revive the core of Main Street. And they're bringing CityAge's *The New American City* conference here on June 7th to explore the urban renaissance going on in cities across the U.S.

### *Life in Surrounding Blocks*

So much energy is being felt in the downtown neighborhoods all around the Midtown District. St. Paul Quarter's Hive Village is growing and a new microbrewery is slated to open there this summer.

Recent investment in C&P Equities' new ultra-secured storage facility for downsizing apartment dwellers is located in the Grove

Place neighborhood.

Charlotte Square's first phase is going up rapidly in the East End, and the City has released its RFP for redevelopment of land shaken loose by the Inner Loop East project.

The Washington Square neighborhood is seeing new housing growth with Woodbury Place and the Court Street Apartments projects.

And advancing the expansion of the Floreano Rochester Riverside Convention Center is moving higher up on the City's priority list.

### *Downtown West is Also Growing*

MCC's move to High Falls is planned for 2017, which will add significant life to this northernmost downtown neighborhood. The EcoDistrict plans are also gaining momentum, which include High Falls and land across the gorge east to the Genesee Brewing Company.

### *What's RDDC's Role?*

Strong private sector leadership is becoming even more critical for a variety of reasons. The City's leadership has many pressures and priorities, and downtown's continued growth will require effective public and private collaboration and stewardship.

Working together to understand both opportunities and barriers to continued growth, how to manage scarce public resources, and where the private sector should and can step in — all represent the results of honest dialogue, mutual respect, and the recognition of shared goals.

Most significant is the powerful potential residing in the Downtown Innovation Zone, and the ability of that and a vibrant, surrounding downtown to attract the talented workforce needed to fuel real economic growth in our region.

## RDDC BOARD OF DIRECTORS

2015-2016

### CHAIR

**David Beinetti**, President/Principal, SWBR Architecture, Engineering & Landscape Architecture, P.C.

### VICE CHAIRS

**John Billone, Jr.**, President, Flower City Management  
**Armand D'Alfonso**, President & CEO, Nothnagle Realtors  
**Patrick Dutton**, President, Dutton & Company  
**Brian Flanagan**, Partner & General Counsel, Nixon Peabody LLP  
**Andy Gallina**, President, Gallina Development Corporation  
**Ken Glazer**, Managing Partner, Buckingham Properties  
**Salvatore LaBella**, Founder, LaBella Associates, P.C.  
**Joe Rizzo**, Manager of Economic Development & Community Relations, Rochester Gas & Electric Corporation  
**Deborah M. Stendardi**, Vice President, Government & Community Relations, Rochester Institute of Technology  
**Dawn Williams-Fuller**, Owner, Ambassador Union Street LLC

### TREASURER

**Michele Gibson**, Senior Assoc. Dean for Administration & Finance, U of R/Eastman School of Music

### SECRETARY

**Kate Karl**, Partner, Chair of Real Estate & Banking Law Groups, Underberg & Kessler LLP

### ADDITIONAL DIRECTORS

**Wendy Buchholz**, Regional Manager, Johnson Controls, Rochester Office  
**Scott Burdett**, Vice President - Brokerage Services, Flaum Management Company, Inc.  
**Craig Burton**, Senior Vice President, First Niagara Bank  
**John Cake**, Architect/Principal, Hunt Engineers, Architects & Surveyors  
**Joe Eddy**, VP, Development, WinnDevelopment  
**Sue Eliazewskij**, Corporate Vice President, Administrative Services, Excellus BCBS  
**Dr. Joel Frater**, Executive Dean, MCC Damon City Campus  
**Pete Giovenco**, Chief Operating Officer, Bergmann Associates  
**Brie Harrison**, Finance Director, Rochester Public Library  
**John Holland**, Founder & CEO, D4, LLC  
**John Manilla**, President, Pyramid Brokerage Company of Rochester, Inc.  
**Roosevelt Mareus**, Dean/Executive Director, Rochester Educational Opportunity Center  
**Stuart Mitchell**, President & CEO, PathStone Corporation  
**Kevin Morgan**, Vice President, Morgan Management  
**Richard Mueller**, Group Vice President, M&T Bank  
**Patrick Rogers**, Vice President/Project Executive, Pike Company, Inc.  
**Suzanne Seldes**, Executive Vice President & Chief Marketing Officer, The Strong  
**Mark Stevens**, President, Ashley Management Corporation  
**Dan Wagner**, Co-Founder & CEO, CloudSmartz, Inc.  
**Heidi Zimmer-Meyer**, President, RDDC

# 2016 RDDC Workplan & Budget

## 2016 WORKPLAN

### STRATEGIC ELEMENTS

**GOAL:** Maximize the impact of downtown as a marketable economic asset to advance the competitive advantage of the Greater Rochester region.

#### Market Tracking & Improving Commercial Tenancy

- ◆ Grow the value and power of the Downtown Innovation Zone, build stronger connections, expand partnerships, maximize its growth and to increase downtown's commercial occupancy
- ◆ Track and share multi-year data and trending regarding downtown's office and residential markets, investment levels, and development activity
- ◆ Use market report findings to identify advocacy targets as appropriate
- ◆ Highlight downtown office towers, non-traditional office buildings and space, and street-level spaces
- ◆ Collaborate with business incubators, building owners, and the City of Rochester to accelerate the growth of downtown retail and other street-level tenancy

#### Advocacy & Engagement

- ◆ Use convening role to target downtown issues, advocate for emerging neighborhood-specific issues, and create stronger linkages with downtown's neighborhoods
- ◆ Work with investors and developers to share market information, provide block & tackle problem-solving assistance, and advocate directly where necessary and appropriate
- ◆ Support RDDC stakeholders by aggressively advocating for infrastructure, services, and programs that positively impact downtown
- ◆ Continue to explore new ways to collaborate and partner with the City, and to assure good urban planning and forward momentum throughout downtown
- ◆ Actively engage on statewide downtown issues with other downtown organizations through the NYS Urban Council

#### Promote Downtown

- ◆ Continue to leverage RDDC's aggressive communications strategy
- ◆ Continue to work closely and productively with media
- ◆ Maximize the quality and value of RDDC's social media vehicles – two downtown websites, Facebook page, "@around downtown" e-newsletter, and Twitter account
- ◆ Design and execute an annual program of events that generates net revenue, higher visibility for RDDC, and features downtown development, lifestyles, business, and commercial space options

#### Ensure RDDC's Long-Term Sustainability

- ◆ Complete RDDC conversion to 501(c)(3) corporation
- ◆ Continue and accelerate RDDC's aggressive new member campaign

## 2016 BUDGET

	2015	2016
	BUDGET	BUDGET
<b>REVENUE</b>		
Membership Dues	\$193,000	\$195,490
Events, Event Sponsorships	113,700	108,000
Downtown Special Services	110,426	0
Business Improvement District	13,750	0
Downtown Innovation Zone	0	16,200
Marketing & Communications	6,388	3,300
Grants & Contracts	5,000	20,000
Miscellaneous Income	11	8
<b>TOTAL REVENUE</b>	<b>\$442,275</b>	<b>\$342,998</b>
<b>EXPENSES</b>		
Staff Payroll	\$194,992	\$199,980
Payroll Taxes	16,126	15,798
Employee Benefits	26,386	27,800
Technical Services	5,000	6,600
Rent & Utilities	0	0
Equipment & Machines	6,600	7,884
Telephone, I-Net, Cloud, E-Mail	10,200	10,200
Office Expenses	1,500	1,900
Printing & Copying	2,000	2,000
Postage	1,400	1,400
Business & Meetings	1,000	1,000
Dues & Subscriptions	1,200	500
Insurance	3,200	3,200
Accounting Services	6,400	6,000
Miscellaneous Expenses	500	700
<b>SUBTOTAL, OVERHEAD</b>	<b>\$276,504</b>	<b>\$284,962</b>
RDDC Events	\$55,000	\$55,000
Downtown Special Services	71,237	0
Business Improvement District	30,000	0
Downtown Innovation Zone	0	500
Marketing & Communications	9,200	2,500
Contracts	0	0
<b>TOTAL EXPENSES</b>	<b>\$441,941</b>	<b>\$342,962</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$334</b>	<b>\$36</b>

- ◆ Explore collaboration and alliance partnership opportunities with key private sector economic development entities
- ◆ Explore and secure additional sources of funding (e.g., grants, sponsorships, contracts for services)
- ◆ Leverage RDDC's communications program to increase organizational visibility and impact
- ◆ Engage RDDC growing leadership voice to maximize community influence and on strategic work elements, where appropriate
- ◆ Expand number and value of member briefings and explore new ways to engage RDDC members
- ◆ Continue to use the Economic Growth Series and other public events to position RDDC as a significant and high-impact regional economic development and leadership entity

# 2015-16 RDDC Highlights

## Advocacy Activity

**DOWNTOWN INNOVATION ZONE (DIZ)** — Launched in the Fall of 2014 in a partnership with the City of Rochester and High Tech Rochester, RDDC is now spot lighting 91 innovation companies, creative class enterprises, and support services & spaces.

**DOWNTOWN ISSUES** — RDDC continues to be engaged in issues ranging from parking, infrastructure improvements, major public project design, public safety, and the growth of the Downtown Innovation Zone.

**STATEWIDE DOWNTOWN ISSUES** — RDDC has a leadership role in the NYS Urban Council, a statewide organization focused on downtown advocacy, and providing a mechanism to share best practices for successful downtown development and management.

## Downtown Office Space Survey May 2015

**Total Space Surveyed** = 110 buildings, 11 M. s.f.,  
(86.7 % occupied)

**Competitive Space** = 87 buildings, 7 M. s.f.,  
(79.2 % occupied)

- ◆ Class "A" — 11 buildings, 3.1 M. s.f.,  
(80.6 % occupied)
- ◆ Class "A/R" — 12 buildings, 572,052 s.f.,  
(85.0% occupied)
- ◆ Class "B" — 35 buildings, 2.6 M. s.f.,  
(77.6 % occupied)
- ◆ Non-traditional — 25 buildings, 661,547 s.f.,  
(68.5 % occupied)
- ◆ Medical — 4 buildings, 158,292 s.f.,  
(100 % occupied)

**Non-Competitive Space** = 23 buildings, 4.0 M. s.f.,  
(100 % occupied)

*(2016 Survey is currently underway)*

## Major Downtown Websites

- ◆ Downtown's premier website:  
[www.rochesterdowntown.com](http://www.rochesterdowntown.com)
- ◆ Downtown Innovation Zone portal:  
[www.RocDIZ.com](http://www.RocDIZ.com)

## Corporate Structure

*RDDC is a private, membership-based, 501(c)(4) not-for-profit corporation, currently in the process of converting to a 501(c)(3).*

### BOARD OF DIRECTORS

- ◆ Responsible for annual corporate management decisions (e.g., budget, annual workplan, election of officers), setting corporate priorities and direction.
- ◆ *Ad hoc* "task forces" are formed as needed to develop recommendations on particular corporate and policy issues for action by the Board of Directors.

### EXECUTIVE COMMITTEE

- ◆ Executive Committee includes the officers of the corporation and the President — makes decisions and provides guidance on internal corporate management issues and interim policy matters.

### NOMINATING COMMITTEE

- ◆ Develops the annual slate of Officers and Directors.

### GOVERNANCE & COMPENSATION COMMITTEE

- ◆ Recommends corporate policies and executive compensation level. Executes annual CEO review.

## 2015 Housing Market Survey

### Existing *(draft findings as of 5/3/16)*

- ◆ Total downtown housing units (reporting & non-reporting): **3,717**
- ◆ Estimated residents: **6,542** (*up 102%, 2000-15*)
- ◆ Total owner-occupied units: **136**
- ◆ Total rental units: **3,580**
  - ◆ Market-rate rental units: **2,651**
  - ◆ Subsidized rental units: **930**
- ◆ Vacancy rate, all rental units: **2.3%**
  - ◆ Market-rate units: **2.1 %**
  - ◆ Subsidized units: **2.9 %**
- ◆ Number of loft & loft-style units: **621**
- ◆ Rent range, all units: **\$400 - \$3,268**

### Under Development as of April 2016

- ⇒ **19 projects in pipeline** — 16 loft-style, 16 commercial space conversions, 4 new construction, and 1 major rehab of an existing residential property
- ⇒ Total # of new rental & for sale housing units planned or under construction = **1,546**

# 2015-16 RDDC Highlights, *cont'd*

## 2016 RDDC MEMBERS *(as of 5/25/16)*

### PREMIER MEMBERS:

- ◆ **Ambassador Union Street LLC**
- ◆ **Ashley Management Corporation**
- ◆ **Excellus BCBS Rochester Region**
- ◆ **Hyatt Regency Rochester**
- ◆ **Nixon Peabody LLP**
- ◆ **Pyramid Brokerage Company**
- ◆ **Thomson Reuters**

AIA — Rochester  
 Ajay Glass  
 Allpro Parking LLC  
 BOMA of Greater Rochester  
 Benderson Development Co., LLC  
 Bergmann Associates  
 Broadstone Real Estate, LLC  
 Bruckner, Tillett, Rossi, Cahill & Associates  
 Buckingham Properties  
 CB Richard Ellis  
 CGI Communications  
 C&P Equities \*  
 C&S Companies  
 The Cabot Group  
 Canandaigua National Bank & Trust  
 Catholic Family Center  
 Chaintreuil/Jensen/  
 Stark Architects LLP  
 City Newspaper  
 Clark Patterson Lee  
 CloudSmartz, Inc.

The College at Brockport  
 Community Preservation Corporation  
 The Community Foundation  
 Costanza Enterprises  
 D4, LLC  
 Democrat and Chronicle  
 Dryvit Thermal Foams  
 DiMarco Constructors, LLC  
 Dutton & Company  
 ESL Federal Credit Union  
 Eastman School of Music/  
 U of R  
 First Niagara Bank  
 Flaum Management Company, Inc.  
 Flower City Management, Inc.  
 Foundation Design, P.C.  
 Gallina Development Corporation  
 Galvin Realty Group  
 Gar Lowenguth, Inc.  
 Genesee Regional Bank  
 Geva Theatre Center  
 Greater Roch. Assoc. of REALTORS®, Inc.  
 Greater Rochester Chamber of Commerce  
 Greater Rochester Enterprise  
 Hamilton Stern Construction  
 Harris Beach PLLC  
 Harter Secrest & Emery, LLP  
 Hart's Local Grocers  
 Hilton Garden Inn  
 David Hochstein Memorial Music School  
 Home Leasing  
 Hunt Engineers, Architects & Land Surveyors  
 ID Signsystems

I. Gordon Corporation  
 Johnson Controls  
 Joseph A. Floreano Rochester  
 Riverside Convention Center  
 L&W Supply  
 LaBella Associates  
 Landers Management \*  
 Landmark Society of Western New York  
 LeChase Construction Services LLC  
 Lifetime Financial Group  
 M/E Engineering P.C.  
 M&T Bank  
 Manning Squires & Hennig Inc. \*  
 Mark IV Enterprises  
 Max Rochester  
 MCC-Damon City Campus  
 McConville, Considine, Cooman & Morin, P.C.  
 Mission Commercial Realty \*  
 Monroe County Bar Association  
 Morgan Management  
 Norry Management Corp.  
 Nothnagle Realtors  
 Passero Associates, P.C.  
 PathStone Corporation  
 Philippone Associates  
 Phillips Lytle LLP  
 The Pike Company, Inc.  
 Radisson Hotel  
 Riverside Rochester  
 Rent Rochester Inc.  
 Riedman Companies \*  
 Rochester Building Trades Council  
 Rochester Business Alliance  
 Rochester District

Heating Coop., Inc.  
 Rochester Educational Opportunity Center  
 Rochester Gas & Electric Corp.  
 Rochester Institute of Technology  
 Rochester Philharmonic Orchestra  
 Rochester Public Library System  
 Rochester Red Wings  
 Rochester's Cornerstone Group, Ltd.  
 Rynne, Murphy & Associates, Inc.  
 S&T Bank  
 SEI Design Group  
 SWBR Architects & Engineers, P.C.  
 Smith + Associates  
 Spoleta Development  
 Stantec Consulting  
 Stern Properties  
 Stewart Title Insurance Company  
 Studio E  
 The Strong  
 T.Y. Lin International  
 Traikos Development  
 UDN Construction, Inc. \*  
 Underberg & Kessler, LLC  
 US Employee Benefits Group \*  
 Vargas Associates, Inc.  
 VisitRochester  
 VisualDx \*  
 Webster Properties, LLC  
 Wendel Co.  
 West Edge Restaurant  
 Westminster Consulting, LLC  
 WinnCompanies  
 Woods, Oviatt, Gilman LLP  
 YMCA of Greater Rochester  
*\* (New 2016 member)*

## Community Impact

**REPRESENTATION** — Finger Lakes Regional Economic Development Council (Entrepreneurship & Innovation Workgroup); Mayor's Advisory Council; High Falls EcoDistrict Critical Team; RIT Center for Urban Entrepreneurship Advisory Board; The Community Foundation; Rochester Riverside Convention Center Management Board; NYS Urban Council; Rochester Improvement Society; MAG IDEA Committee

**MEDIA COVERAGE** — Frequent & substantive

**PUBLIC SPEAKING**—To groups throughout the region

## 2016 RDDC MEMBERSHIP

