



ANNUAL REPORT

June 2021



Rochester Downtown Development Corporation

100 Chestnut Street, Five Star Bank Plaza | Rochester, New York | 14604

www.RochesterDowntown.com



MESSAGE TO MEMBERS

BOARD OF DIRECTORS

We are at a true crossroads in downtown and in the city. This past year was brutal — one of the toughest in the last century. Now, RDDC is engaged in the work to ensure a truly equitable recovery, and Rochester is poised to inaugurate a new Mayor in January.

Development is Booming

Remarkably, many of downtown's development projects never stopped. The landscape along the former Inner Loop East is virtually unrecognizable with four major buildings under construction. The Neighborhood of Play has another four buildings and a new street system under construction. The Butler/Till Building on the Midtown block is nearing completion.

ROC the Riverway projects continue to move forward, and the Roc City Skatepark opened to great fanfare in November. The game-changing transformation has begun at Innovation Square, with a re-vamped street-level and the first five floors of student housing due to open in August.

The City's fast work to green Parcel 5 is now complete and more than 50 events and activities have already been scheduled. Plans to revive the seven buildings in the new Aqueduct District are moving forward, ignited by its recent Common.com selection as one of only five "remote work hubs" in the U.S.

And over at Sibley Square, both The Mercantile and RDDC's Commissary (a shared kitchen and food business incubator) have opened, creating a dynamic new food-centric environment attracting foodies, social media influencers, and all of us who like to eat.

RDDC is tracking \$550.8 million in projects now in development, with \$92.5 million more in planned projects. With over 8,400 people living downtown and 12 housing projects in the pipeline, we expect another 1,560 downtown residents within the next few years.

More than \$2.35 billion has been invested in downtown in the last 20 years — a stunning number.

Our new focus must be on creating a more vibrant street level experience downtown.



Chris Hill
Chair



Heidi Zimmer-Meyer
President

Downtown Innovation Zone

There were 193 innovation and creative class enterprises downtown pre-COVID. The entrepreneurial spirit showed in last summer's virtual Arts in the Loop business incubation workshops for artists, and downtown now has nine business incubators, accelerators, and testing sites — up from four, 1½ years ago:

- ◆ *UR/NextCorps, Sibley Square*
- ◆ *RIT Center for Urban Entrepreneurship, 40 Franklin St.*
- ◆ *RIT/Venture Creations, 40 Franklin St.*
- ◆ *Luminate, Sibley Square*
- ◆ *Roc Game Dev, Sibley Square*
- ◆ *The Commissary, Sibley Square*
- ◆ *Venture Jobs Foundation, Sibley Sq.*
- ◆ *AT Venture Center, Legacy Tower*
- ◆ *NEED.Suites, 350 East Ave.*

Several reflect deep connections with RIT and UR, and more entrepreneurship centers are planned for the Innovation Square and Aqueduct District developments.

Real Equity & Economic Growth

Communities that embrace diverse voices and imbed equity in their growth strategies do better economically. RDDC remains deeply committed to this goal, and the following are in motion:

- ◆ *Diversifying our Board leadership*
- ◆ *Actively participating in urban entrepreneurship partnerships*
- ◆ *Actively engaged with a variety of partners focused on ensuring an equitable economic recovery*

RDDC's Future Leadership

The Board created a Search Committee to manage the executive recruitment process, given Heidi's planned retirement by year-end. The Board is anticipating that RDDC's new leader will be in place by late 2021 or early 2022.

CHAIR

Chris Hill, Vice President, I. Gordon Corporation

IMMEDIATE PAST CHAIR

Dr. Joel Frater, Retired Exec. Dean, MCC Downtown Campus

VICE CHAIRS

Jim Brown, Executive Director, Floreano Convention Center

Tim Corcoran, CFO, CGI Communications

Steve Dubnik, President & CEO, The Strong

Josh Farrelman, Associate VP, Government & Community Relations, University of Rochester

Brian Flanagan, Partner & Gen. Counsel, Nixon Peabody LLP

Bret Garwood, CEO, Home Leasing

Chris Mannelli, Executive Director, Geva Theatre Center

Roosevelt Mareus, Dean/Executive Director, Rochester

Educational Opportunity Center

Ebony Miller-Wesley, Director, RIT Center for Urban Entrepreneurship

Joe Rizzo, Manager of Economic Development & Community Relations, NYSEG & RG&E

Naomi Silver, President, CEO & COO, Rochester Red Wings

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.

Craig Burton, Senior VP, Commercial Real Estate Executive, Five Star Bank

Alex Castro, President & CEO, PathStone Corporation

Keith Cleary, VP/Director— Business Banking, ESL Federal Credit Union

Dave DiProsa, Regional Director, Digital Hyve

Patrick Dutton, President, Dutton & Company

Steve Epping, Senior VP, Commercial Lending, M&T Bank

Andy Gallina, President, Gallina Development Corporation

Ken Glazer, Chairman, Buckingham Properties

Francis L. Gorman III, Senior Counsel, Harris Beach PLLC

Ken Hall, CFO, Riedman Companies

Bob Healy, President, LaBella Associates, P.C.

Dr. Seanelle Hawkins, President & CEO, Urban League of Rochester

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

Ben Keller, Partner, Real Estate Development & Finance Group, Woods Oviatt Gilman LLP

Peter Landers, Managing Member, Landers Management LLC

Eugenio Marlin, President & CEO, Ibero-American Development Corporation

Dr. Art Papier, Co-Founder & CEO, VisualDx

Nayan Patel, Owner, Holiday Inn Downtown Rochester

Michael Pietropaoli, VP, Sen. Relationship Mgr., KeyBank

Kelly Pronti, Partner, Harter Secrest & Emery LLP

Jim Redmond, Reg'l VP, Communications, Excellus BCBS

Rachel Roberts, Director, Institute for Music Leadership, Eastman School of Music

Roseann Schmid, CEO, Fisher Associates

Steve Webster, Owner, Webster Properties

Dawn Williams-Fuller, Owner, Ambassador Union Street LLC

2021 Workplan Highlights & Budget

MISSION: *To drive economic vitality in Downtown Rochester through Innovation and collaboration.*

Accelerate downtown economic vitality

- Explore creatively designed, COVID-compliant outdoor events, and activate one or two if feasible
- Convene the seven business incubators and accelerators to unify marketing, refresh the Downtown Innovation Zone as a regional economic asset, and drive tenancy in downtown office buildings

Position and market downtown and its assets to support business attraction and investment downtown

- Leverage RDDC's new Marketing & Communications Manager to develop and activate a new marketing and communications plan that: (1) compellingly tells the evolving downtown story; (2) grows the *Downtown Definitely* brand; (3) dramatically improves RDDC's social media platforms; (4) renews a focus on the Downtown Innovation Zone; (5) assists the leasing of downtown housing and office space; (6) refreshes our three websites; (7) drives attendance at RDDC's virtual events; (8) more effectively connects RDDC to its current and prospective members
- Leverage the Downtown Innovation Zone and its seven business incubation and acceleration partners to market the downtown environment, investments, and business development assets to grow microenterprises in the center of the city

Catalyze innovative ideas that make downtown a more vibrant and inclusive community

- Lead/participate actively in any work to more effectively manage the street-level and public space experience downtown
- When COVID restrictions loosen again: (1) work with Arts in the Loop to help restart the project to populate vacant downtown storefronts with arts activities; and, (2) rethink our April Restaurant Week event
- Gather successful COVID-sensitive outdoor event ideas from other downtowns and, if feasible, activate one or two in 2021 to enliven the downtown street experience in the summer of 2021
- Explore other ways to create a more active and exciting street life, such as the very successful work driven by Boston's CultureHouse
- Continue to push the RDDC Task Force on Race, Inclusion & Equity to act on its initial priorities, to: (1) broaden the voices on RDDC's Board of Directors to include community alliance leaders of color; and, (2) deepen our relationships with key community partners engaged in confronting racism and bias embedded in our community systems, programs and practices

	2020 Proj. ACTUALS	2021 BUDGET
REVENUE		
Membership Dues	\$167,448	\$160,900
Events, Event Sponsorships	42,418	35,000
Marketing & Communications	0	0
Management Fees & Contracts	0	46,930
Grants	51,503	107,203
Passthrough Grants	110,000	0
Miscellaneous Income	436	425
TOTAL REVENUE	\$371,805	\$350,458
EXPENSES		
Staff Payroll	\$173,383	\$239,000
Payroll Taxes	13,560	18,881
Employee Benefits	20,444	38,705
Technical Services	2,803	3,860
Rent & Utilities	0	0
Equipment & Machines	2,322	4,368
Phone, I-Net, Cloud, E-Mail	4,861	5,220
Office Expenses	308	1,300
Printing & Copying	698	750
Postage	614	700
Business & Meetings	1,779	2,500
Dues & Subscriptions	1,279	1,308
Insurance	2,686	3,000
Accounting Services	9,331	6,309
Miscellaneous Expenses	244	4,344
Total Overhead	\$234,312	\$330,245
RDDC Events	\$261	\$10,000
Marketing & Communications	1,224	5,000
Passthrough Grants	110,000	0
Management Fees & Contracts	9,100	13,600
TOTAL EXPENSE	\$354,897	\$345,245
SURPLUS (DEFICIT)	\$16,908	\$5,213

- Use events as a mechanism to: (1) deliver positive downtown messaging; (2) provide education on downtown and economic development issues; and, (3) enliven the street experience in key areas of downtown

Maximize the ongoing impact of the organization

- Use the 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
- Form a Marketing Task Force in early 2021 to guide the development of a more powerful marketing and communications strategy for downtown and RDDC

2020-21 RDDC Highlights

Key 2020-21 Accomplishments

WEATHERING COVID-19 — Successfully stabilized RDDC's financial position, despite significant pandemic-related headwinds. Used virtual platforms to support and assist businesses, expose growth opportunities, and highlight market changes.

LAUNCHED THE COMMISSARY — The single largest project in RDDC's history opened its doors in October 2020, and is now working with 27 food entrepreneurs. RDDC took on this project for several reasons: (1) to help fill empty retail spaces and improve downtown's street vitality; (2) fill a gap in the urban entrepreneurship ecosystem; (3) help grow the Downtown Innovation Zone; and, (4) add a valuable downtown asset to the region's economic development offerings.

DOWNTOWN INNOVATION ZONE (DIZ) — RDDC is now tracking 193 innovation and creative class enterprises in the DIZ. RDDC helps represent this rising group of businesses in the regional economic development arena.

PUBLIC POLICY & PROGRAM IMPACTS — 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 2020

Total Space Surveyed = 122 buildings, 8.7 M. s.f.,
(81.3 % occupied)

Competitive Space = 95 buildings, 5.9 M. s.f.,
(72.4 % occupied)

- Class "A" — 13 buildings, 2.3 M. s.f.,
(82.8 % occupied)
- Class "A/R" — 15 buildings, 747,403 s.f.,
(62.4% occupied)
- Class "B" — 33 buildings, 2.0 M. s.f.,
(60.1 % occupied)
- Non-Traditional — 28 buildings, 581,811 s.f.,
(80.7 % occupied)
- Medical — 5 buildings, 168,784 s.f.,
(91.2 % occupied)

Non-Competitive Space = 28 buildings, 2.8 M. s.f.,
(100 % occupied)

(The 2021 Survey is underway.)

Websites

Downtown Definitely: www.RochesterDowntown.com

The Commissary: www.RochesterCommissary.org

Downtown Innovation Zone: www.RocDIZ.com
(being reconstructed)

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 over corporate management, policies and staff compensation, and executes the annual CEO review.

GOVERNANCE & NOMINATING COMMITTEE. Handles 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 adoption of best practices, and compliance with State and Federal laws and regulations.

TASK FORCE ON RACE, INCLUSION & EQUITY. Leads the operationalization of RDDC's commitment to becoming an anti-racist organization.

Downtown Housing December 2018 & October 2019 Update

Existing

- All downtown housing units (both reporting & non-reporting): **4,771**
- Estimated residents: **8,000** (*up 145%, 2000-19*)
- Total owner-occupied units: **151**
- Total rental units: **4,620**
 - Market-rate rental units: **3,456**
 - Income-restricted rental units: **1,063**
 - Senior units: **798**
- 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 May 2021*)

- 12 projects in pipeline — 7 commercial space conversions, 7 new construction, and 2 rehabs of existing residential properties — totaling 767+ new housing units

2021 RDDC MEMBERSHIP

(As of 5/19/21)

AIA — Rochester
Allpro Parking LLC
Ambassador Union Street LLC *
Ashley Management Corporation
BOMA of Greater Rochester
Benderson Development
Bergmann Associates
Birnbaum Companies
Bruckner, Tillett, Rossi, Cahill & Associates
Buckingham Properties **
C&S Companies
CBRE | Rochester
CGI Communications
Canandaigua National Bank & Trust
Christa Construction
The Community Foundation
Community Preservation Corporation
Conifer Realty LLC
Corn Hill Navigation
Costanza Enterprises
Digital Hyve
DiMarco Constructors, LLC
ESL Federal Credit Union
Eastman School of Music **
Excellus BCBS Roch. Region **
Fisher Associates

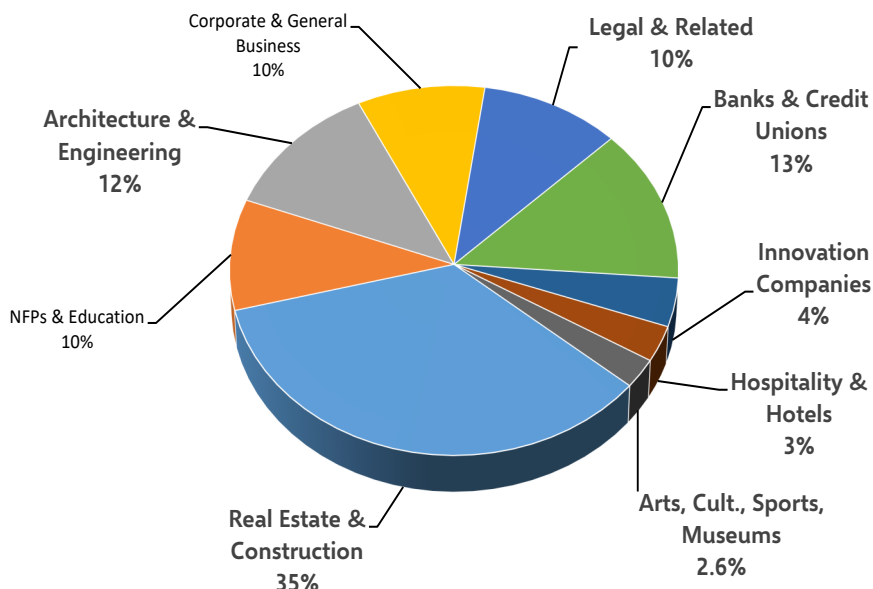
Five Star Bank
Flaum Management Company, Inc.
Floreano Convention Center
FORTIFIED
Foundation Design, P.C.
Gallina Development Corporation
Galvin Realty Group
Geva Theatre Center
Greater Roch. Assoc. of REALTORS®, Inc.
Greater Rochester Chamber of Commerce
Greater Rochester Enterprise
Hanna Commercial
Harris Beach PLLC
Harter Secrest & Emery, LLP
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
M&T Bank **
M/E Engineering P.C.
MCC Downtown Campus
Mission Commercial Realty
NextCorps*
Nixon Peabody LLP **
Passero Associates, P.C.
PathStone Corporation
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 **
Rochester Institute of Technology
Rochester Management, Inc.
Rochester Public Library
Rochester Red Wings

SEI Design Group
SWBR
Savin Engineers, P.C.
Second Avenue Learning
Spoleta Development
Stantec
Stern Properties
The Strong
T.Y. Lin International
Times Square Building
Turner Construction Company
UDN, Inc.
UNICON
Underberg & Kessler, LLC
University of Rochester
Upstate Bank
Vargas Associates, Inc.
Vault Cycle + Fitness
VisitRochester
VisualDx
Webster Properties, LLC
WinnCompanies
Woods, Oviatt, Gilman LLP
YMCA of Greater Rochester

* Premier member
** Class A member

2021 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
- ◆ Community Foundation' Mission Related Investing Committee
- ◆ Urban Entrepreneurship Ecosystem Partnership
- ◆ Floreano Convention Center Management Board
- ◆ NYS Urban Council

Hear From Our Members . . .

"Without RDDC, we would all be in our own little silos. Everybody would be in their own mindset. RDDC is an opportunity to come together collectively and collaboratively for the greater good of Greater ROC."

- Chris Hill, Vice President, I. Gordon Corp.

"It's an opportunity to connect, it's an opportunity to know what each other is doing, and then to find ways that we might collaborate."

- Chris Mannelli, Executive Director, Geva Theatre Center



**DOWNTOWN
DEFINITELY.**

"RDDC takes a position of gathering people and businesses downtown that is so important. We are of like mind in many ways, but this gives us the opportunity to discuss what is happening downtown, what we can do to further our efforts to make downtown a welcoming place for businesses and for people to come back to enjoy all that downtown has to offer."

- Naomi Silver, President, CEO & COO, Rochester Red Wings

"For the longest time, RDDC was the only guiding light for what we need to become. RDDC was there to pick up the pieces, to formulate a plan. They provided guidance for developers like myself, city administrations, and corporate executives to come together and find a path forward. For how we go about sustaining what the future of downtown Rochester wants to become."

- Patrick Dutton, President, Dutton & Company

"RDDC is a phenomenal organization. They have a unique opportunity to bring together the area's developers and builders to make sure they have an environment in which they can collaborate, share ideas, and make sure we're all working towards a united goal of revitalizing our community."

- Christine Vargas, Founder & Owner, Vargas Associates

"Without an RDDC, I think our downtown outside of being fragmented, would be pretty empty. RDDC's involvement in ensuring that we see continued growth in our community and being at the table to make those changes is why we see the world that we see today. Now I see downtown as the sky being the limit."

- Ebony Miller-Wesley, Director, RIT Center for Urban Entrepreneurship

"Without RDDC, I don't think the important relationships would have been made to get the necessary connections going to facilitate the growth we are now seeing. They're a tremendous connector of people, creating relationships that have people cooperating and in partnership to really change downtown"

- Steve Dubnik, President & CEO, The Strong

RDDC's "Downtown Impact" video:



To view, use the camera on your smartphone to scan in the QR code — or click [here!](#)