



Developing Rochester: Fulfilling the promise of local development: Co-creating the future of Rochester - by Lomax Campbell

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The Rochester Economic Development Corp. (ROCEDC, formerly known as REDCO) is a not-for-profit local development corporation formed by the city of Rochester in 1983. Originally managed by a volunteer board and city staff, the initial aims of the agency involved facilitating the retention and expansion of business and industry, real estate development, fostering local employment opportunities, administering gap financing programs — i.e., loans and grants — and promoting the overall attractiveness of the area. In 2019, the administration decided to spin the

agency off from the city with the goal of expanding the range of fund development options available in support of its desire to deepen its local impact within the city of Rochester, New York.

The decision to separate ROCEDC from the city was an attempt to replicate a similar strategy previously employed in Newark, New Jersey in 2007. Under former mayor Cory Booker's administration, Brick City Development Corp. (BCDC) was formed to stimulate local redevelopment, create jobs, ease business expansion, and attract new businesses to Newark. While BCDC received \$6 million in initial funding from the City of Newark, ROCEDC did not receive funding upon its separation from the City of Rochester. Instead, its inaugural chief executive officer and staff were urged to leverage the \$10 million it had on hand to pay for its separation and initial operating expenses. These funds were amassed over more than three-and-a-half decades of managing its commercial real estate portfolio and making commercial loans to a well-established clientele, including professional developers and commercial property owners.

Over the next five years, ROCEDC struggled to formalize a sustainable business model, having fully disinvested from commercial real estate and shifted its focus to supporting start-ups, microenterprises, and other small businesses predominately owned by socially and economically disadvantaged individuals. Their offerings included a small mix of technical and financial assistance programs. The inaugural CEO resigned in August 2023 and the board of directors decided to retain the professional management services of Third Eye Network (TEN) — a national multicultural marketing and management consulting agency headquartered in downtown Rochester — to assist with turning ROCEDC around before conducting a search for a permanent CEO. TEN became responsible for overseeing organizational development activities and administering day-to-day operations for ROCEDC in October 2023.

TEN's initial assessment revealed the need to initiate a community-wide listening tour to inform the development of a new strategic plan while concurrently seeking to stabilize the agency through the creation of new revenue streams. Collectively, these actions culminated in the decision to rebrand the agency as ROCEDC, establish a real estate investment fund, and form ROC City Development as an affiliated sub-brand to manage its commercial real estate portfolio. Under its new strategic plan, ROCEDC exists to stimulate equitable economic growth that improves the quality of life in the city of Rochester.

This revised mission statement would allow the agency to return to its roots as a community-based developer. As such, it would pursue local development opportunities often overlooked by mainstream developers from the private sector, with the hope of attracting additional development within those areas. They include opportunities found in low-to-moderate income neighborhoods, especially those that have historically been marginalized through a variety of discriminatory practices such as redlining. The agency's revised vision would also prioritize building community wealth for city residents and business owners. Provided the roles business ownership, real estate, and place-based approaches have historically played in wealth creation, these tools would be essential for turning the agency around while increasing its local development impact.

With board approval and nearly six months of due diligence, ROCEDC purchased its first property in July 2024. Located in the northwest quadrant of the city at 275 Lake Ave. the 16,220 s/f facility spans two stories and includes a lot with approximately 40 parking spaces. It includes nearly 30 offices and a variety of other spaces capable of accommodating a variety of uses. Based on feedback from the listening tour, ROCEDC decided to retain the facility's use as an office building providing small businesses and the agencies that serve them with affordable office space and support resources to spur local small business growth.

Dubbed "Collab on Lake Ave.," tenants will be able to take advantage of a variety of flexible leasing options from hot desks, private desks, and virtual offices in the coworking center, to private offices and suites throughout the building. Tenants and the public will have access to multiple conference rooms, a computer lab, and a large training center. Other amenities include vertical platform lifts for wheelchairs, accessible restrooms and water fountains, multiple kitchenettes, a warming kitchen, and several common areas suitable for collaboration. Anticipated future upgrades will bring additional resources for local businesses, in general, as well as food- and art-based businesses.

ROCEDC also plans to provide virtual office space to fellow entrepreneur support organizations interested in working with tenants and administering their programs on-site. They plan to begin accepting applications as early as December 2024. For more information, interested parties can visit www.rocedc.org, email info@rocedc.org, or call (585) 921-0500.

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