

## MESSAGE TO MEMBERS

Evidence that downtown is roaring back to life is particularly obvious in the Midtown District.

Clear signs that the market sees opportunity are everywhere: the rapid lease-up of Tower280; new ownership and investment in the Hyatt Hotel; the Democrat & Chronicle Media Group's move into the Seneca Building; and major housing conversions underway in the Sibley Square, Metropolitan, Alliance, 88 Elm, and Columbus buildings. And the City is mulling over the four proposals received for the redevelopment of Parcel 5.

### *Life in Surrounding Blocks*

The former Inner Loop East territory is about to rise from the roadway fill-in site. The City selected three developer groups for new projects on the land shaken loose by this project – Home Leasing, Morgan Management/Christa Development, and The Strong/Konar Properties/Indus Hospitality Group.

St. Paul Quarter's Hive Village is growing and a new microbrewery is slated to open there in early winter. 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 opens this month in the East End, and the Washington Square neighborhood is seeing new housing with Woodbury Place and the 103 Court Street Apartments projects. Expanding the JAF Rochester Riverside Convention Center is now high on the City's priority list.

High Tech Rochester (HTR) is moving its first group of startups to Sibley Square, with the full business accelerator cooperative and

HTR's offices later in 2017. RDDC plans a new downtown kitchen incubator called "The Commissary" in The Metropolitan, and RIT's Center for Urban Entrepreneurship is in full swing. All are in the core of the Downtown Innovation Zone, and this growing vibrancy downtown will be essential to attract the talented workforce needed to fuel real economic growth in our region.

### *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.

### *RDDC's Leadership Role*

Strong private sector engagement and effective public-private collaboration will be critical to leverage our assets and seize new opportunities for growth. RDDC's ability to convene will help to find solutions to barriers to continued growth, and chart innovative ways to manage scarce resources. We can highlight when and where the private sector can best catalyze opportunity.

RDDC has an integral leadership role to play, and we look forward to working closely in 2017 with our valued members and City partners.



Heidi Zimmer-Meyer  
President



Deb Stendardi  
Chair

## RDDC BOARD OF DIRECTORS

2016-2017

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**Ken Glazer**, Managing Partner, Buckingham Properties

**John Holland**, Founder & CEO, D4, LLC

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**Pat Tobin**, Senior VP & Market Executive, S&T Bank

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**Kevin Ryan**, Exec. Director, Monroe County Bar Association

**Mark Stevens**, President, Ashley Management Corporation

**Christine Vargas**, Founder & Owner, Vargas Associates

**Heidi Zimmer-Meyer**, President, RDDC

# 2017 Workplan & 2016 Budget

## 2017 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

- ◆ Continue to raise funding to build the Downtown Kitchen Incubator
- ◆ 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
- ◆ Continue convening the public/private partnership working to solve downtown's growing parking issues
- ◆ 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 (e.g., parking)
- ◆ 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 (e.g., Uber & Lyft)

#### Promote Downtown

- ◆ Complete phase one and continue to raise funds needed to activate the Downtown Marketing Initiative
- ◆ Continue to develop 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
- ◆ Continue to work closely and productively with media
- ◆ Maximize the quality and value of RDDC's social media vehicles – two downtown websites, Facebook page, "@round downtown" e-newsletter, and Twitter account

## 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>

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

- ◆ Continue and accelerate RDDC's aggressive new member campaign
- ◆ 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 leadership voice to maximize community influence and increase value of strategic work elements
- ◆ 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

## Key 2016 Accomplishments

**DOWNTOWN KITCHEN INCUBATOR** — Planned for the concourse of The Metropolitan, RDDC's latest project is gaining considerable momentum. It is designed to incubate food businesses like food trucks, startup restaurants, caterers, bakers, and food production startups.

**DOWNTOWN MARKETING INITIATIVE** — Leading a privately-funded effort to rebrand downtown and spark a new program of events to increase street vitality.

**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 tracking 122 innovation and creative class enterprises which represent the best new market to increase downtown's office tenancy.

**ADVOCACY** — RDDC is leading a new public/private initiative to solve downtown's growing parking shortage as development escalates. RDDC continues to aggressively engage in additional issues ranging from infrastructure improvements, major public project design, public safety, and the growth of the Downtown Innovation Zone.

## Downtown Office Space Survey May 2016

**Total Space Surveyed** = 111 buildings, 9.95 M. s.f.,  
(84.5 % occupied)

**Competitive Space** = 83 buildings, 6.8 M. s.f.,  
(77.5 % occupied)

- ◆ Class "A" — 11 buildings, 2.9 M. s.f.,  
(75.9 % occupied)
- ◆ Class "A/R" — 12 buildings, 571,502 s.f.,  
(80.1% occupied)
- ◆ Class "B" — 33 buildings, 2.6 M. s.f.,  
(75.3 % occupied)
- ◆ Non-traditional — 23 buildings, 572,568 s.f.,  
(87.6 % occupied)
- ◆ Medical — 4 buildings, 150,292 s.f.,  
(100 % occupied)

**Non-Competitive Space** = 28 buildings, 3.1 M. s.f.,  
(100 % occupied)

## Primary 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.

## Downtown Housing Report December 2015

### Existing

- ◆ 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: **3,581**
  - ◆ 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 November 2016*)

- ⇒ **19 projects in pipeline** — 18 loft-style, 12 commercial space conversions, 7 new construction, and 1 major rehab of an existing residential property
- ⇒ Total # of new rental & for sale housing units planned or under construction = **1,618**

# 2016 RDDC Membership

(As of 11/10/16)

## 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  
 DHD Ventures \*  
 Democrat and Chronicle  
 Dryvit Thermal Foams  
 DiMarco Constructors, LLC  
 Dutton & Company  
 ESL Federal Credit Union  
 Eastman School of Music/  
 U of R  
 Ferrara Jerum \*  
 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  
 Hanlon Architects \*  
 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.  
 NorthMarq Capital \*  
 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  
 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  
 Updegraff Group \*  
 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 (Next Gen Manufacturing & technology Workgroup, DIZ Sub-Team); 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** — Region-wide

## 2016 RDDC MEMBERSHIP

