

MESSAGE TO MEMBERS

This past year has been a real high point for RDDC. Good news on major downtown projects, a newly energized RDDC leadership, membership growth, and success with The Commissary, RDDC's bold-est venture to date.

ROC 2025

Along with GRE and the Chamber, RDDC is playing a pivotal role in building the region's new economic growth strategy. In the just released recommendations by the Boston Consulting Group, a "vibrant urban core" is identified as one of three key foundational elements in the new strategy.

More funding for RDDC and experimental pilot initiatives to be overseen by RDDC are planned to maximize our impact on downtown.

The Commissary

RDDC will soon be on the frontlines in catalyzing street-level activity and incubating businesses. This food business incubator and shared kitchen project will start construction this fall, as nearly all of its \$2M development cost has been raised thanks to generous support from Senator Schumer, Governor Cuomo, Mayor Warren, and Palmer Foods.

In the heart of the Downtown Innovation Zone, its Sibley Square location will provide 14 kitchen stations, a performance kitchen, and ample dry and cold food storage. The Commissary will be the only shared kitchen permitted in Monroe County. We already have 104 food entrepreneurs on our waiting list.

ROC the Riverway

Governor Cuomo approved all 13 projects recommended for the \$50M that NYS awarded for ROC the Riverway. RDDC sat on the 12-member Advisory Board tasked with winnowing down more than \$500 million in possible projects, to jumpstart Phase One of a much larger plan to transform our riverfront.

The Advisory Board worked in partnership with State and City leadership in a very collaborative process.

Downtown Innovation Zone (DIZ)

Now a major economic story,



Deborah Stendardi
Chair



Heidi Zimmer-Meyer
President

there are now 183 innovation and creative class enterprises in the DIZ, up from 108 at the beginning of 2016.

New companies attracted to downtown — NYC-based LiveTiles and the expansions of Datto, CGI Communications, and VisualDx will add nearly a thousand new innovation workers to downtown over the next five years.

Four incubators and accelerators are open in downtown's core:

- ◆ RIT's *Center for Urban Entrepreneurship (CUE)*
- ◆ *NextCorps* (former HTR), incubating innovation-based businesses
- ◆ *Luminate NY*, the only international startup accelerator for optics, photonics & imaging enterprises
- ◆ *ROC Game Dev*, an indy digital game developer co-working, incubation and meet-up space

This is creating a new energy level downtown not seen in more than half a century.

RDDC is Evolving

Our 2018-2023 Strategic Plan, "*Innovation Through Collaboration*", charts a vital new course for the organization, and has four goals:

1. Accelerate downtown economic vitality;
2. Position and market downtown and its assets to support business attraction and downtown investment;
3. Catalyze innovative ideas that make downtown a more vibrant and inclusive community; and,
4. Maximize the ongoing impact of the organization.

RDDC has the ability to flex its priorities and respond quickly to changing market conditions. Many thanks to all of RDDC's members and their generous financial support!

BOARD OF DIRECTORS

CHAIR

Deborah Stendardi, Vice President, Government & Community Relations, Rochester Institute of Technology

CHAIR ELECT

Dr. Joel Frater, Executive Dean, MCC Downtown Campus

IMMEDIATE PAST CHAIR

David Beinetti, Principal & Chairman, SWBR Architecture, Engineering & Landscape Architecture, P.C.

VICE CHAIRS

Patrick Dutton, President, Dutton & Company
Brian Flanagan, Partner & Gen. Counsel, Nixon Peabody LLP
Andy Gallina, President, Gallina Development Corporation
Joe Rizzo, Regional Manager of Economic Development, NYSEG & RG&E
Pat Tobin, Senior VP & Market Executive, S&T Bank
Tory Van Voorhis, CEO, Second Avenue Learning
Dawn Williams-Fuller, Owner, Ambassador Union Street LLC

TREASURER

Brie Harrison, Finance Director, Rochester Public Library

SECRETARY

Kate Karl, Partner & Chair of Banking Law Practice Group, Underberg & Kessler LLP

ADDITIONAL DIRECTORS

Tara Boggio, Senior Business Development Manager, Upstate NY, T.Y. Lin International
Jim Brown, Executive Director, JAF Rochester Riverside Convention Center
Scott Burdett, Vice President - Brokerage Services, Flaum Management Company, Inc.
Craig Burton, Sen. VP, Commercial Real Estate Exec., Five Star Bank
Keith Cleary, VP/Director— Business Banking, ESL Federal Credit Union
Tim Corcoran, CFO, CGI Communications
Jim Doser, Dir., Institute for Music Leadership, Eastman School of Music
Steve Dubnik, President & CEO, The Strong
Rich Finley, Pres., COO & Partner, Buckingham Properties
Bret Garwood, CEO, Home Leasing
Pete Giovenco, President & CEO, Bergmann Associates
Francis L. Gorman III, Partner, Harris Beach PLLC
Bob Healy, President, LaBella Associates, P.C.
Chris Hill, Vice President, I. Gordon Corporation
Ben Keller, Partner, Real Estate Development & Finance Group, Woods Oviatt Gilman LLP
Peter Landers, Mng. Member, Landers Management LLC
Jean Maess, Site Manager, Thomson Reuters
Chris Mannelli, Executive Director, Geva Theatre Center
Roosevelt Mareus, Dean/Executive Director, Rochester Educational Opportunity Center
Stuart Mitchell, President & CEO, PathStone Corporation
Richard Mueller, Group Vice President, M&T Bank
Dr. Art Papier, Co-Founder & CEO, VisualDx
Michael Pietropaoli, VP, Sen. Relationship Mgr., KeyBank
Jim Redmond, Reg'l VP, Communications, Excellus BCBS
Patrick Rogers, VP/Project Executive, The Pike Company
Kevin Ryan, Exec. Director, Monroe County Bar Association
Naomi Silver, President, CEO & COO, Rochester Red Wings
Christine Vargas, Founder & Owner, Vargas Associates
Steve Webster, Owner, Webster Properties

2019 Workplan

2019 Budget

MISSION

RDDC drives economic vitality in Downtown Rochester through innovation and collaboration.

KEY 2019 STRATEGIES

POWERFUL ADVOCACY & PARTNERSHIPS

- ➔ Board identifies top five advocacy targets in January 2019 and prioritizes through feedback from RDDC members
- ➔ Grow collaborative efforts on advocacy targets and priorities with GRE, the Chamber, local government, C4 (new alliance of downtown residents), Community Design Center of Rochester, VisitRochester, and Roc the Riverway partners
- ➔ Complete and repackage downtown housing, office market, and investment data, and share with public policy makers, investors, members, and the media
- ➔ Strengthen RDDC's role as the preeminent downtown economic development organization, and use business events to position the organization as a significant and high impact regional economic development and leadership entity

GROWING BUSINESSES & TENANCY

- ➔ Achieve full funding for *The Commissary*, start construction, and begin operations in 2019
- ➔ Leverage the Downtown Innovation Zone and its many business incubation and acceleration partners to market the downtown environment, investments, and business development assets to grow microenterprises in the center of the city
- ➔ Work with GRE, City, County, and Chamber to flesh out downtown's unique role in attracting and retaining innovation companies

ORGANIZATIONAL SUSTAINABILITY

- ➔ Use Development Committee to explore ways to leverage RDDC's 501(c)(3) status; grow and diversify RDDC's membership; identify alternative funding sources; and better engage downtown innovation companies
- ➔ Continue to participate in all discussions regarding a possible downtown Business Improvement District (BID)
- ➔ Develop a platform for the organization to increase its role as a corporate citizen, and identify opportunities to positively impact the community beyond downtown

	2018 ACTUALS	2019 Rev. BUDGET
REVENUE		
Membership Dues	\$204,420	\$213,625
Events, Event Sponsorships	98,138	95,000
Downtown Innovation Zone	0	0
Marketing & Communications Program	840	1,000
Other Grants & Contract Income	0	6,666
Miscellaneous Income	766	5
TOTAL REVENUE	\$304,164	\$316,296
EXPENSES		
Staff Payroll	\$185,323	\$195,656
Payroll Taxes	14,614	15,652
Employee Benefits	20,719	22,414
Technical Services	3,422	4,500
Rent & Utilities	0	0
Equipment & Machines	3,811	6,055
Telephone, I-net, Cloud, Email	4,206	5,073
Office Expenses	1,321	1,300
Printing & Copying	1,081	1,200
Postage, PDQ	279	350
Business & Meetings	874	850
Dues & Subscriptions	157	200
Insurance	2,745	2,900
Accounting & Prof. Services	8,063	6,720
Miscellaneous Expenses	901	6,896
Total Overhead	\$247,516	\$269,766
RDDC Events	\$35,843	\$42,500
Downtown Innovation Zone	0	1,530
Marketing & Communications Program	2,065	2,500
TOTAL EXPENSE	\$285,424	\$316,296
SURPLUS (DEFICIT)	\$18,740	\$0

HIGH IMPACT COMMUNICATIONS, MARKETING & EVENTS

- ➔ Develop a formal marketing and communications plan to promulgate the *Downtown Definitely* brand and maximize the impact of RDDC's social media channels
- ➔ Highlight downtown residential and innovation enterprise stories on the new RDDC/Downtown website and RDDC's social media channels
- ➔ Use events as a mechanism to deliver downtown market messaging, address advocacy issues, and enliven the street experience
- ➔ Form Marketing Task Force to guide RDDC's marketing and communications efforts
- ➔ Use new Nominating & Governance Committee to draft a succession plan for RDDC

2018-19 RDDC Highlights

Key 2018-19 Accomplishments

THE COMMISSARY — Designed to incubate food businesses (food trucks, startup restaurants, caterers, bakers, food production startups), RDDC has raised nearly all of the \$2 M. needed to start construction at Sibley Square. Space design is complete, workshops have been underway for a year, and 102 food entrepreneurs are on our waiting list.

DOWNTOWN MARKETING INITIATIVE — Our 2nd *Eat Up Rochester* Restaurant Week (April 29 - May 5) was a huge success. Now activating the new *Downtown Definitely* brand with an awards program, murals, street banners, a new, revitalized downtown website, and other arts projects.

DOWNTOWN INNOVATION ZONE (DIZ) — RDDC is now tracking 184 innovation and creative class enterprises, and is working to represent this rising group of businesses in the regional economic development arena.

ADVOCACY — RDDC helped reverse an on-street parking pricing change that would have negatively impacted restaurants, arts, and other street-level businesses. RDDC continues to aggressively engage in issues ranging from the parking system, leveraging the riverfront, major public project design, activating street life, and the growth of the Downtown Innovation Zone.

Downtown Office Space Survey June 2018

Total Space Surveyed = 117 buildings, 9.56 M. s.f.,
(83.2 % occupied)

Competitive Space = 89 buildings, 6.58 M. s.f.,
(75.6 % occupied)

- Class "A" — 12 buildings, 2.7 M. s.f.,
(79.1 % occupied)
- Class "A/R" — 13 buildings, 533,354 s.f.,
(86.0% occupied)
- Class "B" — 35 buildings, 2.6 M. s.f.,
(66.8 % occupied)
- Non-traditional — 25 buildings, 576,065 s.f.,
(83.7 % occupied)
- Medical — 4 buildings, 150,292 s.f.,
(94.1 % occupied)

Non-Competitive Space = 28 buildings, 2.97 M. s.f.,
(100 % occupied)

Websites

Downtown's premier website (*new website launches
In mid-2019*): www.rochesterdowntown.com

Downtown Innovation Zone: www.RocDIZ.com

The Commissary: www.RochesterCommissary.org

Eat Up Rochester: www.EatUpRoc.com

Corporate Structure

RDDC is a private, membership-based, 501(c)(3) not-for-profit corporation, structured as follows:

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 consists of the officers of the corporation and has oversight on corporate management, policies and staff compensation, and executes the annual CEO review.

NOMINATING & GOVERNANCE COMMITTEE

- Handles all governance matters, makes policy recommendations, and develops the annual slate of Officers and Directors.

DEVELOPMENT COMMITTEE

- Develops the annual membership campaign and revenue plan to appropriately resource RDDC's staff, programs, and corporate operations.

Downtown Housing Report December 2016 (*2018 study is underway*)

Existing Housing

- All downtown housing units (both reporting & non-reporting): **4,074**
- Estimated residents: **7,040** (*up 117%, 2000-16*)
- Total owner-occupied units: **141**
- Total rental units: **3,933**
 - Market-rate rental units: **2,937**
 - Subsidized rental units: **996**
- Vacancy rate, all rental units: **5.4%**
 - Market-rate units: **3.3 %**
 - Subsidized units: **6.6 %**
- Number of loft & loft-style units: **859**
- Rent range, all units: **\$400 - \$3,922**

Under Development (*as of May 2018*)

- 21 projects in pipeline
 - 12 commercial space conversions, 9 new construction, and 1 rehab of an existing residential property
- Total # of new rental & for sale housing units planned or under construction = **1,792**

2019 RDDC Membership

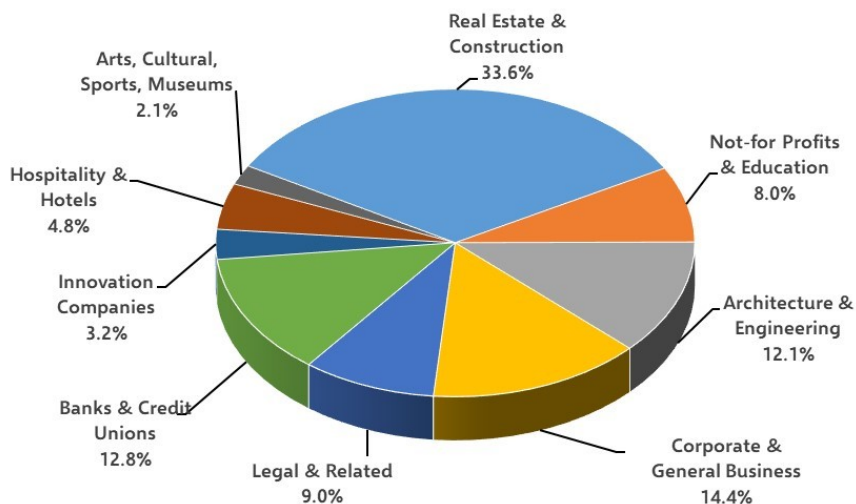
(As of 5/7/19)

PREMIER MEMBERS

Ambassador Union Street LLC • Excellus BCBS Rochester Region • Hyatt Regency Rochester
• Nixon Peabody LLP • Pyramid Brokerage Company • Thomson Reuters

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| <p>AIA — Rochester
Ajay Glass
Allpro Parking LLC
Ashley Management Corporation
BOMA of Greater Rochester
Bergmann Associates
Birnbaum Companies*
Borrelli & Yots PLLC
Boundless Connections
Broadstone Real Estate, LLC
Bruckner, Tillett, Rossi, Cahill & Associates
Buckingham Properties
C&S Companies
CB Richard Ellis
CGI Communications
The Cabot Group
Canandaigua National Bank & Trust
Catholic Family Center
Chaintreuil/Jensen/
Stark Architects LLP
Christa Construction
City Newspaper
Clark Patterson Lee
The College at Brockport
The Community Foundation
Community Preservation Corporation
Conifer Realty LLC*
Corn Hill Navigation*
Corporate Communications*
Costanza Enterprises
Democrat and Chronicle
DiMarco Constructors, LLC</p> | <p>ESL Federal Credit Union
Eastman School of Music
Fisher Associates*
Five Star Bank
Flaum Management Company, Inc.
Floreano Rochester Riverside Convention Center
Flower City Management, Inc.
FORTIFIED
Foundation Design, P.C.
Gallina Development Corporation
Galvin Realty Group
Genesee Regional Bank
Geva Theatre Center
Grand Atlas Property Management
Greater Roch. Assoc. of REALTORS®, Inc.
Greater Rochester Chamber of Commerce
Greater Rochester Enterprise
Hamilton Stern Construction
Hanlon Architects
Hanna Commercial
Harris Beach PLLC
Harter Secrest & Emery, LLP
Hilton Garden Inn
Hochstein Memorial Music School
Holiday Inn Downtown*
Home Leasing
Howard Hanna
Hunt E A S</p> | <p>ID Signsystems
I. Gordon Corporation
Johnson Controls
KeyBank
LaBella Associates
Landers Management
Landmark Society of Western New York
LeChase Construction Services LLC
The LiRo Group
Lifetime Financial*
M&T Bank
M/E Engineering P.C.
MCC Downtown Campus
Manning Squires & Hennig Inc.
Mission Commercial Realty
Monroe County Bar Association
Norry Management Corp.
NorthMarq Capital
Passero Associates, P.C.
PathStone Corporation
Phillippone Associates
Phillips Lytle LLP
The Pike Company, Inc.
Riedman Companies
Rochester Building Trades Council
Rochester District Heating Coop., Inc.
Rochester Educational Opportunity Center
Rochester Gas & Electric Corp.
Rochester Institute of Technology</p> | <p>Rochester Management, Inc.
Rochester Philharmonic Orchestra
Rochester Public Library
Rochester Red Wings
Rynne, Murphy & Associates, Inc.
S&T Bank
SEI Design Group
SVN Realty Performance Advisors
SWBR
Second Avenue Learning
Smith + Associates*
Spoleta Development
Stantec
Stern Properties
Stewart Title Insurance Company
The Strong
T.Y. Lin International
Taylor the Builders*
Times Square Building
UDN, Inc.
UNICON
US Employee Benefits Group
Underberg & Kessler, LLC
Upstate Bank
Vargas Associates, Inc.
VisitRochester
VisualDx
Webster Properties, LLC
WinnCompanies
Woods, Oviatt, Gilman LLP
YMCA of Greater Rochester
* (New 2018-19 RDDC member)</p> |
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2019 RDDC MEMBERSHIP BY SECTOR



Community Impact

REPRESENTATION — ROC 2025 Steering Committee, Finger Lakes Regional Economic Development Council (*DIZ Sub-Team, and Entrepreneurship & Development Workgroup*); ROC the Riverway Management Entity Working Group; Arts in The Loop Executive Committee; RIT Center for Urban Entrepreneurship Advisory Board; The Community Foundation's Mission Related Investing Task Force; Rochester Riverside Convention Center Management Board; NYS Urban Council; MAG Social

MEDIA COVERAGE — Frequent and substantive

PUBLIC SPEAKING — Region-wide