

MESSAGE TO MEMBERS

In addition to being economic powerhouses, downtowns around the country are really about “power of place”. Density, authenticity, walkability, and spaces where creative collisions happen, all have real currency in this arena.

What we know is that business is chasing talent, and that young talent wants places with vibrant center cities, diverse environments, and socially conscious cultures. The geography of innovation is also changing, as the Silicon Valley and Research Triangle Park models are being replaced by more urban versions.

Innovation Story is Key

The Downtown Innovation Zone (“DIZ”) has grown from 108 innovation and creative class enterprises in 2016, to 191 today. Some are growing fast, and these new upstarts are replacing more conventional tenancy.

Four business incubators and accelerators are up and running in the core of the DIZ, and another one is under construction. The latter is RDDC’s project, *The Commissary* — the first food business incubator and shared kitchen facility of its kind in NYS outside NYC.

A rapid rise in co-working spaces downtown with six now open is reflecting the kind of flexible space options many young entrepreneurs want.

Major Investments Underway

In keeping with downtown economic revitalization trends, 56 virtually vacant buildings have been converted to housing downtown, sparked by the \$2.3 billion invested since the year 2000. There are 20 more housing projects in the pipeline, ROC the Riverway is in motion, and the entire downtown landscape is being transformed.

There are now nearly 8,000 people living downtown, and another 2,300 more will be moving in over the next few years. Downtown is also the largest office park in the nine-county region, and has a worker population of approximately 48,000.



Dr. Joel Frater
Chair



Heidi Zimmer-Meyer
President

Equity & Inclusion are Essential

To have a viable chance at real transformative growth in this region, equity and inclusion must be imbedded in our strategies. They should cut across every aspect of economic development, from cluster-building and talent attraction, to education, workforce development, and business ownership and support services. And this can’t just trickle down from the top. It needs to involve players and stakeholders at all levels, and around the tables where decisions are made.

Inviting diverse voices makes our businesses more competitive, our products and services more successful, and our economy stronger.

RDDC’s Role is Evolving

Given the massive changes underway downtown, RDDC’s Strategic Plan for 2018-23 is charting a vital new course for the organization. It’s key goals are to:

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’s relevance and value proposition hinge on our ability to leverage the country’s increasing urbanization trend and to recognize that downtown belongs to everyone. We all need to feel welcome and be able to find ways to capture a piece of the prosperity that is happening down here. RDDC remains committed to all of this.

BOARD OF DIRECTORS

CHAIR

Dr. Joel Frater, Executive Dean, MCC Downtown Campus

IMMEDIATE PAST CHAIR

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

VICE CHAIRS

Jim Brown, Executive Director, Floreano Convention Center
Tim Corcoran, CFO, CGI Communications
Steve Dubnik, President & CEO, The Strong
Brian Flanagan, Partner & Gen. Counsel, Nixon Peabody LLP
Bret Garwood, CEO, Home Leasing
Chris Hill, Vice President, I. Gordon Corporation
Chris Mannelli, Executive Director, Geva Theatre Center
Roosevelt Mareus, Dean/Executive Director, Rochester Educational Opportunity Center
Joe Rizzo, Manager of Economic Development & Community Relations, NYSEG & RG&E
Patrick Tobin, Senior VP & Market Executive, S&T Bank
Tory Van Voorhis, CEO, Second Avenue Learning
Christine Vargas, Founder & Owner, Vargas Associates

TREASURER

Brie Harrison, Finance Director, Rochester Public Library

SECRETARY

Pete Giovenco, President & COO, Bergmann Associates

ADDITIONAL DIRECTORS

David Beinetti, Principal & Chairman, SWBR Architecture, Engineering & Landscape Architecture, P.C.
Tara Boggio, Senior Business Manager, Upstate NY, T.Y. Lin International
Scott Burdett, Vice President - Brokerage Services, Flaum Management Company, Inc.
Craig Burton, Senior VP, Commercial Real Estate Executive, Five Star Bank
Keith Cleary, VP/Director— Business Banking, ESL Federal Credit Union
Jim Doser, Director, Institute for Music Leadership, Eastman School of Music
Patrick Dutton, President, Dutton & Company
Josh Farrelman, Assoc. VP, Government & Community Relations, University of Rochester
Rich Finley, President & COO, Buckingham Properties
Andy Gallina, President, Gallina Development Corporation
Francis L. Gorman III, Senior Counsel, Harris Beach PLLC
Ken Hall, CFO, Riedman Companies
Bob Healy, President, LaBella Associates, P.C.
Kate Karl, Partner, Chair of Real Estate & Banking Law Groups, Underberg & Kessler LLP
Ben Keller, Partne, Real Estate Development & Finance Group, Woods Oviatt Gilman LLP
Paul Kremp, Gen. Mgr., Holiday Inn Downtown Rochester
Peter Landers, Mng. Member, Landers Management LLC
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
Steve Webster, Owner, Webster Properties
Dawn Williams-Fuller, Owner, Ambassador Union Street LLC

2020 Workplan

2020 Budget

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

POWERFUL ADVOCACY & PARTNERSHIPS

- ◆ Board identifies top five issues to target in January 2020 and prioritizes through feedback from RDDC members
- ◆ Continue to strengthen RDDC's key roles in the ROC2025 and ROC the Riverway alliance partnerships, and build even stronger public private partnerships with the State, City of Rochester, and County of Monroe
- ◆ Continue to build RDDC's collaborations with other key economic development partners, including GRE, the Chamber, and VisitRochester
- ◆ Continue to frequently update the Downtown Market Summary report, and share it 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

- ◆ Through RDDC's single member LLC, the Rochester Commissary LLC, complete construction of The Commissary and begin operations in 2020
- ◆ 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
- ◆ Continue to work with GRE, City, County, and Chamber to flesh out downtown's unique role in attracting and retaining innovation companies

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

ORGANIZATIONAL SUSTAINABILITY

- ◆ Use Development Committee to explore ways to leverage RDDC's 501(c)(3) status; grow and diversify RDDC's membership; identify alternative

	2019 Proj. ACTUALS	2020 BUDGET
REVENUE		
Membership Dues	\$200,225	\$197,700
Events, Event Sponsorships	99,830	95,000
Marketing & Communications	0	0
Management Fees & Contracts	2,300	42,698
Miscellaneous Income	294	5
TOTAL REVENUE	\$302,649	\$335,403
EXPENSES		
Staff Payroll	\$175,156	\$196,720
Payroll Taxes	13,837	15,541
Employee Benefits	20,516	26,850
Technical Services	3,871	4,080
Rent & Utilities	0	0
Equipment & Machines	3,904	5,405
Telephone, I-net, Cloud, Email	4,896	5,069
Office Expenses	1,800	1,300
Printing & Copying	548	750
Postage	200	250
Business & Meetings	3,400	1,000
Dues & Subscriptions	1,485	1,724
Insurance	2,900	3,000
Accounting Services	7,406	7,400
Miscellaneous Expenses	664	2,754
Total Overhead	\$240,583	\$271,843
RDDC Events	\$47,148	\$45,000
Downtown Innovation Zone	0	0
Marketing & Communications	1,150	18,560
Management Fees & Contracts	2,300	22,700
TOTAL EXPENSE	\$291,181	\$335,403
SURPLUS (DEFICIT)	\$11,468	\$0

funding sources; and better engage downtown innovation companies

- ◆ Continue to participate and directly assist in all discussions regarding a possible downtown Business Improvement District (BID)
- ◆ Continue to develop the organization's platform to increase its role as a corporate citizen, and identify opportunities to positively impact the community beyond downtown
- ◆ Form Marketing Task Force to guide RDDC's marketing and communications efforts
- ◆ Use Governance & Compensation Committee to draft a succession plan for RDDC
- ◆ Form Audit Committee to strengthen financial oversight and enhance compliance with State and Federal laws and regulations
- ◆ Develop a Board orientation process that reflects the values of the organization

2019 RDDC Highlights

Key 2019 Accomplishments

THE COMMISSARY — RDDC has raised \$2.1 M. to build a shared kitchen and food business incubator for food trucks, startup restaurants, caterers, bakers, home-based food businesses looking to legalize, and food manufacturing and production startups. Construction started in November 2019 at Sibley Square with completion anticipated by June 2020. There are 140 food entrepreneurs on our waiting list.

DOWNTOWN MARKETING INITIATIVE — Our 2nd *Eat Up Rochester* Restaurant Week (April 29 - May 5) was a huge success. The new *Downtown Definitely* brand is being activated with the new downtown website, an new downtown awards program, new Main Street banners, and other arts projects.

DOWNTOWN INNOVATION ZONE (DIZ) — RDDC is now tracking 195 innovation and creative class enterprises in the DIZ, and RDDC helps represent this rising group of businesses in the regional economic development arena.

ADVOCACY — RDDC helped reverse an on-street parking pricing change that 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, 9.7 M. s.f.,
(83.2 % occupied)

Competitive Space = 89 buildings, 6.7 M. s.f.,
(76.6 % occupied)

- Class "A" — 12 buildings, 2.8 M. s.f.,
(79.6 % occupied)
- Class "A/R" — 13 buildings, 586,502 s.f.,
(84.2% 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, 3.0 M. s.f.,
(100 % occupied)

Websites

Downtown's premier website:
www.RochesterDowntown.com

The Commissary: www.RochesterCommissary.org

Eat Up Rochester: www.EatUpRoc.com

Downtown Innovation Zone: www.RocDIZ.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.

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.

AUDIT COMMITTEE

- Provides financial oversight to ensure compliance with State and Federal laws and regulations.

Downtown Housing December 2018

Existing

- All downtown housing units (both reporting & non-reporting): **4,670**
- Estimated residents: **7,780** (up 140%, 2000-18)
- Total owner-occupied units: **151**
- Total rental units: **4,519**
 - Market-rate rental units: **3,456**
 - Subsidized rental units: **1,063**
- Vacancy rate, all rental units: **6.5%**
 - Market-rate units: **6.4%**
 - Subsidized units: **6.7%**
- Percent rental: **96.8%**
- Rent range, all units: **\$408 - \$3,035**

Under Development (as of November 2019)

- 20 projects in pipeline — 10 commercial space conversions, 10 new construction, and 3 rehabs of existing residential properties
- Total # of new rental & for sale housing units planned or under construction = **1,333**

2019 RDDC MEMBERSHIP

(As of 11/21/19)

PREMIER MEMBERS

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

AIA — Rochester
 Allpro Parking LLC
 Ashley Management Corporation
 BOMA of Greater Rochester
 Benderson Development*
 Bergmann Associates
 Birnbaum Companies
 Borrelli & Yots PLLC
 Boundless Connections*
 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*
 Digital Hyve*
 DiMarco Constructors, LLC
 ESL Federal Credit Union

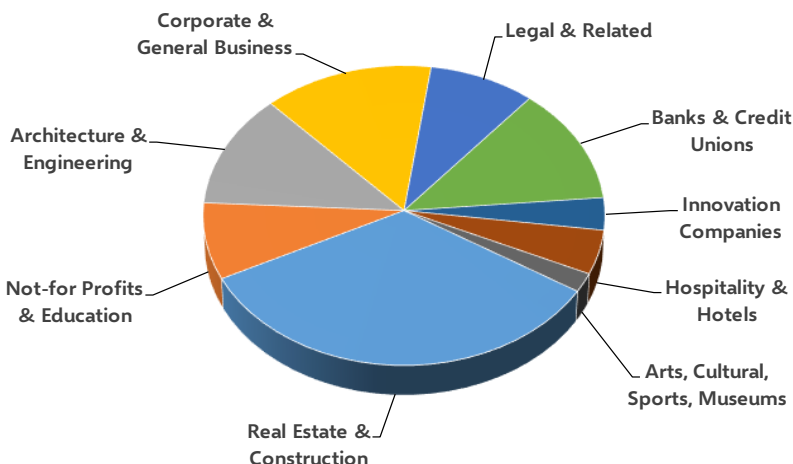
Eastman School of Music
 Fisher Associates
 Five Star Bank
 Flaum Management
 Company, Inc.
 Floreano Convention Center
 Flower City Management, Inc.
 FORTIFIED
 Foundation Design, P.C.
 Gallina Development
 Corporation
 Galvin Realty Group
 Geva Theatre Center
 Greater Roch. Assoc. of
 REALTORS®, Inc.
 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 Rochester
 Downtown*
 Home Leasing
 Howard Hanna
 Hudson Partners Development
 Hunt E | A | S
 ID Signsystems
 I. Gordon Corporation
 Johnson Controls
 KeyBank

Konar Properties*
 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
 NextCorps*
 Norry Management Corp.
 NorthMarq Capital
 Passero Associates, P.C.
 PathStone Corporation
 Philippone 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
 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
 Savin Engineering*
 Second Avenue Learning
 Smith + Associates*
 Spoleta Development
 SPOT Cowork*
 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
 University of Rochester*
 Upstate Bank
 Vargas Associates, Inc.
 VisitRochester
 VisualDx
 Webster Properties, LLC
 WinnCompanies
 Woods, Oviatt, Gilman LLP
 YMCA of Greater Rochester

* (New 2019 RDDC member)

2019 RDDC MEMBERSHIP BY SECTOR



Community Impact

REPRESENTATION

ROC2025 Leadership Group; ROC the Riverway Management Entity Working Group; Digital Game Industry Association of Rochester Board; RIT Center for Urban Entrepreneurship Advisory Board; Rochester Commissary LLC; The Community Foundation's Mission Related Investing Task Force; Urban Entrepreneurship Ecosystem Partnership; Floreano Convention Center Management Board; NYS Urban Council; MAG Social

MEDIA COVERAGE, PUBLIC SPEAKING

Frequent and substantive