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APPENDIX 1 LYLAKS BOA MARKET ANALYSIS




City of Rochester LYLAKS Brownfield Opportunity Area: Market Analysis

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EXECUTIVE SUMMARY

Camoin Associates completed a comprehensive market analysis of the Lyell-Lake-State Street Brownfield Opportunity Area (referred to as the 'LYLAKS BOA' or the 'BOA') located in the City of Rochester, NY. This study consisted of a demographic and socioeconomic analysis, general economic outlook, residential market analysis, retail market analysis, and an office and industrial market analysis. What follows is a summary of the main findings of the analysis and our recommendations on how the City can approach redevelopment of the BOA.

City's Role

The market analysis clearly shows that redevelopment of properties in the BOA will require significant sustained involvement on the City's part. In essence, impediments to redevelopment in the BOA have less to do with environmental contamination and more to do with unfavorable demographic and socioeconomic conditions interlaid with a steadily deteriorating, highly underutilized built environment. For example, the population of the BOA is relatively young and low-income, with a median household income that is nearly \$20,000 less than the City of Rochester's median household income. Market forces are insufficient in themselves to induce redevelopment and conditions within the BOA will not improve unless significant effort is focused in this area. Successful redevelopment projects in the BOA will likely necessitate that the City take a lead in a number of ways, including:

1. Increase code enforcement and public safety services:

One of the first things the City could begin doing immediately is stepping up code enforcement throughout the BOA. One cost-effective method to accomplish this would be to engage local community groups, which can mobilize volunteers to identify code violations and report them to City officials in a systematic way. This would free up City staff to focus on issuance of violation notices and associated follow up. We believe that this would allow the City to make an impact in the short-term with only a minimal investment.

2. Change the zoning code to encourage and accommodate desired uses:

For mid-term impact, the City should consider reviewing its existing zoning and land use regulations within the BOA to ensure that desired redevelopment options are allowable, amending the code to include certain uses as-of-right (i.e. not requiring special use permits or variance requests). For example, high-density development should be encouraged in areas sited for new multi-unit residential development projects. Mixed-use development should be allowed for a wide range of uses in the waterfront areas of the BOA. Additionally, expanded commercial uses should be permitted in the vicinity of the soccer stadium, particularly along the Broad Street corridor, to encourage spinoff development in this area. Other elements of the zoning code (and other policy/regulatory items) related to set-backs, parking, entrance/egress, etc. may require some amendments.

3. Launch a program for land assembly:

The market analysis identified potential redevelopment opportunities including a flagged automotive dealership (see the retail analysis), workforce housing (see the residential market analysis) and some infill-related development. Some of the suggested redevelopment ideas will require large amounts of land that will need to be assembled. It is unlikely a developer would undertake land assembly on a speculative basis, so the City should consider land banking property in the BOA (particularly along the main corridor). Once the City has assembled land for a development, it can RFP for a developer to take on the project.

4. Commit and/or identify funds to subsidize initial development proposals:

Development projects in the BOA will be costly due to environmental contamination and/or presence of existing buildings that need to be demolished. Costs associated with cleaning up the BOA properties will be identified during a future site assessment; however, due to the economic conditions in the BOA, it is clear that the City will either need to focus their own funds and/or assemble state and federal funds to subsidize projects in the BOA. We believe that the City might be able to use a public-private partnership to catalyze a specific initial project or projects and then step back and allow the private sector to continue the redevelopment process.

5. Market the site to potential developers:

Part of handing off redevelopment (after one or more catalyst-type projects) will require getting the development community on board with the general redevelopment of the BOA. This will require marketing the redevelopment plan itself, in addition to individual projects/properties, to the development community.

6. Undertake one or more substantial beautification campaigns in the BOA:

A beautification campaign lead by the City is another measure to consider for the long-term redevelopment of the BOA. The BOA's gateway, the 5-way intersection of Lyell Avenue, Lake Avenue, Smith Street, and State Street, is unattractive and unpleasant to travel through. We recommend that the City consider promoting the removal of the irregular intersection and development of a traffic circle to ease traffic flow and improve the areas visual appeal. Improvements to the intersection and its adjacent properties will be seen by every vehicle that passes through, hopefully impacting negative perceptions of the BOA. Local residents, commuters, and visitors will begin to notice the changes, which can help build community support for future projects in the area. As such, improvements along the intersection should be a top priority.

Redevelopment Opportunities

Several redevelopment opportunities were identified during the research and analysis completed for the following market study. Many of these opportunities are summarized below and fully explained within the report.

Affordable workforce housing that provides residents with safe, adequate living conditions is needed throughout the BOA. As discussed above, it is our recommendation that the City begin a land assembly program. Over time, once enough land is assembled, the City could go out to RFP to identify a developer to undertake a significant new housing project (perhaps supported through a tax credit and/or property tax abatement program). Acquisition of adjacent properties would allow for a large apartment-style residential development on a single site, creating a new type of housing product that is not currently available in the BOA. A larger development project will offer an economy of scale that a development would need to counterbalance the current lower-rent structure of the surrounding market. Another option would be to acquire individual properties located throughout the BOA and assemble a significant number of them into an RFP for a multi-property redevelopment. This would, again, hopefully allow for certain economies of scale while also allowing a developer to make a large positive impact on the neighborhood.

Modern workforce housing is not the only type of residential development opportunity in the BOA. There may also be some **potential for higher-end housing in the east end of the BOA** along the Genesee River. The recent success of other riverside redevelopment projects and low vacancy rates in other upper-end housing in the vicinity of the BOA (in the High Falls Neighborhood) suggest that there is a growing trend of residents 'returning to the City', which is causing demand for higher-end rental units in close proximity to downtown. This trend is identified in the 2007 comprehensive housing study

completed by Zimmerman/Volk Associates, Inc. There are two aspects of this part of the BOA that may lend it to a higher-end development: (1) the water amenity and view-shed provided by the river, and (2) the physical “barrier” of the north-south route (Lake Avenue) differentiating it from the much more modest offerings of the rest of the BOA. As mentioned above, redevelopment of the Lyell-Lake intersection would be important to promoting such a development in the area as it currently does not lend itself to a higher-end market.

As far as business development, most of the retail and service related industries are experiencing large retail gaps, suggesting that there is an opportunity for new or expanded businesses to recapture some of these sales. This region of the City is severely underserved regarding retail options and there are many amenities and retail needs not being met that may be suitable for placement within the BOA, as appropriate to the scale and design of the land use. Some industries that demonstrate a high potential for new businesses are: Automobile Dealers, Gasoline Stations, Clothing Stores, Sporting Goods/Hobby/Musical Instrument Stores, Limited-Service Eating Places, and Grocery Stores.

A ‘flagged’ or ‘name brand’ **automotive dealership** would be a feasible development. An establishment of this sort could potentially recapture some of the sales that are currently ‘leaking’ from both the Local and City Trade Areas while also complimenting the auto-related businesses in the area. Additionally, according to comments from interviewees, many in the local community seem to be in support of this type of use in the BOA. In general, an automotive dealership is a good fit for redevelopment of a brownfield site because most of the site can be capped with pavement and used as parking space for inventory (i.e. cars for sale). Furthermore, given their relative size, one or two automotive dealers could make a very significant difference to the appearance of the Lyell Avenue corridor – their installation would require the removal of a number of substandard/deteriorated buildings and would potentially “open up” some of the space. It may also allow for a sense of vibrancy that does not currently exist in the area.

The proposed relocation of the Monroe Community College (MCC) downtown campus to the Kodak site, near the eastern edge of the BOA, would essentially bring a new market - the college community - to the BOA. If this project happens, there might be an opportunity for **limited-service eating places** that offer Wi-Fi, lots of spaces for students to work on laptops (preferably near electric outlets), spaces for small groups of students to congregate, and quick service with affordable, healthy food options that are within walking distance to the new campus. It is important to note that this project is in the very preliminary planning stages and several hurdles must be crossed before it can become a reality. The current goal is to have a new downtown MCC campus by the fall of 2015.

Based on the retail market data and interviews with local stakeholders, another recommendation for a business that could likely succeed in the BOA is a **co-op style grocery store**. This type of business would assist the underserved population of the BOA and, by recruiting volunteer labor in exchange for discounts on groceries, would also help to stimulate the local economy and can serve as a catalyst for other redevelopment projects in the area. Please note that Camoin also suggested a co-op style grocery store in a simultaneous market analysis of the Vacuum Oil BOA. It is unlikely that the City’s market can support two new co-ops at the same time; however, this recommendation is valid for either of the BOA’s.

The presence of a high-quality soccer stadium could be an opportunity to spur other types of commercial development, particularly **small businesses that could cater to soccer fans and other visitors** such as limited-service eating places, sporting goods shops, etc. However, the stadium and community need to be better connected and the stadium needs a higher level of use to support that development. The City’s JOSANA Neighborhood Plan (described in the sections that follow) makes a number of quality recommendations about how to better integrate the soccer stadium with the community and increase its year-round use. These recommendations should be implemented to the

fullest extent possible. Specifically, it is strongly recommended that the City encourage commercial development in the vicinity of the stadium along the high-traffic corridors by easing zoning codes to allow commercial uses.

In the past, the City tried to assemble lands in the BOA for industrial development. Like so many cities throughout the Northeast, the overabundance of industrial properties within the region has flooded the industrial real estate market and there is little opportunity for new industrial development in the BOA. Additionally, the office market is current in oversupply. The market for Class A space is expected to tighten over time; however, this style of high-end office space would not do well in the BOA.

INTRODUCTION

As a sub consultant to Bergmann Associates, Camoin Associates completed a comprehensive market analysis of the Lyell-Lake-State Street Brownfield Opportunity Area (referred to as the 'LYLAKS BOA' or the 'BOA'). The following market analysis consists of five interrelated studies:

- Demographic & Socioeconomics Analysis
- General Economic Outlook
- Residential Market Analysis
- Retail Market Analysis
- Office & Industrial Space Market Analysis

Each section is introduced with a brief description of the methodology employed and the geographies analyzed. Following the Introduction, a section entitled *Takeaway Findings* lists the key findings of the analysis that will guide the project team during the next phase of this study, which will involve the development of site-specific scenarios and alternatives.

Data Sources

Much of the data in this report were purchased from ESRI Business Analyst Online (ESRI) and Economic Modeling Specialists, Inc. (EMSI). ESRI's base data is the 2000 and 2010 Census. It uses proprietary statistical models and updated data from the U.S. Census Bureau, the U.S. Postal Service, and various other sources to project future trends. ESRI data is often used for economic development, marketing, site selection, and strategic decision making. For more information, visit www.esri.com.

EMSI data are compiled from several sources, including the U.S. Census Bureau and U.S. Departments of Health and Labor using specialized proprietary processes and models to estimate current statistics and predict future trends. Visit www.economicmodeling.com for additional information.

In addition to gathering statistical data, Camoin Associates spoke with local business owners, economic development officials, City officials, local realtors, and other stakeholders to gain information on the economic and market trends occurring within the Rochester MSA, City of Rochester, and the BOA. A list of the individuals interviewed can be found at the end of this report.

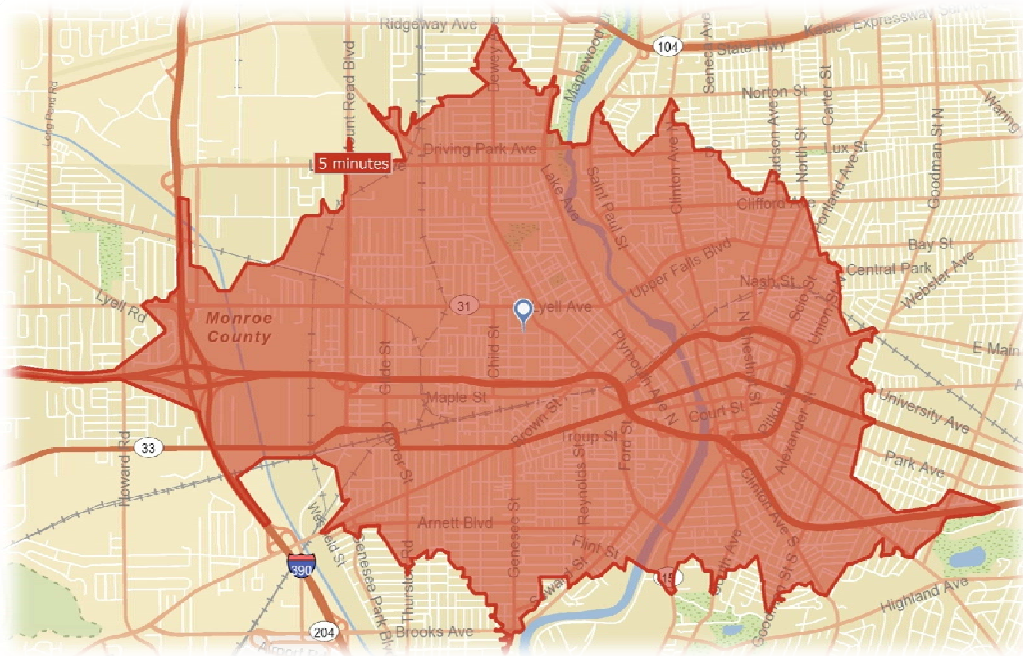
Geographies Studied

Data for the market analysis were analyzed for the following geographies:

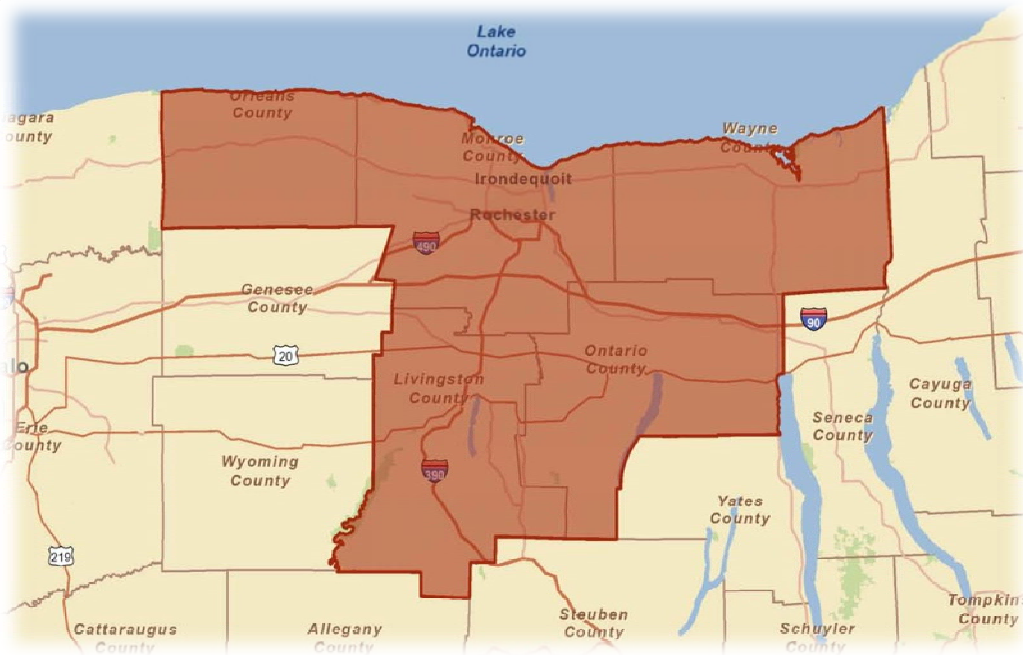
- **LYLAKS BOA** - Delineated by Census Block Groups that best correspond with the BOA boundary
- **Local Trade Area** - 5-minute drive time from the intersection of Orchard Street and Lime Street
- **City of Rochester** - Municipal boundary
- **Rochester Metropolitan Statistical Area (MSA)** - Livingston, Monroe, Ontario, Orleans, and Wayne Counties

Looking at data at different geographic scales allowed an analysis of current trends within the region as well as those that are specific to the BOA. Demographic, economic, and market data were all examined to illustrate how these factors may impact the local and regional economy and potential development opportunities within the BOA. The following maps depict the Local Trade Area and the Rochester Metropolitan Statistical Area.

LYLAKS BOA Local Trade Area: 5-Minute Drive Time



Rochester Metropolitan Statistical Area (MSA)



DEMOGRAPHIC & SOCIOECONOMIC ANALYSIS

General demographic and socioeconomic data were reviewed to gain an understanding of past trends, existing conditions, and future projections for the LYLAKS BOA, Local Trade Area, City of Rochester, and the Rochester MSA.

Takeaway Findings

Important findings of the demographic and socioeconomic analysis include:

- Trends in the LYLAKS BOA are not conducive to market-driven development; redevelopment projects will require significant sustained involvement by the City.
- Within each of the geographies evaluated, the population is projected to decrease through 2015. Population loss is particularly acute in the BOA.
- Residents of the BOA are mostly young and low-income, with a median household income that is nearly \$20,000 less than the City of Rochester's median household income.
- Though lower than New York State and the United States, median household income levels in the City of Rochester, Local Trade Area, and BOA are expected to increase at a faster rate than the larger comparative geographies.
- Over the past 10 years, there has been a significant decrease (10%) in the number of renter occupied units in the BOA. In comparison, owner occupied units only dropped a few percentage points.

Basic Demographic Trends

The following table summarizes typical demographic and socioeconomic indicators for the LYLAKS BOA, Local Trade Area, the City of Rochester, and the Rochester MSA.

Of these four geographies, the Rochester MSA was the only region to experience an increase in population from 2000 to 2010 (0.43%). During this time period, the City of Rochester and the Local Trade Area decreased by 3.86% and 4.43% respectively. The LYLAKS BOA experienced the greatest population decline, losing 615 residents through 2010 at a rate of 7.29%. Population in the LYLAKS BOA is expected to continue to decrease, losing another 173 people (2.21%) by 2015. The other geographies are projected to lose population through 2015 as well, just at a slower rate of decline (1.58% to 0.34%).

As with the decrease in population, households appear to be declining in the LYLAKS BOA. The number of occupied households in the LYLAKS BOA decreased by 8.02% (240 households) from 2000 to 2010 and is projected to decrease an additional 2.29% (63 households) by 2015. Both the Local Trade Area and the City lost just under 4.75% of their households from 2000 to 2010 and are expected to lose over 1.45% of their households through 2015. The number of households in the MSA increased slightly from 2000 to 2010 and will decrease by a small percentage (0.08%) from 2010 to 2015.

The number of families (i.e. households with children) in the LYLAKS BOA has also decreased. Almost 10% of families left the BOA from 2000 to 2010 and the area is expected to experience an additional 2.82% decrease from 2010 to 2015. During this time period, the Local Trade Area and City also experienced a significant decrease in the number of families with a loss of around 7% in both areas. Through to 2015 these geographies are projected to lose an additional 2%. The Rochester MSA lost only about 0.10% of its families from 2000 to 2010 and another 0.45% is projected to be lost by 2015. These trends indicate that there is an increasing portion of the population that is young and without children.

Overall, there has been little fluctuation in the average household size within the geographies examined from 2000 to 2010 and household size is expected to remain stable through 2015. In 2010, the LYLAKS BOA had the largest average household size of 2.82. The other geographies range from 2.48 to 2.35.

In 2010, the LYLAKS BOA had 746 owner occupied housing units and 2,007 renter occupied units. The number of occupied housing units in the LYLAKS BOA decreased substantially from 2000 to 2010. However, the majority of this decrease occurred within renter occupied, not owner occupied housing units. The LYLAKS BOA experienced a decrease of fewer than 2% for owner occupied housing units and a decrease of over 10% for renter occupied units. From 2010 to 2015 the owner occupied housing units are expected to decrease by 5.23% (39 units) and the renter occupied housing is expected to decrease by only 1.20% (24 units).

Renter occupied housing units in the Local Trade Area and City also experienced a decrease from 2000 through 2010, though at a slower rate (around 6.6%). Owner occupied housing units in the Local Trade Area are projected to decrease by 2.95% and owner occupied housing units in the City are projected to decrease by 3.60% during that time frame. In the MSA, an increase occurred in both owner and renter occupied housing units from 2000 to 2010. The MSA will likely experience a slight increase (0.12%) in owner occupied housing units from 2010 to 2015 and a small decrease (0.51%) in renter occupied housing units during that time.

Median age in the LYLAKS BOA is substantially lower than in the other areas examined. With a median age of just 25.5 in 2010, residents of the LYLAKS BOA are much younger than the comparative geographies, which range from a median age of 30 in the Local Trade Area to 38.4 in the MSA. At 31.5, the City's median age was comparable to that of the Local Trade Area in 2010.

Basic Demographics							
LYLAKS BOA (Census Tracts)							
	2000	2010	2015	# Change 2000-2010	% Change 2000-2010	# Change 2010-2015	% Change 2010-2015
Population	8,432	7,817	7,644	-615	-7.29%	-173	-2.21%
Households	2,993	2,753	2,690	-240	-8.02%	-63	-2.29%
Families	1,922	1,735	1,686	-187	-9.73%	-49	-2.82%
Average Household Size	2.80	2.82	2.82	0.02	0.71%	0.00	0.00%
Owner Occupied Housing Units	758	746	707	-12	-1.58%	-39	-5.23%
Renter Occupied Housing Units	2,235	2,007	1,983	-228	-10.20%	-24	-1.20%
Median Age	25.1	25.5	25.8	0.4	1.59%	0.3	1.18%
Local Trade Area							
	2000	2010	2015	# Change 2000-2010	% Change 2000-2010	# Change 2010-2015	% Change 2010-2015
Population	99,223	94,832	93,330	-4,391	-4.43%	-1,502	-1.58%
Households	40,040	38,146	37,584	-1,894	-4.73%	-562	-1.47%
Families	20,799	19,282	18,844	-1,517	-7.29%	-438	-2.27%
Average Household Size	2.40	2.39	2.38	-0.01	-0.42%	-0.01	-0.42%
Owner Occupied Housing Units	12,558	12,471	12,187	-87	-0.69%	-284	-2.28%
Renter Occupied Housing Units	27,482	25,675	25,397	-1,807	-6.58%	-278	-1.08%
Median Age	29.5	30.0	30.1	0.5	1.69%	0.1	0.33%
City of Rochester							
	2000	2010	2015	# Change 2000-2010	% Change 2000-2010	# Change 2010-2015	% Change 2010-2015
Population	219,773	211,999	208,151	-8,474	-3.86%	-3,148	-1.49%
Households	88,999	84,902	83,666	-4,097	-4.60%	-1,236	-1.46%
Families	47,165	43,910	42,955	-3,255	-6.90%	-955	-2.17%
Average Household Size	2.36	2.35	2.35	-0.01	-0.42%	0.00	0.00%
Owner Occupied Housing Units	35,747	35,189	34,459	-558	-1.56%	-730	-2.07%
Renter Occupied Housing Units	53,252	49,713	49,207	-3,539	-6.65%	-506	-1.02%
Median Age	30.8	31.5	31.4	0.7	2.27%	-0.1	-0.32%
Rochester MSA							
	2000	2010	2015	# Change 2000-2010	% Change 2000-2010	# Change 2010-2015	% Change 2010-2015
Population	1,037,831	1,042,248	1,038,737	4,417	0.43%	-3,511	-0.34%
Households	397,303	401,073	400,735	3,770	0.95%	-338	-0.08%
Families	262,084	261,829	260,650	-255	-0.10%	-1,179	-0.45%
Average Household Size	2.51	2.48	2.48	0.03	-1.20%	0.00	0.00%
Owner Occupied Housing Units	269,879	270,810	270,810	931	0.34%	322	0.12%
Renter Occupied Housing Units	127,424	130,263	130,263	2,839	2.23%	-660	-0.51%
Median Age	36.2	38.4	38.4	2.2	6.08%	0.0	0.00%

Source: ESRI

Median household income projections for 2010 and 2015 for the LYLAKS BOA, the Local Trade Area, the City of Rochester, the Rochester MSA, New York State, and the U.S. are shown in the table below. Median household income for the LYLAKS BOA is relatively low at \$22,012 and is the lowest of any of the geographies studied. With a projected increase of \$3,699 (16.80%) from 2010 to 2015, median household income in the LYLAKS BOA is expected to increase at a faster rate than in the MSA, the State, and the U.S. At \$30,872, the Local Trade Area has a higher median household income than the LYLAKS BOA and is projected to grow at a faster rate from 2010 to 2015 with a projected increase of 23.23% ending at \$38,043.

The City of Rochester’s median household income is higher than that of both the LYLAKS BOA and the Local Trade Area and this will likely continue through 2015. In fact, median household income in the City of Rochester is projected to grow at the fastest rate (over 25%) of any of the areas studied. Median household income was the highest in New York State in 2010 at \$58,128 and this will continue to be the case in 2015 as it is projected to rise to \$67,526. Median household income in the Rochester MSA is just slightly below New York State and is projected to experience a similar rate of increase through 2015. Residents of the MSA and State have a higher median household income than in the Nation as a whole.

Median Household Income				
	2010	2015	# Change	% Change
LYLAKS BOA	\$22,012	\$25,711	\$3,699	17%
Local Trade Area	\$30,872	\$38,043	\$7,171	23%
City of Rochester	\$36,343	\$45,637	\$9,294	26%
MSA	\$57,650	\$66,684	\$9,034	16%
NYS	\$58,128	\$67,526	\$9,398	16%
USA	\$54,442	\$61,189	\$6,747	12%

Source: ESRI

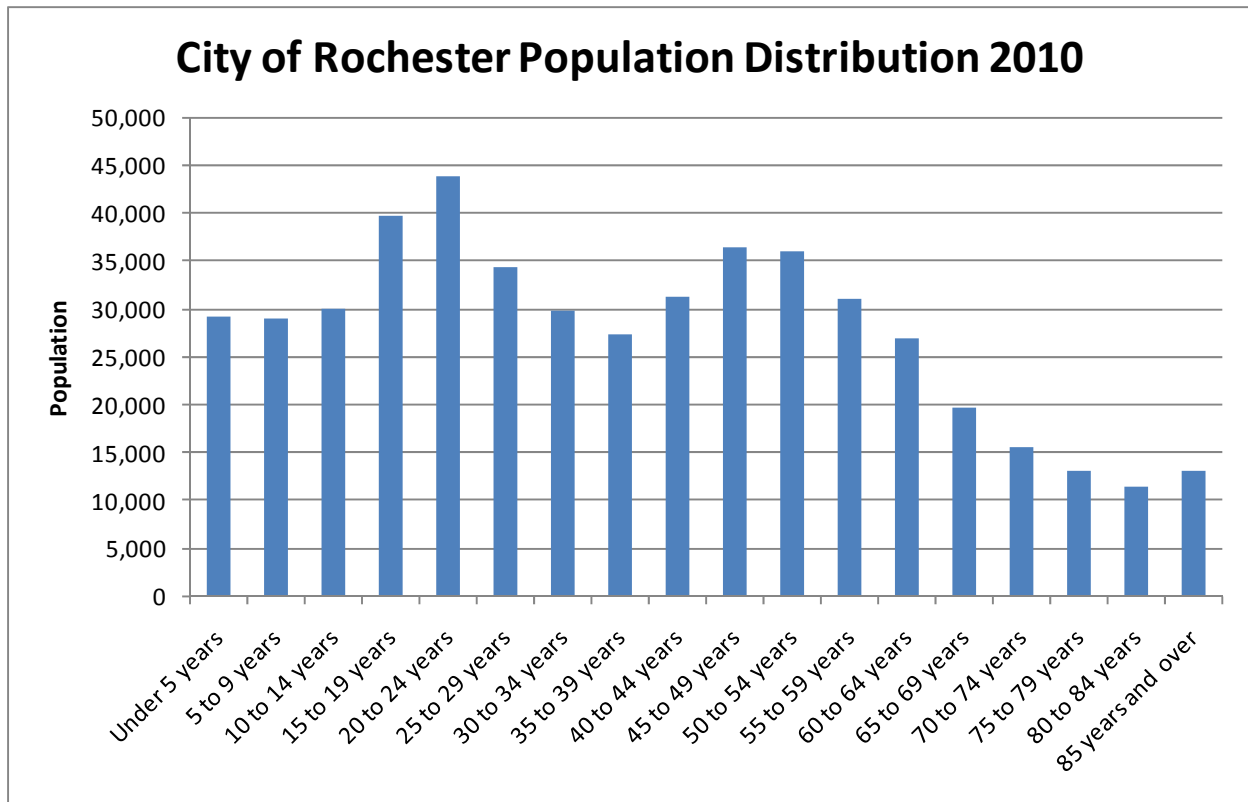
Annual growth rate projections for the above indicators are summarized in the following table. Population levels and the number of households, families, and owner occupied households in the LYLAKS BOA are all projected to decrease at a faster rate than the other geographies. Owner occupied households in particular are projected to decrease by a rate of 1.19% annually in the BOA; the Local Trade Area and City are expected to decrease by less than 0.50%. The number of owner occupied households in the City, the State, and the Nation are expected to experience modest increases. Median household income is the only indicator projected to increase in the BOA from 2010 to 2015. At a rate of 3.16% annually, the median household income growth rate in the BOA is expected to be greater than the growth rate for median household income in the MSA, the State, and the Nation. As shown above, however, median household income in the LYLAKS BOA will continue to be less than the other geographies.

Annual Projected Growth Rates from 2010 to 2015					
	Population	Households	Families	Owner HHs	Median HH Income
LYLAKS BOA	-0.49%	-0.49%	-0.65%	-1.19%	3.16%
Local Trade Area	-0.32%	-0.30%	-0.46%	-0.46%	4.27%
City of Rochester	-0.30%	-0.29%	-0.44%	-0.42%	4.66%
MSA	-0.07%	-0.02%	-0.09%	0.02%	2.95%
NYS	0.20%	0.20%	0.12%	0.19%	3.04%
USA	0.76%	0.78%	0.64%	0.82%	2.36%

Source: ESRI

Age Distribution

In addition to overall population growth, a population’s age distribution is an indicator for current and future demands for goods and services that are specific to individual age cohorts. The graph below shows the current age distribution in the City of Rochester. The largest age groups in the City are young adults aged 15-24 years old and adults aged 45-54 years old. The high level of 45-54 year olds reflects the national ‘Baby Boom’ trend, which is typically defined as a high number of individuals born between 1946 and 1964. The high level of young adults in the City is likely due to the cumulative effect of Baby Boomers having children and a high number of colleges and universities located in the City.

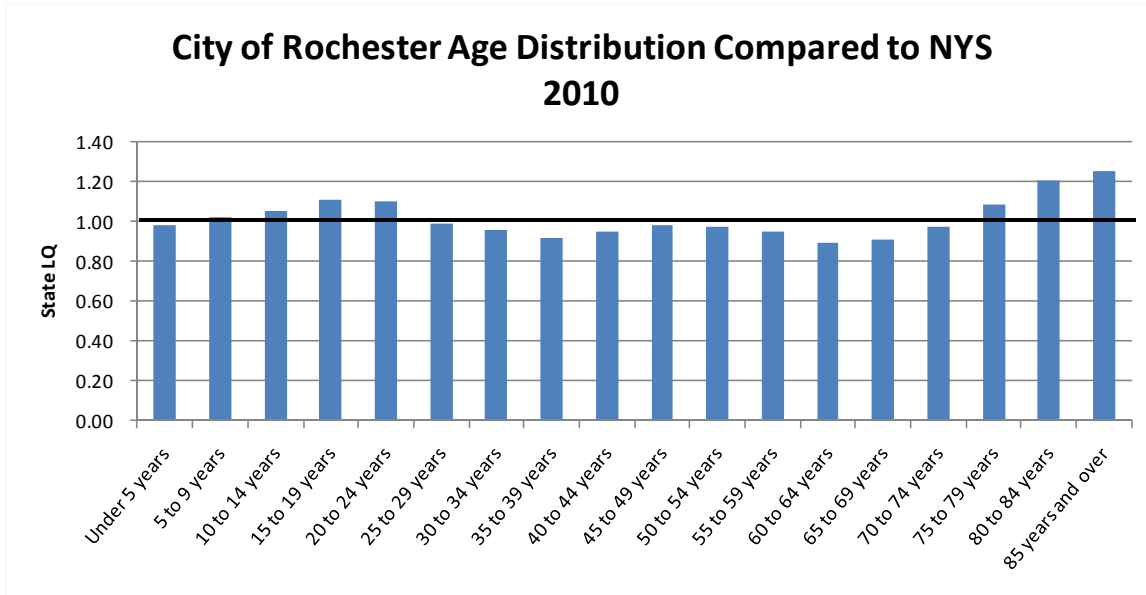


Source: EMSI

Location Quotients (LQ) compare the percentage of an area’s population in each age group to the percentage of the statewide population within each group. If an age range has an LQ of 1, highlighted by the horizontal black line on the following chart, it would mean that the age range in question has the same relative concentration in the City as in New York State. The blue bars represent the population of the City of Rochester and how closely the percentage of each age group in the City resembles the statewide distribution.

As shown, there is a significantly larger portion of the City’s population that older than 75, relative to the 75+ population in New York State, particularly the population over the age of 85 years. Possible reasons for this may be that older Rochester City residents tend to stay in one place while the younger population is leaving or perhaps people may move into the Rochester area after retirement to be closer to services and assistance available in the City (public transportation, assisted-living housing, medical services, etc.).

Additionally, there is a slightly lower percentage of the population in the age groups from 30 to 74 years old in the City of Rochester compared to New York State, and a slightly higher percentage in the age group 10 to 24 years.

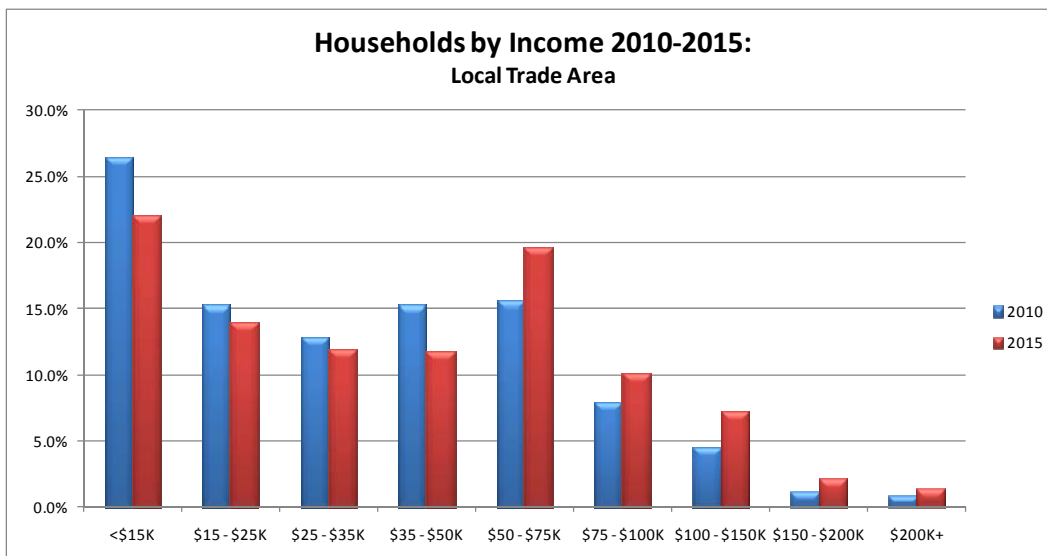


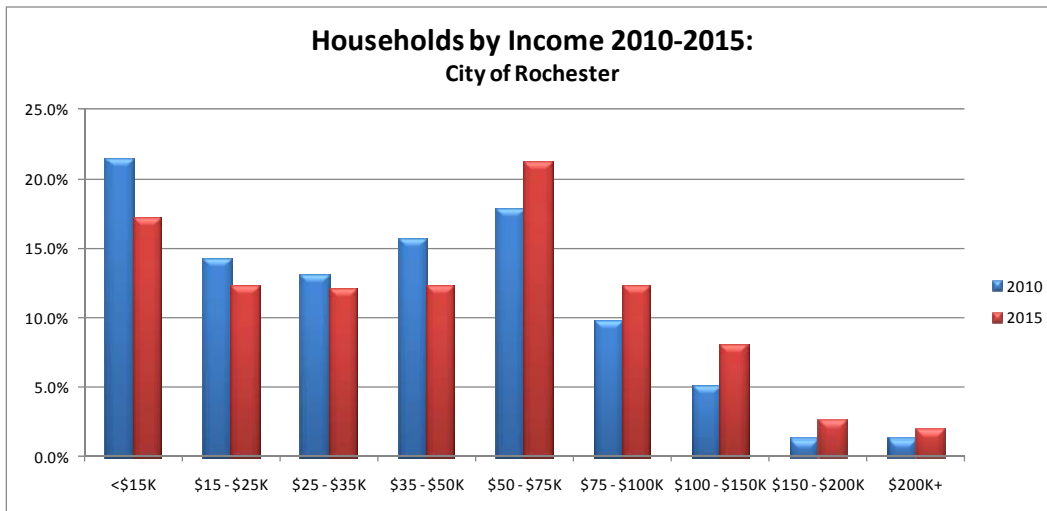
Source: EMSI

Household Income Distribution

The graphs below show the projected change in household income distribution in the Local Trade Area and the City of Rochester between 2010 and 2015. In general, the data for both geographies show a projected increase in average household income from 2010 through 2015.

The \$50-75,000 income bracket is expected to experience the largest increase for both geographies. In 2015 it is projected to include almost 20% of the households in the Local Trade Area and about 22% of the households in the City of Rochester. The \$50-75,000 income bracket is the largest in the City of Rochester; however, in the Local Trade Area the largest income bracket is households with incomes less than \$15,000. This reinforces the notion of the financial disparity between the Local Trade Area and the City of Rochester as a whole. Residents in the Local Trade Area have much less disposable income and, in turn, less spending power than their counterparts that live in other regions of the City. It is also important to note that the changes in household income shown on the graphs are likely largely the result of inflation and not actual growth in “real” household income levels.



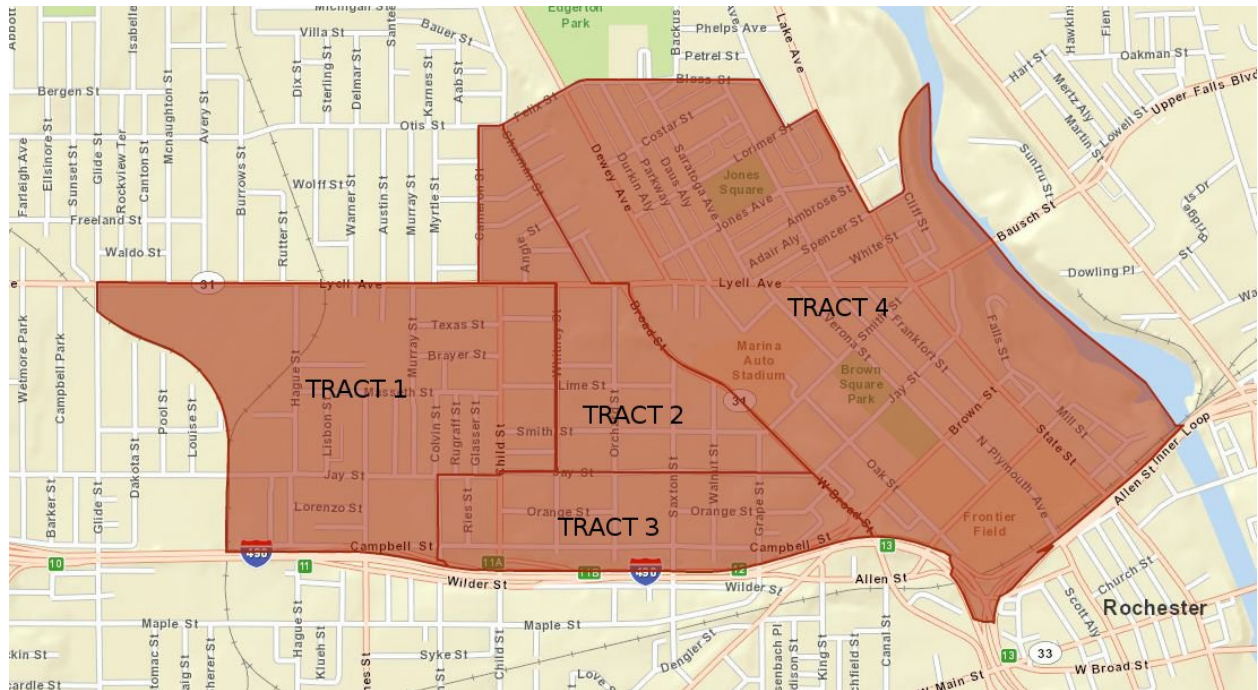


Source: ESRI

Demographics by Census Tract

To aid the City in identifying sections of the BOA that are better off than others, the following tables provide demographic and socioeconomic information at the census tract level. The map below illustrates the boundaries of the four census tracts examined.

LYLAKS BOA Census Tracts



Tract 1, which makes up the western portion of the BOA, appears to be the strongest in terms of socioeconomic conditions as it has the highest median household income and median age. Tract 4, the easternmost portion of the BOA, has the greatest population of the four census tracts, yet the lowest median household income.

Demographic Information					
	Tract 1	Tract 2	Tract 3	Tract 4	All Tracts
Population	2,196	1,183	1,073	2,644	7,096
Owner Occupied Housing Units	204	109	69	138	520
Renter Occupied Housing Units	566	300	306	883	2,055
Median Age	29.5	28.7	25.2	27.3	27.8
Median HH Income	\$26,487	\$22,883	\$21,011	\$17,955	\$20,948

Source: ESRI

The following table categorizes the population within each census tract by life-stage. Tract 4 appears to have the largest workforce population. Also of note is that Tract 3 has a higher concentration of pre-school and school-age children compared to the other parts of the BOA.

Population Distribution by Age				
	Tract 1	Tract 2	Tract 3	Tract 4
0-4 - Pre-School	10%	10%	11%	9%
5-19 - School-Age	27%	26%	31%	27%
20-64 - Workforce	55%	58%	52%	59%
65+ - Retired	8%	9%	6%	4%

Source: ESRI

Observations

Based on the demographic data analysis above, it is clear that the LYLAKS BOA area is facing considerable issues including extremely low residential income levels, housing inadequacy and affordability, high vacancy rates, population decline, etc. These significant issues make it unlikely that redevelopment will result from market forces alone; rather, it is clear from this preliminary analysis of local demographics that revitalization in the LYLAKS BOA will require significant sustained effort on the part of the City to aid the region in overcoming these issues. Specifically, the attraction of families, households, and individuals of higher income into the BOA will be necessary to promote and sustain redevelopment.

GENERAL ECONOMIC OUTLOOK

The General Economic Outlook provides context for discussion of redevelopment scenarios within the BOA by illustrating regional trends that shape the commercial real estate market for the City of Rochester and, more specifically, the BOA. In order to identify important issues and opportunities impacting the BOA, employment and industry trends in the five-county Rochester MSA were examined. As discussed in the previous section, the Rochester MSA includes the following counties: Livingston, Monroe, Ontario, Orleans, and Wayne.

EMSI data includes all employment covered by unemployment insurance – only the self-employed, student workers, unpaid family workers, and some agricultural workers are excluded. This data is collected by the Quarterly Census of Employment and Wages (QCEW). Unlike the decennial Census, QCEW measures jobs by place of work, not place of residence, so it is a strong measure of economic activity taking place in a particular region.

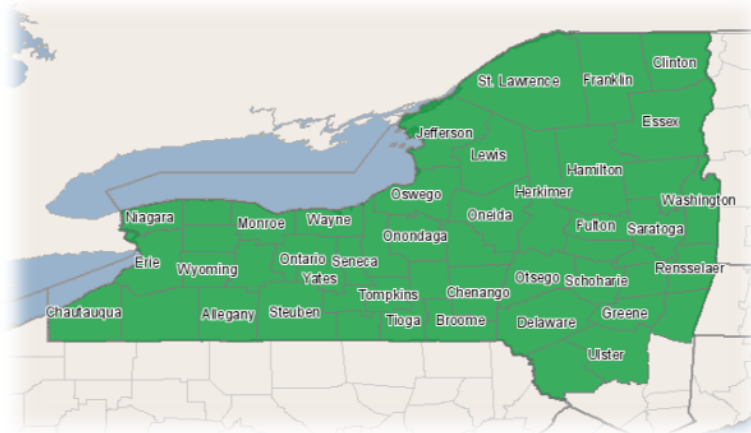
Most of the data presented below are broken down into industry sectors, organized using the North American Industrial Classification System (NAICS). The analysis was performed primarily at the two-digit NAICS code level, which is the highest aggregated level available. A listing of the 2-digit NAICS codes used for this analysis is provided in the table below.

List of 2-Digit NAICS Codes	
NAICS Code	Description
11	Agriculture, forestry, fishing and hunting
21	Mining
22	Utilities
23	Construction
31-33	Manufacturing
42	Wholesale trade
44-45	Retail trade
48-49	Transportation and warehousing
51	Information
52	Finance and insurance
53	Real estate and rental and leasing
54	Professional and technical services
55	Management of companies and enterprises
56	Administrative and waste services
61	Educational services
62	Health care and social assistance
71	Arts, entertainment, and recreation
72	Accommodation and food services
81	Other Services, Except Public Administration
90	Government

Source: EMSI Complete Employment

For comparative purposes, data from the Rochester MSA is compared to industry data from Upstate New York. The 'Upstate New York Region' (shown on the following map) includes all New York State counties except: Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, and Westchester. The data for Upstate New York are provided for comparison to the Rochester MSA without the data being skewed by statistics from the New York City metropolitan region, which tend to be much different than the rest of New York State.

Upstate New York Region



Takeaway Findings

Notable findings of the General Economic Outlook analysis include:

- Industry sectors with the largest employment in the Rochester MSA are health care and social assistance and government. These two industries are projected to account for more than 170,000 jobs by the year 2020.
- Manufacturing is expected to experience a large workforce decrease, losing 13,772 jobs by 2020.
- An overall employment increase is expected to occur in the Rochester MSA, though the rate of increase is projected to be much slower than the Nation or State.

Employment Growth

The following table shows the projected change in total private sector employment in the Rochester MSA, Upstate New York, New York State, and the U.S. for 2010 through 2020. As shown, employment in the Rochester MSA is projected to increase by over 25,000 jobs (4%) over the next ten years. The Rochester MSA is adding jobs at a slightly slower rate than Upstate New York and New York State. With a growth rate of almost 11% from 2010 to 2020, the U.S. is projected to add jobs at a much faster pace than the other geographies. The average hourly wage rates are fairly similar in the Rochester MSA compared to Upstate New York and the Nation. At \$24.05 an hour, New York State as a whole has a much higher wage rate than the other geographies, mostly as a result of high wages in New York City driving up the average.

Employment Growth Summary					
Region	2010 Jobs	2020 Jobs	Change	% Change	Average Hourly Wage
Rochester MSA	608,091	633,195	25,104	4.13%	\$19.93
Upstate NY	3,257,585	3,407,290	149,705	4.60%	\$19.24
NYS	10,799,685	11,488,585	688,900	6.38%	\$24.05
US	170,866,026	189,113,448	18,247,422	10.68%	\$20.22

Source: EMSI Complete Employment - 2011.2

Employment by Industry

Existing employment levels and projections for individual industry sectors are evaluated to identify the relative size of the industries that make up an area's economy and to identify expected job growth or loss within specific industries. The table below shows the projected employment change by industry from 2010 to 2020 and average annual earnings per worker (EPW) for 2011. The industries are listed in order by the anticipated number of jobs to be gained from 2010 to 2020.

The data below reflect positive projected growth in the regional economy at an overall increase of 4% from 2010 to 2020. *Health Care and Social Assistance* and *Government* are the largest industries by employment in 2010. Filling out the top five industry sectors are *Retail Trade*; *Manufacturing*; and *Professional, Scientific and Technical Services* industries. These five industries are expected to remain the sectors with the greatest number of jobs through 2020. *Manufacturing* will likely slip to the fifth largest sector and *Professional, Scientific, and Technical Services* is expected to move ahead to be the fourth largest sector.

A number of sectors are projected to experience significant growth from 2010 to 2020. The *Health Care and Social Assistance* industry, for example, is expected to add more than 10,500 jobs by 2020. Similarly, the *Professional, Scientific and Technical Services* industry is expected to add nearly 9,000 jobs. However, a significant loss of *Manufacturing* jobs is anticipated during this time period.

Rochester MSA Projected Employment Change by Industry						
NAICS Code	Description	2010 Jobs	2020 Jobs	Change	% Change	2011 Total EPW
62	Health Care and Social Assistance	84,809	95,311	10,502	12%	\$43,538
54	Professional, Scientific, and Technical Services	40,115	49,108	8,993	22%	\$57,021
52	Finance and Insurance	29,385	35,192	5,807	20%	\$63,056
61	Educational Services	32,734	36,759	4,025	12%	\$54,256
72	Accommodation and Food Services	35,900	38,816	2,916	8%	\$17,253
56	Administrative and Support and Waste Management and Remediation Services	30,516	33,061	2,545	8%	\$33,205
53	Real Estate and Rental and Leasing	21,130	23,659	2,529	12%	\$22,012
81	Other Services (except Public Administration)	25,273	27,795	2,522	10%	\$30,906
71	Arts, Entertainment, and Recreation	13,882	16,017	2,135	15%	\$15,895
42	Wholesale Trade	18,972	20,249	1,277	7%	\$75,043
55	Management of Companies and Enterprises	12,946	13,388	442	3%	\$97,929
21	Mining, Quarrying, and Oil and Gas Extraction	1,446	1,864	418	29%	\$82,622
48-49	Transportation and Warehousing	13,761	13,916	155	1%	\$46,109
22	Utilities	1,819	1,728	(91)	(5%)	\$113,170
11	Agriculture, Forestry, Fishing and Hunting	7,101	6,932	(169)	(2%)	\$27,414
51	Information	11,021	10,491	(530)	(5%)	\$65,713
90	Government	75,472	74,767	(705)	(1%)	\$61,416
23	Construction	25,720	24,147	(1,573)	(6%)	\$55,944
44-45	Retail Trade	64,080	61,758	(2,322)	(4%)	\$27,702
31-33	Manufacturing	62,009	48,237	(13,772)	(22%)	\$75,048
	Total	608,091	633,195	25,104	4%	\$48,885

Source: EMSI Complete Employment

Unemployment by Industry

The table below shows total 2010 jobs and unemployment numbers in the Rochester MSA for the second quarter of 2011 by two-digit NAICS code. The unemployment rate is shown as a percentage of total jobs in that category for the Rochester MSA, New York State, and the U.S. as a whole. The unemployment rate is especially high in the following industries:

- Mining
- Construction
- Accommodation and Food Services
- Arts, Entertainment, and Recreation
- Government

The unemployment rate is relatively low in the following industries:

- Management of Companies and Enterprises
- Real Estate and Rental and Leasing
- Finance and Insurance
- Utilities
- Health Care and Social Assistance

Rochester MSA Unemployment							
NAICS Code	Description	2010 Jobs	March Unemployment	% of Total Jobs			
				MSA	NYS	US	
90	Government	75,472	4,622	6.12%	5.33%	4.60%	
44-45	Retail Trade	64,080	4,293	6.70%	8.44%	9.13%	
31-33	Manufacturing	62,009	4,174	6.73%	7.38%	7.60%	
72	Accommodation and Food Services	35,900	4,145	11.55%	12.23%	12.85%	
23	Construction	25,720	4,021	15.63%	19.90%	19.95%	
56	Administrative and Support and Waste Management and Remediation Services	30,516	3,072	10.07%	9.55%	9.27%	
62	Health Care and Social Assistance	84,809	2,603	3.07%	4.24%	5.46%	
71	Arts, Entertainment, and Recreation	13,882	1,600	11.53%	10.32%	10.09%	
54	Professional, Scientific, and Technical Services	40,115	1,396	3.48%	3.27%	4.02%	
61	Educational Services	32,734	1,318	4.03%	4.31%	6.50%	
81	Other Services (except Public Administration)	25,273	1,243	4.92%	5.75%	5.60%	
52	Finance and Insurance	29,385	823	2.80%	2.82%	3.46%	
51	Information	11,021	702	6.37%	5.32%	8.92%	
42	Wholesale Trade	18,972	667	3.52%	3.32%	2.88%	
48-49	Transportation and Warehousing	13,761	529	3.84%	4.96%	5.88%	
53	Real Estate and Rental and Leasing	21,130	472	2.23%	2.73%	2.75%	
11	Agriculture, Forestry, Fishing and Hunting	7,101	321	4.52%	3.48%	8.87%	
21	Mining, Quarrying, and Oil and Gas Extraction	1,446	245	16.94%	11.87%	3.85%	
55	Management of Companies and Enterprises	12,946	129	1.00%	0.92%	0.94%	
22	Utilities	1,819	54	2.97%	3.76%	9.56%	
	Total	608,091	36,430	5.99%	6.30%	7.18%	

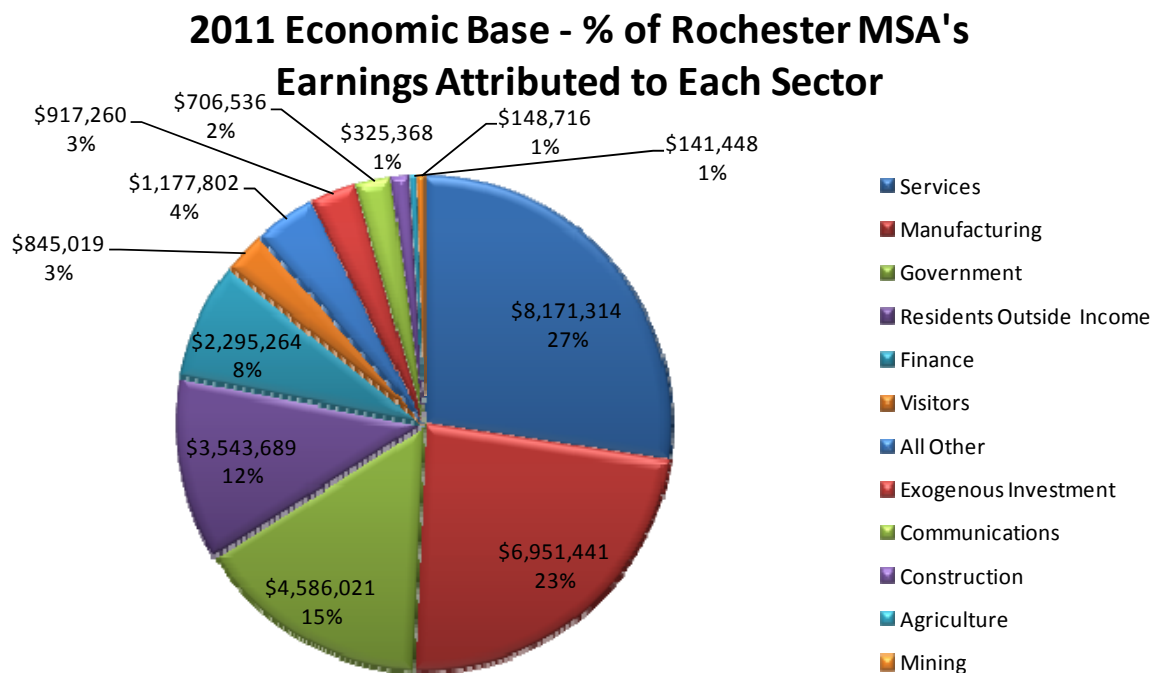
Source: EMSI Complete Employment - 2011.2, Camoin Associates

Economic Base

Another way of examining the regional economy is to look at which sectors and industries are responsible for bringing income to the region. Industries generally do this by exporting products and services to purchasers located outside the study region. This approach attempts to show which groups of industries really drive a region's economy; that is, which sectors bring the most dollars into a region, rather than circulating dollars that are already present.

Economic base sectors are groupings of broadly related industries with no claims made about their inter-dependence. In contrast, NAICS sectors are grouped by similar products and production processes. Economic base sectors are created for convenience to describe a broad type of activity that brings money into a region, for example, 'Manufacturing' or 'Visitors.'

The following chart and table show how much of the region's earnings can be attributed to the activities of regional establishments in each sector. Note that the size of each of these sectors depends more on each one's export orientation than on each one's total employment.



Rochester MSA - Economic Base					
Sector	Jobs	Earnings (K)	Jobs %	Earnings %	EPW (K)
Services	171,398	\$8,171,314	28%	27%	\$48
Manufacturing	118,201	\$6,951,441	19%	23%	\$59
Government	85,624	\$4,586,021	14%	15%	\$54
Residents Outside Income	93,602	\$3,543,689	15%	12%	\$38
Finance	44,829	\$2,295,264	7%	8%	\$51
Visitors	28,928	\$845,019	5%	3%	\$29
All Other	21,450	\$1,177,802	4%	4%	\$55
Exogenous Investment	18,653	\$917,260	3%	3%	\$49
Communications	14,115	\$706,536	2%	2%	\$50
Construction	6,313	\$325,368	1%	1%	\$52
Agriculture	4,305	\$141,448	1%	0%	\$33
Mining	2,379	\$148,716	0%	0%	\$63

Source: EMSI Complete Employment - 2011.2

Services, manufacturing, and government make up the three largest income generating sectors in the Rochester MSA. The pie graph shows that 27% of the region’s earnings can be attributed to the services sector. Services that generate the most earnings are colleges, universities, and professional schools (\$1.4 billion); corporate, subsidiary, and regional managing offices (nearly \$900 million); and general medical and surgical hospitals (over \$700 million). Service operations, such as colleges, corporate headquarters, and hospitals located within the Rochester MSA attract many visitors from outside the region. These visitors buy food, clothes, hotel rooms, entertainment, etc., which supports jobs in the industries that provide those goods and services. Those jobs are thus included in the services sector of the region’s economic base because it is “responsible” for those jobs through its jobs multiplier.

The manufacturing industry has historically been a major part of the Rochester MSA’s economy and this remains true today. The pie graph shows that 23% of the region’s earnings can be attributed to this sector. Existing infrastructure, history, accessibility, and proximity to major consumer markets make the region a good location for manufacturing. With the location of Eastman Kodak in the Rochester MSA, the two manufacturing sub-sectors that generate the most earnings are photographic film, paper, plate and chemical manufacturing (over \$580 million) and photographic and photocopying equipment manufacturers (over \$510 million). It is also important to note that employees of the manufacturing industry exhibit relatively high earnings per worker. At \$59,000, the manufacturing sector has the second highest earnings per worker behind only mining with \$63,000.

Government accounts for 15% of earnings in the Rochester MSA according to the pie graph above. Similar to the manufacturing sector, government sector workers have relatively high earnings per worker at \$54,000.

Residents’ outside income includes various sources of income from outside the region, which residents in turn spend in the regional economy. Examples of outside income include outside earnings (e.g., income of residents who commute or telecommute to an employer outside the region), capital or property income (investment dividends, royalties, rents), and transfer payments (unemployment benefits, welfare, Social Security payments, etc.). This sector accounts for 15% of the jobs and 12% of the earnings in the Rochester MSA. This high percentage might reflect the workers who commute from adjacent communities outside the region, such as Genesee, Ontario, Wyoming, Yates, and Seneca Counties. A portion of this sector might also reflect Rochester MSA residents who receive transfer payments.

Cluster Analysis

A group of industries closely connected by supply chains and/or similar labor pools is considered an industry cluster. The following table and chart show the top 10 clusters in the region that will experience the greatest increase in terms of job numbers from 2010 to 2020. The businesses and financial services cluster is the largest employment cluster within the Rochester MSA. Top occupations within this cluster include personal financial advisors; securities, commodities, and financial services sales agents; accountants and auditors; management analysts; and real estate sales agents. Together, these top five occupations within the businesses and financial services industry cluster will add 6,898 jobs from 2010 to 2020 and will experience an overall growth of over 38%. The businesses and financial services cluster as a whole is projected to add over 14,500 jobs during the period from 2010 to 2020.

The biomedical/biotechnical (life sciences) and education and knowledge creation industry clusters are also in the top three clusters within the Rochester MSA. Top occupations within the biomedical/biotechnical (life sciences) cluster include registered nurses; home health aides; nursing aides, orderlies and attendants; licensed practical and licensed vocational nurses; and medical and health services managers. The top occupation in the education and knowledge creation cluster is postsecondary teachers, which will have 5,531 jobs by 2020 and will experience a 24% growth during the period from 2010 to 2020. Given the location of the Strong Children’s Hospital, Rochester Institute of Technology and Rochester University within the MSA, these two clusters represent a significant portion of the growth that will occur in the regional economy. Both clusters are expected to grow through 2020, and together, they will add nearly 9,500 jobs between 2010 and 2020.

Rochester MSA Cluster Analysis				
Cluster Name	2010 Jobs	2020 Jobs	Change	% Change
Business & Financial Services	66,804	81,461	14,657	22%
Biomedical/Biotechnical (Life Sciences)	61,190	66,072	4,882	8%
Education & Knowledge Creation	32,149	36,766	4,617	14%
Arts, Entertainment, Recreation & Visitor Industries	20,490	22,428	1,938	9%
Energy (Fossil & Renewable)	24,790	26,304	1,514	6%
Defense & Security	13,575	13,942	367	3%
Transportation & Logistics	8,851	9,167	316	4%
Apparel & Textiles	3,306	3,563	257	8%
Primary Metal Manufacturing	254	320	66	26%
Electrical Equipment, Appliance & Component Manufacturing	1,486	1,524	38	3%

Source: EMSI Complete Employment - 2011.2

Best Industries to Meet Rochester MSA Requirements¹

The table below shows the purchasing needs from existing regional industries at the most detailed level available (6-digit NAICS code level), along with how much of those needs are satisfied inside and outside the region. The difference between the required spending and the spending satisfied within the MSA is

¹ The “Best Industries to Meet Regional Requirements” analysis is based on EMSI’s input-output model which uses the national input-output matrix provided by the federal Bureau of Economic Analysis. This is combined with the national Total Gross Output, the regional Total Gross Output, the land area of the subject region, regional dividends, interest, rent and transfers data and regional in/out commuter patterns in order to calculate regional requirements, imports and exports. After using matrix algebra to calculate the regional multiplier, the resulting matrix is multiplied by the sales vector and converted back to jobs or earnings. Specifically, this data comes from the U.S. Department of Commerce, Bureau of Economic Analysis, and Industry Economic Accounts: Benchmark & Annual Input-Output (I-O) Accounts. Source: EMSI.

the “import gap.” For example, businesses and residents in the Rochester MSA purchase \$395 million each year from businesses in the Engineering Services industry. However, only \$60 million of that spending occurs locally in the region. The remaining \$335 million leaks out of the region to other parts of the state and nation. Targeting the Engineering Services industry to attract more of these types of businesses into the MSA and making these services available in the region would reduce the import gap and lessen the regional economy’s import dependence; thus, strengthening the MSA’s economy as a whole.

The ten industries with the largest import gaps in the Rochester MSA are shown in the table below. All of the industries listed below are present in the region, with the exception of plastics material and resin manufacturing. Within each of these industries there is room to expand current operations or target additional companies. Of note is the fact that many of the industries that are projected to grow as pointed out above (commercial banking, physicians offices, and real estate agents) also appear here as industries with existing import gaps. This indicates that there is an opportunity for more companies of these types to locate in the Rochester MSA in the future.

Best Industries To Meet Rochester MSA Requirements					
NAICS Code	Description	\$ Required (K)	\$ Satisfied in Region (K)	Import Gap (K)	In Region
324110	Petroleum Refineries	\$1,003,323	\$7,722	\$995,602	yes
522110	Commercial Banking	\$1,365,125	\$371,132	\$993,993	yes
621111	Offices of Physicians (except Mental Health Specialists)	\$1,253,542	\$813,421	\$440,121	yes
533110	Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	\$430,919	\$12,651	\$418,268	yes
325211	Plastics Material and Resin Manufacturing	\$395,052	\$0	\$395,052	no
531210	Offices of Real Estate Agents and Brokers	\$671,214	\$300,660	\$370,554	yes
524126	Direct Property and Casualty Insurance Carriers	\$531,703	\$179,827	\$351,876	yes
541330	Engineering Services	\$395,101	\$60,136	\$334,965	yes
551114	Corporate, Subsidiary, and Regional Managing Offices	\$1,123,058	\$793,920	\$329,138	yes
511210	Software Publishers	\$407,571	\$87,626	\$319,945	yes

Source: EMSI Complete Employment - 2011.2

Observations

In general, the local and regional economy is projected to remain relatively stable. We note that many of the largest and fastest growing industries in the Rochester MSA are office-utilizing industries. A detailed analysis of market trends within specific commercial, office, and industrial space utilizing industries is provided in the following sections of this report.

RESIDENTIAL MARKET ANALYSIS

The residential market analysis compares existing conditions and projected trends in the housing market in the City of Rochester and the Rochester MSA to trends of the City of Syracuse and the City of Buffalo. This market analysis also takes into account findings and recommendations of the 2007 City-Wide Rochester Housing Market Study and the 2010 JOSANA Neighborhood Master Plan. Local real estate agents were also interviewed to gather information on trends and pricing.

This analysis helps to identify potential development types that will serve currently unmet needs in the Rochester area as well as be feasible and marketable in the current real estate atmosphere.

Takeaway Findings

Significant findings of the Residential Market Analysis include:

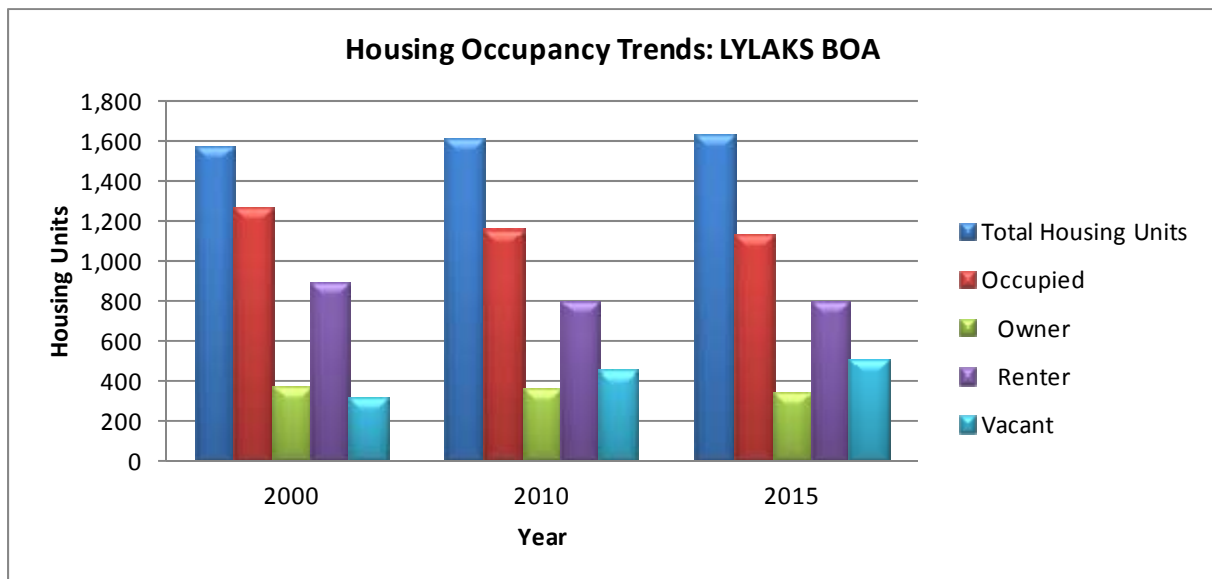
- At around 16%, residential vacancy rates within the City of Rochester are very high; however, other Upstate New York cities are facing similar trends.
- The housing stock in the City of Rochester is quite old and may not provide the ideal set of housing opportunities to existing and potential residents.
- There is demand for additional housing options within the BOA for units priced within the \$150,000 to \$200,000 range.
- Residential redevelopment will require sustained commitment from the City via focusing its own funds and/or identifying sources of state and federal funding as well as assembling land for development.
- Workforce housing that provides residents with safe, adequate living conditions is needed in the BOA.
- There may be a potential for higher-end housing in the east end of the BOA along the Genesee River.

Housing Stock Trends & Conditions

According to a 2008 article ‘Close to Home: Rochester, NY, Market is Soft’, the housing market in the City of Rochester does not experience the extreme highs and lows of areas in other parts of the Country.² It is not that the area completely sidestepped the recent mortgage and credit crises; rather, the regional housing market plunged in the 1990’s following considerable workforce downsizing of some of the area’s largest employers (Kodak and Xerox) and the region is still recovering. The high vacancy rates identified in the following tables are a relic of this significant job loss.

Occupancy & Vacancy Rates

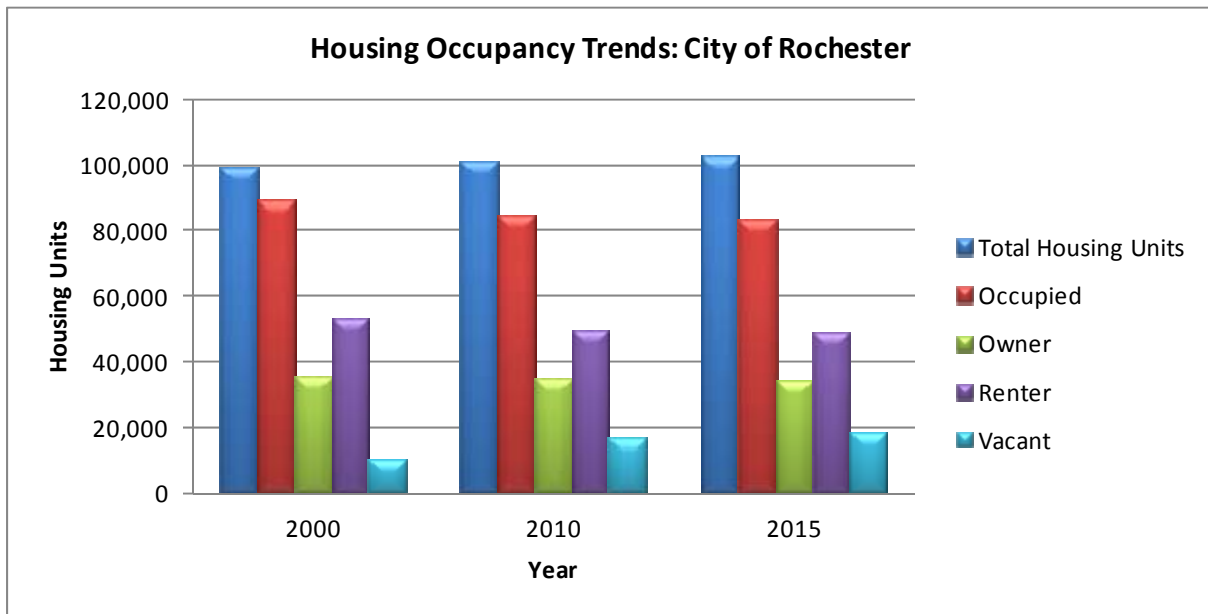
Being that the LYLAKS BOA covers such a large portion of the City (just under 400 acres), it is reasonable to begin the analysis of the housing market by looking at trends and conditions within the BOA area. As illustrated in the following chart, housing conditions within the BOA changed drastically from 2000 to 2010. The number of owner occupied and renter occupied units dropped 2% and 11% respectively; yet, the most striking change is the vacancy rate, which increased by 46% (145 units) during this 10-year time period. Fortunately, this drastic rate of change is not projected to continue through 2015 but the high vacancy levels will likely persist with rates nearing 30%.



Source: ESRI

The City of Rochester had a total of 101,528 units in 2010. Approximately 35% of the available housing stock in the City is owner occupied, 49% is renter occupied, and 16% is vacant. The total existing housing stock is expected to remain relatively stable through 2015, only adding 817 units; however, the number of vacant units is projected to increase by approximately 12% or 2,053 units.

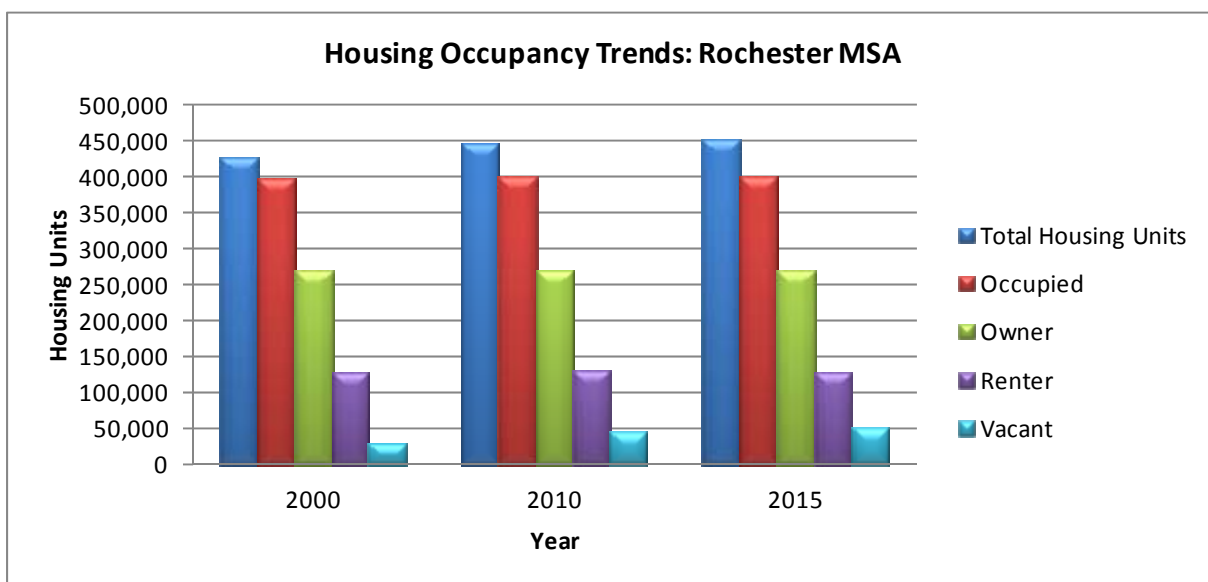
² Dugas, Christine. ‘Close to Home: Rochester, N.Y., Market is Soft’ USA Today. April 2008.
<http://www.usatoday.com/money/economy/housing/closetohome/2008-04-14-rochester-new-york_N.htm>



Source: ESRI

As shown in the following chart, the Rochester MSA has a total of 446,240 units, up from 427,172 units in 2000. Around 90% of the housing stock in the Rochester MSA is occupied; approximately 61% of the total units are owner occupied and 29% are renter occupied. The vacancy rate for the MSA hovers around 10%. When the City of Rochester is excluded from the MSA, its residential vacancy rate drops to 8%; once again indicating that high vacancy rates exist within the City rather than the non-city parts of the MSA.

Similar to the City of Rochester, the housing stock in the Rochester MSA is projected to remain stable through 2015 with just a minor increase of approximately 322 owner occupied units and a decrease of 660 renter occupied units. Over this five-year timeframe the vacancy rate in the MSA is expected to increase at roughly the same rate as the City's (12%) adding roughly 5,503 vacant properties by 2015.



Source: ESRI

Housing occupancy rates in the City of Rochester are compared to those of the City of Syracuse and the City of Buffalo to identify if Rochester’s occupancy trends are comparable to those in other similar cities in this region of the State. As far as the share of owner, renter, and vacant properties, the City of Rochester mirrors the City of Syracuse. Compared to the City of Buffalo, Rochester has similar owner occupied levels, but a higher renter occupied rate and a lower vacancy rate. The data suggests that high residential vacancy rates are not unique to the City of Rochester but are a regional trend.

City Housing Occupancy Status: 2010						
	City of Rochester		City of Syracuse		City of Buffalo	
	Number	Percent	Number	Percent	Number	Percent
Total Housing Units	101,528	100.0%	69,389	100.0%	145,228	100.0%
Occupied	84,902	83.6%	57,943	83.5%	113,033	77.8%
Owner	35,189	34.7%	23,980	34.6%	49,916	34.4%
Renter	49,713	49.0%	33,963	48.9%	63,117	43.5%
Vacant	16,626	16.4%	11,446	16.5%	32,195	22.2%

Source: ESRI

When evaluating the status of vacant properties, it is also helpful to compare the study area geographies to state and national levels. The table below shows that vacancy status in the Rochester MSA is similar to the Upstate New York and the Nation.

The higher number of vacant rental units in the Rochester MSA, compared to the Upstate New York and the Nation, indicates that there is a soft market or a “renters market” for rental units, potentially having implications on the redevelopment of the BOA. With a high percentage of rental units currently vacant, there may be an oversupply of rental properties in this region or the current stock of rental properties may not be meeting the demands of residents who desire rental properties.

2000 Residential Vacancy Status: Regional Comparison			
	Rochester MSA	Upstate NY	USA
For Rent	35.6%	21.4%	25.1%
For Sale Only	13.3%	9.8%	11.6%
Rented/Sold, Unoccupied	7.0%	5.0%	6.7%
Seasonal/Recreational/Occasional Use	22.1%	44.9%	34.3%
For Migrant Workers	0.5%	0.1%	0.2%
Other Vacant	21.5%	18.7%	22.1%

Source: ESRI

To compare the City of Rochester to other regional cities facing similar issues, the following table provides residential vacancy status of the City of Rochester, City of Syracuse, and the City of Buffalo. The three cities are very similar, and for most of the categories, the percent of vacant housing in City of Rochester is between the other two cities.

2000 Residential Vacancy Status: City Comparison			
	Rochester	Syracuse	Buffalo
For Rent	48.8%	54.7%	37.8%
For Sale Only	13.0%	14.0%	10.3%
Rented/Sold, Unoccupied	7.2%	5.7%	7.1%
Seasonal/Recreational/Occasional Use	2.0%	2.1%	1.1%
For Migrant Workers	0.0%	0.0%	0.0%
Other Vacant	29.0%	23.5%	43.7%

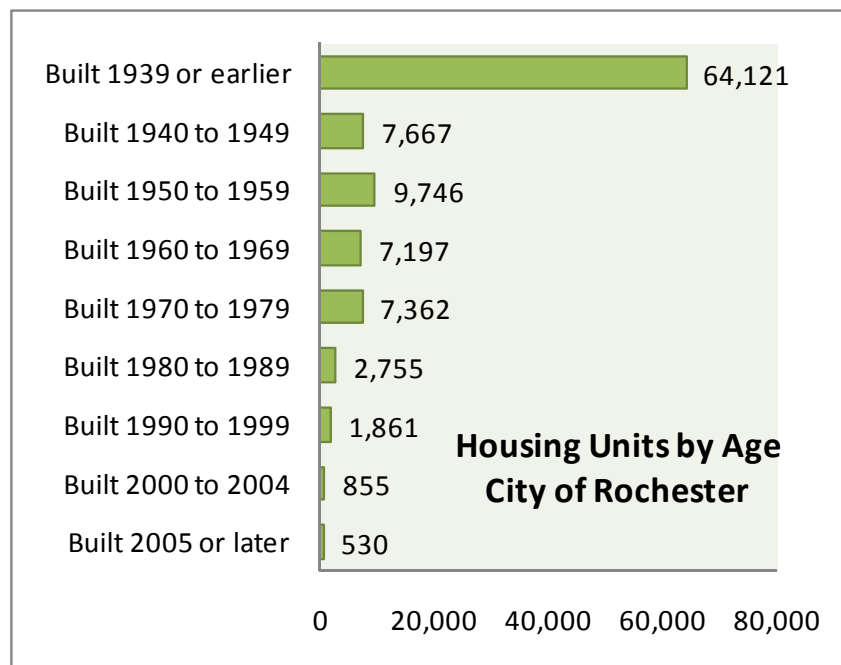
Source: ESRI

Age of the City's Housing Stock

The age of an area's housing stock is an important indicator because it can provide a high-level estimate of the quality of the housing stock. Although well-maintained older homes can contribute to the preservation of an area's local history and community character, older houses also tend to be more costly to maintain and have more structural and environmental concerns. As in many communities throughout the Northeast, substandard older housing is often occupied by those residents that are least able to afford the regular maintenance that an older home requires.

With its rich industrial past, it is no surprise that many of the residential structures within the City of Rochester are quite old. According to data collected from the 2005-2009 American Community Survey, over 60% of the City's residential housing stock was constructed more than 70 years ago and only about 1% of the residential structures within the City are less than 10 years old. Furthermore, the LYLAKS BOA area is one of the oldest sections of the City with some of the oldest residential structures.

The lack of more recently built housing within the City of Rochester may suggest that the existing housing stock is not meeting the demands of current City residents. This is one of the issues identified in a 2007 city-wide housing market study completed by Zimmerman/Volk Associates, which recommend a renewal of the City's housing stock with 'new residential products that address the market demand'. Some key findings and recommendations of this report relative to the LYLAKS BOA are summarized in the following sections.



Source: EMSI

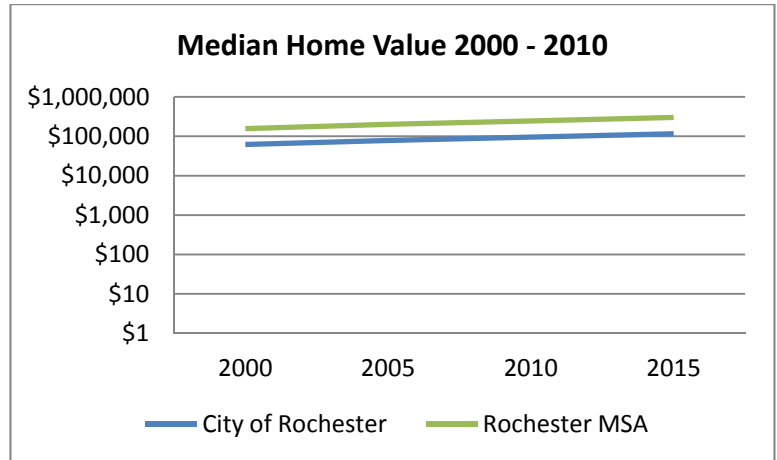
Residential Value & Market Conditions

In general, owner occupied units in the City of Rochester and the Rochester MSA have been increasing in value. As shown in the adjacent chart, the median home value in the Rochester MSA is consistently higher than in the City of Rochester. Additionally, the median home value in the MSA is increasing at a slightly faster rate than those within the City of Rochester.

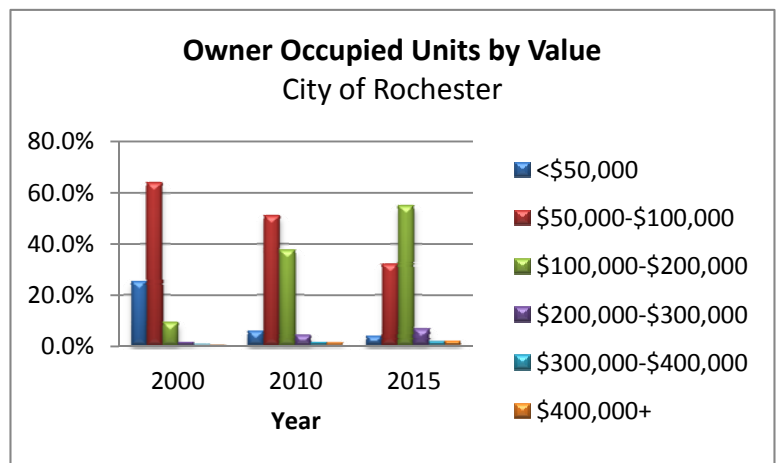
In 2000, over half of the owner occupied units in the City were valued between \$50,000 and \$100,000; by 2015 this number is projected to drop to just over 31%. In 2015, the majority (about 55%) of the houses in the City are projected to be valued between \$100,000 and \$200,000. The number of homes valued between \$200,000 and \$300,000 is projected to increase from over 1% in 2000 to almost 7% in 2015.

For the Rochester MSA in 2000, just under half of the housing units were valued between \$100,000 and \$200,000. Housing values are projected to increase faster in the MSA than in the City of Rochester, with about 45% of the occupied housing units projected to be valued between \$100,000 and \$200,000 and almost 28% valued between \$200,000 and \$300,000 in 2015.

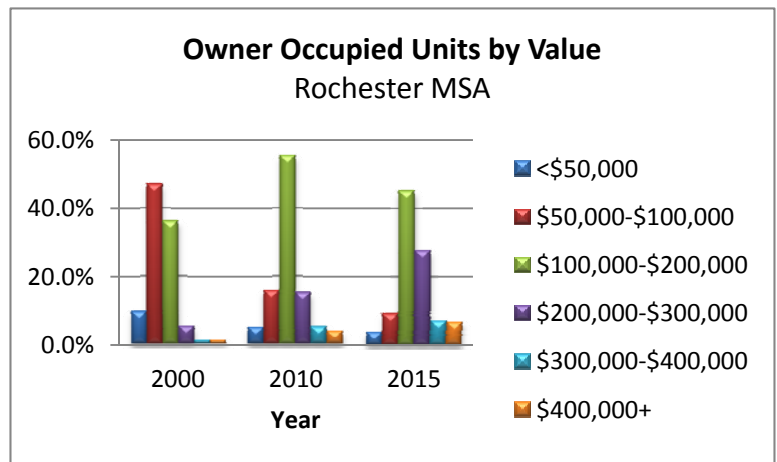
According to Trulia, an 'all in one' real estate website, the average price per square foot for the City of Rochester is \$71, which is an increase of 6% over the previous year. From November 10th through January 11th, 266 homes sold with a median sale price of \$110,000. This price is a 25.7% increase over the previous year; however, the number of homes sold decreased by 66.7% during this time period. Sales prices have appreciated 5.8% over the last five years in the City of Rochester.



Source: ESRI



Source: ESRI



Source: ESRI

Real estate professionals familiar with the local and regional housing markets explained that ‘not too long ago’ (10-15 years ago) houses valued around \$150,000 to \$190,000 were considered up-scale, whereas today that range is considered affordable. The general consensus among those interviewed is that the City needs more housing options within this price range. Real estate professionals also mentioned on a number of occasions that City residents typically prefer ownership rather than renting.

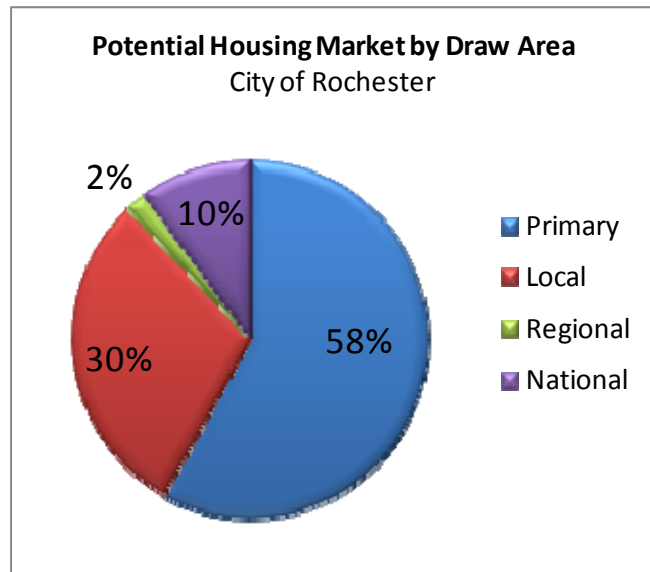
Market Potential

In 2007, the City of Rochester hired Zimmerman/Volk Associates, Inc. to conduct a comprehensive housing market study (the “housing study”). This section provides a brief summary of the study’s findings regarding the City’s ‘draw areas’, its optimum housing mix, and target market segments.

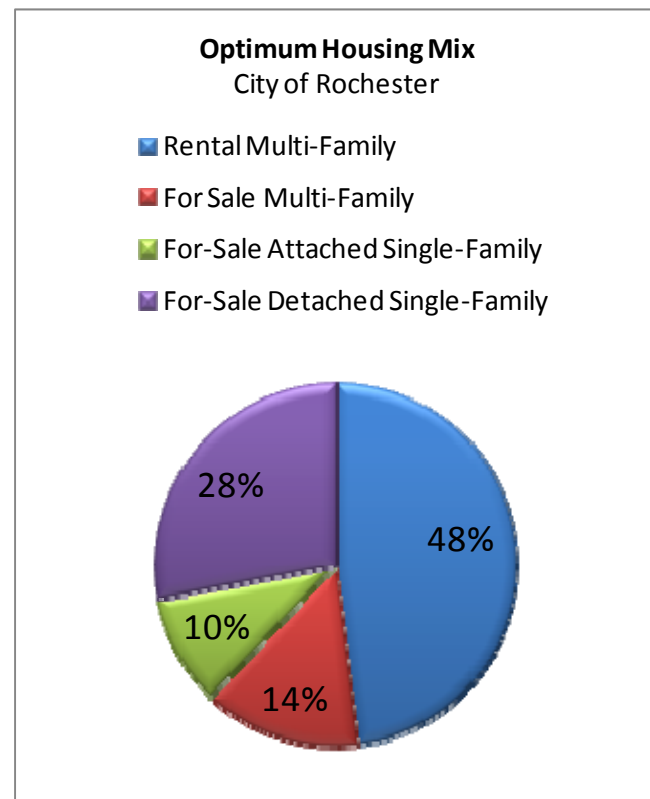
Draw areas are geographic regions from which new households in the study area come from. Based on a migration analysis and a mobility trends analysis, the housing study delineated the draw areas for the City of Rochester as follows:

- **Primary** - Each year, between 10% and 14% of the households living in the City moved to a new residence within the City.
- **Local** - Between two and three percent of the households living within Monroe County move to a residence in the City each year.
- **Regional** - On average, Rochester losses more households to Wayne, Ontario, and Livingston Counties than it gains. This net loss is estimated to be about 500 to 600 households annually.
- **National** - Approximately 1,700 households move into the City from elsewhere in the County each year.

The housing study defines Rochester’s optimum housing mix as an appropriate balance of rental and owner units as well as a mix of housing types that will enhance its



Source: City-wide Rochester Housing Market Study
Zimmerman/Volk Associates, Inc., 2007.



Source: City-wide Rochester Housing Market Study
Zimmerman/Volk Associates, Inc., 2007.

competitiveness in the region. According to the study, achieving Rochester's optimum housing mix will require a significant increase in the number of owner occupied units. The study suggests that achieving this balance will require preservation of the built environment, new residential construction, and demolition of obsolete structures.

According to the housing study, the City's housing market is dominated by three general household types, including Traditional and Non-Traditional Families; Younger Singles and Couples; and Empty-Nesters and Retirees. Traditional and Non-Traditional Families make up about 41% of the market and area characterized by households with children. They have a preference for urban living; however, this market segment is typically the first to leave a city when certain neighborhood elements change, such as safety conditions, green space access, or good schools. Within the City, a significant portion of these households are multi-cultural, predominately middle-income households. The Younger Singles and Couples market segment is about 30% of the residential market and is characterized as individuals that prefer to live among a diverse mix of people and in a diverse mix of housing types. Due to their 'risk tolerance', this market segment has been known to pioneer revitalization in certain neighborhoods. The third market segment, Empty-Nesters and Retirees, makes up about 29% of the Rochester residential market. This segment tends to prefer access to amenities and single-level living. As such, the limited diversity in the City's housing stock forces out-migration of this segment.

The ultimate question driving the housing study is: How many new dwelling units could be leased or sold within the City? Based on a capture rate of 5%, the City could support approximately 863 new units annually. The type of units are as follows:

- Rental Multi-Family: lofts/apartments (below market) - 184
- Rental Multi-Family: lofts/apartments (market rate) - 231
- For-Sale Multi-Family: lofts/apartments, condo/co-op (all ranges) - 119
- For-Sale Single-Family Attached: townhouse/row house, fee-simple, condo (all ranges) - 83
- For-Sale Single-Family Detached: urban houses, fee-simple (below market) - 71
- For-Sale Single-Family Detached: urban houses, fee-simple (market rate) - 176

Of these unit types, those that would be a good fit in the BOA with the greatest potential to succeed include rental multi-family apartments both at and below market value. Lofts are not feasible since the BOA generally lacks the infrastructure to support this type of development. For-sale multi-family apartments/condos might have an opportunity along the waterfront. For-sale single-family attached townhouse/row house type of development might also be possible via a City-lead land assembly program.

The housing study concludes its discussion of market potential with: "Although the 5% to 10% capture rates could potentially be achieved through pure market forces, it is likely that the City will be instrumental in assuring that the full impact of the market potential is realized, particularly in the development of affordable components."

Downtown Rental Market

A 2010 report by the Rochester Downtown Development Corporation entitled *Survey of Downtown Rental Housing* does not include the LYLAKS BOA; however, the southeastern extent of the LYLAKS BOA abuts the High Falls neighborhood, the northernmost neighborhood included in the survey (shown in dark orange on the following map).

Source: rochesterdowntown.com

According to the report, demand for rental properties in downtown Rochester remained high in 2010, particularly for units that were 'brought on-line in the last decade'. The survey indicates that in the downtown Rochester area, market rate rental units range from \$375 - \$2,500. Rental rates for the 28 units surveyed in the High Halls neighborhood range from \$825 - \$1,850. In March 2010, when the survey was conducted, the vacancy rate for these units was 0%.

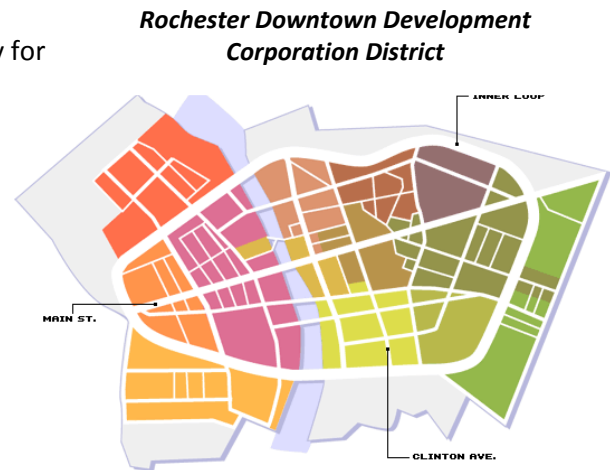
JOSANA Neighborhood Housing Needs

The segment of the LYLAKS BOA between Broad Street and Child Street is known as the JOSANA Neighborhood. In January 2011, the City of Rochester released a comprehensive plan for the neighborhood entitled *JOSANA Neighborhood Master Plan: A Plan for a Place We're Proud to Call Home* (the "JOSANA Plan"). The plan makes the following observations and recommendations regarding housing in this portion of the BOA that are aligned with the findings of this market study:

- **Support the conversion of multi-family back to single-family homes.**
Over time, existing single-family homes in the community have been converted into multi-family rental properties. The market for single-family homes is one of higher demand; however, the high cost of doing the conversion (or, more properly stated, undoing the previous conversion) often prevents owners from converting the buildings to their original use and results in long-term vacancy.
- **Encourage infill to increase homeownership and stabilize housing values.**
There is high potential for new housing. The study recommends building 20 new single-family detached affordable homes to foster a more mixed-income community.
- **Consider denser housing in strategic locations.**
New well-managed multi-family rental units should be considered in the community along and near Broad Street. The goal is to provide a different housing type for non-traditional families, younger couples, the elderly, and other families where ownership is either not attainable or necessary. Development along this corridor would also support the stadium.
- **Adapt zoning to enable denser development in key locations.**
Zoning changes to the existing code will be needed to allow for the higher-density development suggested above.

It is also important to note that Flower City Habitat for Humanity has recently focused their efforts in the southern portions of the JOSANA Neighborhood, which extends about 2-3 blocks beyond the defined BOA boundary. As of 2010, 18 new homes have been constructed along Orange, Jay, Grape, and Campbell Streets. By selling the new homes for \$60,000 to \$65,000 - roughly double the price of the neighborhoods older homes - this project is raising the local median home values considerably. Habitat for humanity cites a number of reasons for their continued work in the JOSANA Neighborhood:³

- 99% of properties were built before 1950



³ Source: Flower City Habitat for Humanity Website: <http://www.rochesterhabitat.org/Building/OurJOSANAProject.aspx>.

- 53% of properties are owned by investors (i.e. absentee landlords)
- Investor properties are in poor condition and often in violation of building codes
- On average there are 10 eviction notice per 100 units
- 43% of renters have been at their current place of residence for less than 1-year
- 29% of children tested positive for dangerous lead levels (above 10 micrograms per deciliter)

Recent Residential Development Success

According to many local real estate professionals and several of the other individuals interviewed for this study, one of the most successful residential development projects in the City of Rochester in recent years is the Corn Hill Landings development. This townhome/apartment complex is located just north of the BOA on the Genesee River. Designed with the ambiance of a European village, Corn Hill Landings offers residents boutique shops and services, as well as a number of dining opportunities within walking distance. The design of this development is also very welcoming to the general public with ample parking and access to the waterfront. This style of development is unique within the City of Rochester; based on the success of this project, many of the real estate professionals and other individuals interviewed for the analysis suggested that the City could use more of this type of development.

Pricing for these units is as follows: ⁴

- 2 Bedroom Townhome: \$1,025
- 3 Bedroom Townhome: \$1,225
- 1 Bedroom Apartments: \$725 - \$815
- 1 Bedroom Lower Apartment: \$750
- 1 Bedroom Lower w/Basement: \$815
- 1 Bedroom Upper Apartment: \$795

A similar type of development may be possible in the LYLAKS BOA on the properties along the Genesee River. These sites have similar characteristics as the Corn Hill Landings site (riverfront access, proximity to downtown, etc.), which was also a former brownfield site.

Observations

The City's housing market is continuing to recover from the significant reduction in workforce that occurred within the manufacturing sector in the 1990's. Ongoing issues that currently plague the market include a very old housing stock and an overabundance of rental properties that do not meet the needs of existing or potential residents. This is particularly the case within the BOA, which consists of a significantly dilapidated housing stock and a resident population whose financial status does not allow for the investments necessary to maintain older homes.

Are there opportunities for residential development within the LYLAKS Oil BOA? Based on the above analysis, there may be; however, redevelopment will require sustained commitment from the City via focusing its own funds and/or identifying sources of state and federal funding.

⁴ Source: <http://www.cornhilltownhouses.com/pricing.html>.

Workforce Housing

Affordable workforce housing that provides residents with safe, adequate living conditions is needed throughout the BOA. It is our recommendation that the City begin a land assembly program. Over time, once enough land is assembled the City can RFP to identify a developer to undertake a tax-credit housing project. There are two ways in which the City could approach the land banking project:

- 1) Choose a section of the BOA and acquire adjacent properties that can eventually be developed into a multi-family complex, or
- 2) Acquire properties scattered throughout the BOA and RFP them as a bundle.

The first approach, acquisition of adjacent properties, would allow for a large apartment-style residential development on a single site. The primary advantages of this option is that planning and construction costs for the developer will be much lower on a unit basis compared to undertaking many smaller projects on a number of different properties. This type of project would result in the development of a new type of housing that is not currently available in the BOA. Thus, it has the potential to attract new residents who otherwise might look elsewhere for housing. By creating a high concentration of residents in close proximity to each other, the development of contiguous housing could be a catalyst for additional development/redevelopment projects nearby.

The second option, acquiring properties located throughout the BOA, has its advantages as well. The speed at which properties can be acquired will likely be much faster under this option as the City would not be limited to a single portion of the BOA. Therefore, new residential projects could be brought on-line much faster. This approach would also allow the developer(s) more flexibility in the type of houses being developed/redeveloped resulting in a range of housing options to meet a larger market. Similar to the concentrated approach, this option would likely spur projects on adjacent properties; however, in this case, the 'spinoff' projects would likely be spread throughout the BOA having a larger impact throughout the region. After a sufficient number of parcels are assembled, the City could then RFP them together to one developer who would be able to undertake a number of simultaneous projects (thus, achieving economies of scale).

Riverside Development

In addition to the need for modern workforce housing, there may also be some potential for higher-end housing in the east end of the BOA along the Genesee River. The Pre-Nomination report identified two strategic sites (24 Spencer Street and 100 Falls Street) that might be suitable for either mixed-use or high-end residential development along the river. Recent success of similar projects in other parts of the City and the extremely low vacancy rates in the High Falls Neighborhood are good indicators that there continues to be demand for higher-end rental units in close proximity to downtown. We would recommend focusing initial efforts on a project on the 100 Falls Street property as it is closest to downtown and the High Falls neighborhood.

RETAIL MARKET ANALYSIS

The goal of a retail market analysis is to look at the supply and demand for goods and services within the region in question. This process also helps to identify the unique characteristics that an area has that can be built upon. The market analysis outlines consumer spending habits within the region, estimates retail demand, identifies household characteristics of potential consumers, and can help areas identify business opportunities or niche markets that are not being met by the current market.

Two trade areas are analyzed for the retail market analysis:

- Local Trade Area - 5-minute drive time from the center of the BOA
- City of Rochester Trade Area - municipal boundary

Takeaway Findings

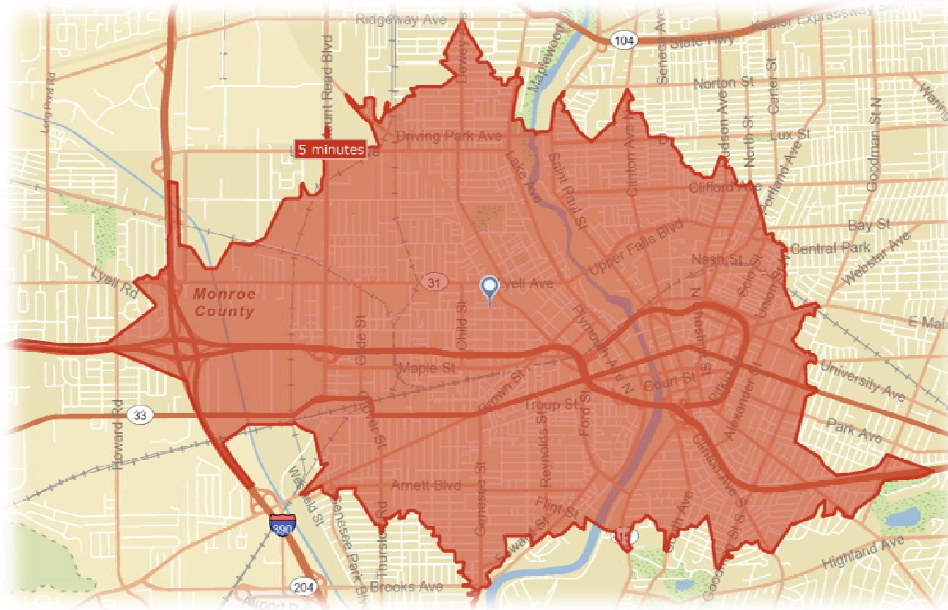
Key findings of the retail market analysis include:

- Several retail sectors are experiencing significant sales leakage. There is demand for a variety of goods and services locally; however, the local spending potential is low (i.e. local residents live on tight budgets and have limited access to disposable income).
- A 'name brand' automotive dealership could be a feasible development. The new dealership would capture some of the existing sales leakage while also complimenting existing auto-related retail and non-retail businesses in the area.
- The proposed relocation of Monroe Community College (MCC) may present new business opportunities in the future; particularly for limited-service eating places.
- The soccer stadium is seen as an opportunity to drive commercial development; however, the stadium and community need to be better connected.

Local Trade Area

Reviewing data within a 5-minute drive time of the BOA provides insight into the local retail market and can help to identify whether the needs of local consumers within or in close proximity to the BOA are being met by existing businesses. Unmet demands of the Local Trade Area pose potential business development opportunities for the BOA that would benefit from strong support by the local market.

LYLAKS BOA Local Trade Area: 5-Minute Drive Time



Map Source: EMSI Business Analysis

Retail Leakage/Surplus

The table below shows existing retail sales (“supply”) in the Local Trade Area compared to retail potential (“demand”). The difference between the retail sales demand and supply is referred to as the retail gap.

The demand for goods and services that is not being met locally is referred to as sales leakage, shown in the following table as a positive retail gap. The leakage occurs because consumers make purchases at establishments located outside the defined trade area. For example, there were approximately \$1.8 million of retail sales in the Furniture Store category in the Local Trade Area. However, residents of the Local Trade Area spend approximately \$8.8 million on these goods. Therefore, residents spent about \$7 million outside of the Local Trade Area on furniture; this \$7 million is considered sales leakage.

Sales leakage is normally viewed as an opportunity to capture unmet demand in a trade area by opening new or expanding existing businesses. However, not all retail categories that exhibit leakage within a particular trade area are a good fit for that region. The industry groups experiencing the greatest leakage from the Local Trade Area include:

- Automobile Dealers
- Gasoline Stations
- Department Stores
- Grocery Stores

The retail potential for additional stores within the BOA is analyzed later in this report and identifies which industries have enough sales leakage to potentially support additional retail outlets.

If the supply of goods sold exceeds trade area demand, it is assumed that non-residents are coming into the trade area to spend money, creating a sales surplus. A sales surplus is shown as a negative retail gap in the following table. There are two likely reasons a sales surplus condition would exist. First, a cluster of competing businesses offering a similar good or product may be located within the trade area, creating a specialty cluster that draws in spending by households from outside the trade area. Secondly, a sales surplus may indicate a saturated retail market, where supply exceeds demand.

The data show that there is a large number of health and personal care stores in the Local Trade Area generating over \$140 million in sales. This is due, in part, to the large number of pharmacies located in the Local Trade Area. Industries that have a large sales surplus compared to their total sales include:

- Health and Personal Care Stores⁵
- Full Service Restaurants
- Drinking Places – Alcoholic Beverages
- Special Food Stores
- Auto Parts, Accessories, and Tire Stores
- Book, Periodical and Music Stores

Industry sectors with leakage can be good markets to pursue in that residents are currently going outside of the trade area to make purchases. A new business or an expansion by an existing business could potentially capture some of the spending by those residents. Alternatively, an industry with a surplus could indicate a niche market that the trade area could build on and create an identity around.

⁵ There are several pharmacies located within the Local Trade Area that contribute to the large sales figure for this industry.

Local Trade Area Retail Sales Surplus/Leakage				
Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Number of Businesses
Automobile Dealers (NAICS 4411)	\$100,667,336	\$35,619,001	\$65,048,335	38
Other Motor Vehicle Dealers (NAICS 4412)	\$7,329,072	\$5,763,146	\$1,565,926	4
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$8,546,919	\$12,888,106	-\$4,341,187	20
Furniture Stores (NAICS 4421)	\$8,816,271	\$1,848,696	\$6,967,575	4
Home Furnishings Stores (NAICS 4422)	\$5,576,909	\$2,644,131	\$2,932,778	9
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$16,612,784	\$17,985,518	-\$1,372,734	39
Building Material and Supplies Dealers (NAICS 4441)	\$14,253,053	\$10,514,917	\$3,738,136	29
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$1,226,435	\$557,249	\$669,186	2
Grocery Stores (NAICS 4451)	\$118,569,066	\$110,167,659	\$8,401,407	98
Specialty Food Stores (NAICS 4452)	\$2,761,330	\$3,657,295	-\$895,965	17
Beer, Wine, and Liquor Stores (NAICS 4453)	\$6,753,671	\$7,600,495	-\$846,824	16
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$25,767,014	\$140,464,621	-\$114,697,607	30
Gasoline Stations (NAICS 447/NAICS 4471)	\$84,489,575	\$41,269,681	\$43,219,894	18
Clothing Stores (NAICS 4481)	\$20,896,466	\$7,546,402	\$13,350,064	62
Shoe Stores (NAICS 4482)	\$2,446,231	\$752,093	\$1,694,138	8
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$2,007,373	\$803,536	\$1,203,837	18
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$4,369,986	\$955,933	\$3,414,053	23
Book, Periodical, and Music Stores (NAICS 4512)	\$1,192,786	\$5,062,461	-\$3,869,675	16
Department Stores Excluding Leased Depts. (NAICS 4521)	\$17,614,048	\$0	\$17,614,048	0
Other General Merchandise Stores (NAICS 4529)	\$28,624,515	\$25,423,003	\$3,201,512	16
Florists (NAICS 4531)	\$445,764	\$1,207,431	-\$761,667	9
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$2,041,133	\$4,519,132	-\$2,477,999	21
Used Merchandise Stores (NAICS 4533)	\$929,390	\$1,289,509	-\$360,119	23
Other Miscellaneous Store Retailers (NAICS 4539)	\$5,592,429	\$4,756,293	\$836,136	28
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$25,771,120	\$9,519,101	\$16,252,019	2
Vending Machine Operators (NAICS 4542)	\$1,211,978	\$369,555	\$842,423	2
Direct Selling Establishments (NAICS 4543)	\$6,649,729	\$8,730,619	-\$2,080,890	4
Full-Service Restaurants (NAICS 7221)	\$38,984,957	\$57,681,289	-\$18,696,332	197
Limited-Service Eating Places (NAICS 7222)	\$39,808,639	\$27,133,071	\$12,675,568	61
Special Food Services (NAICS 7223)	\$9,005,745	\$13,441,999	-\$4,436,254	15
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$1,949,015	\$6,735,671	-\$4,786,656	54

Source: ESRI

Retail Use Feasibility

While the table in the previous section identifies a number of industry sectors that are experiencing leakage, it does not necessarily mean that new businesses locating in the area would be successful. The following section identifies which of the industries experiencing sales leakage may have enough sales to warrant opening a new store or expanding existing stores. This analysis will help the City of Rochester target businesses that will be successful by capturing a large enough portion of the current sales leakage to be profitable. The analysis assumes that 25% of the existing leakage in each category can potentially be recaptured by new businesses. The actual recapture rate for each category will vary and depends on existing amenities, commuting patterns, and consumer affinity towards certain stores or brands.

The table below identifies the industries that are experiencing sales leakage from the Local Trade Area and the number of new businesses that could be theoretically supported in each category if 25% of the sales leakage is recaptured and the new businesses have similar annual sales as the Upstate New York average for stores in each category.

Local Trade Area Retail Opportunity			
Industry Group	25% Recapture	Average Sales Per Business in Upstate NY	Number of Potential Businesses
Automobile Dealers (NAICS 4411)	\$16,262,084	\$5,889,477	2.8
Other Motor Vehicle Dealers (NAICS 4412)	\$391,482	\$935,275	0.4
Furniture Stores (NAICS 4421)	\$1,741,894	\$998,492	1.7
Home Furnishings Stores (NAICS 4422)	\$733,195	\$640,272	1.1
Building Material and Supplies Dealers (NAICS 4441)	\$934,534	\$764,727	1.2
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$167,297	\$253,343	0.7
Grocery Stores (NAICS 4451)	\$2,100,352	\$2,908,201	0.7
Gasoline Stations (NAICS 447/NAICS 4471)	\$10,804,974	\$3,636,220	3.0
Clothing Stores (NAICS 4481)	\$3,337,516	\$672,296	5.0
Shoe Stores (NAICS 4482)	\$423,535	\$471,199	0.9
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$300,959	\$286,084	1.1
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$853,513	\$204,594	4.2
General Merchandise Stores (NAICS 452)	\$5,203,890	\$3,427,326	1.5
Department Stores Excluding Leased Depts. (NAICS 4521)	\$4,403,512	\$3,144,931	1.4
Other General Merchandise Stores (NAICS 4529)	\$800,378	\$3,578,897	0.2
Other Miscellaneous Store Retailers (NAICS 4539)	\$209,034	\$463,833	0.5
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$4,063,005	\$10,237,770	0.4
Vending Machine Operators (NAICS 4542)	\$210,606	\$1,240,663	0.2
Limited-Service Eating Places (NAICS 7222)	\$3,168,892	\$731,073	4.3

Source: ESRI

Legend

25% Recapture Rate: Equals 25% of the Retail Gap.

Average Sales Per Business in Upstate NY: Equals average sale per store of indicated type in Upstate NY including all counties except Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk and

of Potential Businesses: Potential recapture divided by Upstate Average Sales.

Most of the industries shown are experiencing large retail gaps, suggesting that there is an opportunity for new or expanded businesses to recapture some sales. There are many amenities and retail needs not being met within the Local Trade Area that may be suitable for placement within the BOA, as appropriate to the scale and design of the land use. Some industries that demonstrate a high potential for new businesses are:

- Automobile Dealers - 2.8 businesses
- Gasoline Stations - 3 businesses
- Clothing Stores - 5 businesses
- Sporting Goods/Hobby/Musical Instrument Stores - 4.2 businesses
- Limited-Service Eating Places - 4.3 businesses

Market Segmentation

In addition to basic demographic data analysis, another useful tool in determining the characteristics of a particular trade area is market segmentation, which is defined as the classification of consumers according to demographic, socioeconomic, housing, and lifestyle characteristics. Market segmentation is based on the concept that people with similar demographic characteristics, purchasing habits, and media preferences naturally gravitate toward each other and into the communities in which they live. Businesses utilize market segmentation analysis to identify their best markets, measure the potential demand for new products or services, and reach their markets more effectively. Market segmentation data for the Local Trade Area were obtained from ESRI's 'Community Tapestry' segmentation model.

It is important to recognize that the classifications and labels for defined market segments are generalizations. The descriptions of each segment are based on comparisons with the U.S. as a whole and reflect the propensity of households within that segment to exhibit certain demographic, lifestyle, and consumer characteristics relative to the overall population. Nevertheless, market segmentation analysis can provide a useful perspective in understanding existing and potential customers residing within a defined area.

The table below shows the five largest tapestry segments as identified by ESRI in the Local Trade Area for the LYLAKS BOA, followed by a brief description of each segment. As shown, these five tapestry segments make up almost 70% of the Local Trade Area Market, providing a large window into local consumer characteristics and preferences.

Tapestry Segmentation			
Tapestry Segment	% of HHs in BOA	% of HHs in City of Rochester	% of HHs in US
City Commons	26.2%	14.7%	0.7%
City Dimensions	15.0%	12.4%	0.9%
Metro City Edge	10.5%	12.2%	0.9%
Metro Renters	9.7%	9.8%	1.4%
Social Security Set	8.1%	5.9%	0.6%
Total	69.5%	55.0%	4.5%

Source: ESRI

City Commons (26.2%): Single-parent households or singles that live alone comprise most of these very young households that have a median age of 24.6. Approximately half of these households have children. Most have graduated from high school. With the majority of these residents employed in part-time service occupations, the median household income is \$16,830 and the median home value is

\$67,943. More than three-quarters of the households are rented and nearly half of these residents have moved within the last 5 years. City commons residents shop at discount stores and buy a lot of baby and children products. Most families enjoy eating out at fast food restaurants several times a week. An annual travel destination is probably to a theme park. They buy game systems for children, listen to urban radio, and would prefer to go to a movie theater than rent a DVD to watch at home. This is a very important tapestry segment to pay attention to as it makes up over a quarter of the Local Trade Area market.

City Dimensions (15.0%): These households tend to be very young with a median age of 29.2 years. Households are diversified in both ethnicity and type but are primarily singles (31%), married couple families (30%), or single-parent families (23%). Median household income for these households is \$28,963 with 10% receiving social security benefits and 11% receiving public assistance. Unemployment is very high at 20%. Those who do work, are employed full-time or part-time in the service, manufacturing, and retail trade industry sectors. More than half of the residents in these neighborhoods rent in multiunit buildings. City dimensions residents watch cable television and prefer movies and news programs. These households also like gaming systems and are sports fan enthusiasts. Families that have children at home shop at discount stores for children's and baby items and they use store brands for expensive products. Most families eat out and go to the movies for entertainment.

Metro City Edge (10.5%): These neighborhoods are typically made up of households with married couples, single parents, and multigenerational families. The median age is low at 29.4 years because it includes children, including adult children, who still live at home. Grandparents are caregivers in 4 percent of households, which is twice the U.S. rate. More than 78 percent of the households derive income from wages and salaries and 9 percent receive public assistance with another 9 percent receiving supplemental security income. The median household income is \$33,018. The majority of those working are in the service industry and unemployment is much more predominant in these neighborhoods at double the U.S. rate. Most residents live in older suburban neighborhoods of large metropolitan cities and reside in single family homes. The home ownership rate is 53 percent with a median home value of \$70,892. These residents must spend their money wisely and tend to shop at grocery stores such as Aldi. They watch movies, attend pro football games, and read music and baby magazines.

Metro Renters (9.7%): This market segment is dominated by young, educated singles with a median age of 33.6 years. Median household income is approximately \$56,311. In general, these residents are typically just starting their professional careers and will often share housing with a roommate to help defray high rent costs. These neighborhoods have a diverse population with 11.5% of the residents being Asian. Sixty percent of the employed residents work in professional and management occupations, primarily in the service industry sector. As one of the most educated market segments, one in four residents aged 25 or older has a graduate degree with more than 80% having attended college. Most of the housing in these neighborhoods is apartments, many in high-rise buildings. Residents in this market segment their metropolitan lifestyle and tend to work out at clubs, go dancing, visit museums, and eat out.

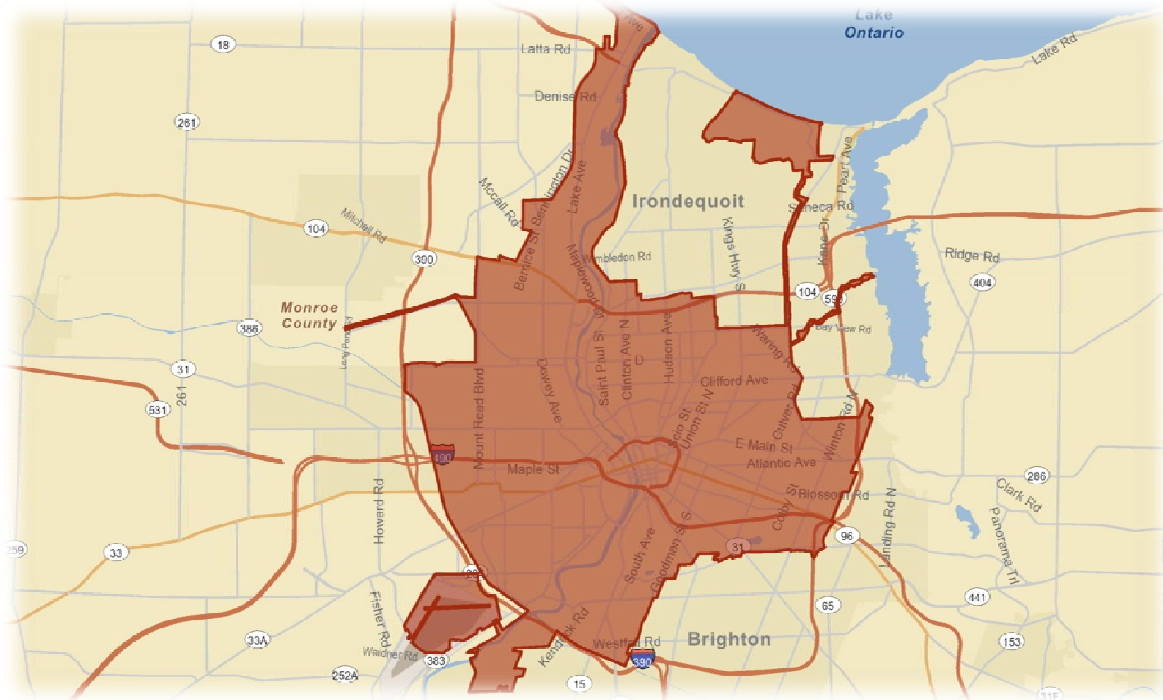
Social Security Set (8.1%): Four in ten of these households are aged 65 or older and most residents live alone. Although Social Security Set households live on very fixed incomes, they have accumulated some wealth that they can tap into now that they are retired. Their median household income is the lowest of the top five segments at \$16,805. The service industry provides jobs for more than half of the residents who are still part of the labor force. Owner occupied households in these neighborhoods have a median value of \$111,801. Limited resources somewhat restrict the activities; they shop at discount stores but tend to prefer grocery stores closer to home. Many rely on Medicare or Medicaid to pay healthcare costs. These residents are avid newspaper readers, subscribe to cable television enjoying daytime and primetime TV shows.

In general, most of the Local Trade Area market is very young. Household income is generally lower than the national average and many residents hold jobs within the service industry. As such, residents are conscious of their spending, frequently shopping at discount merchandise stores. As many families have very young children, they are large consumers of diapers and inexpensive children's clothing. Based on their location within the City of Rochester, most of these individuals live in rented or owned single family homes. Due to their young age, residents of the Local Trade Area move frequently. There is little need for spending on lawn care or home maintenance supplies.

City of Rochester Trade Area

The City of Rochester Trade Area (City Trade Area) provides insight into the overall health of the economy and what factors are driving business decisions in and around the City. Analysis of a trade area at this scale can help to identify whether demands of City consumers are being met by existing businesses.

City of Rochester Trade Area



Retail Leakage/Surplus

The table below shows existing retail supply and demand in the City Trade Area. As described above, the difference between the sales demand and supply is referred to as the retail gap.

Industry groups that are not being met within the City of Rochester and are experiencing significant sales leakage (i.e. a positive retail gap) include:

- Automobile Dealers
- Grocery Stores
- Gasoline Stations
- Clothing Stores

Conversely, industries with a sales surplus (i.e. a negative retail gap) include:

- Health and personal care stores
- Vending Machine Operators
- Drinking Places – Alcoholic Beverages
- Book, Periodical and Music Stores

City of Rochester Surplus and Leakage			
Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Motor Vehicle & Parts Dealers (NAICS 441)	\$294,113,536	\$89,951,963	\$204,161,573
Automobile Dealers (NAICS 4411)	\$253,641,821	\$61,358,253	\$192,283,568
Other Motor Vehicle Dealers (NAICS 4412)	\$18,990,679	\$10,126,284	\$8,864,395
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$21,481,036	\$18,467,426	\$3,013,610
Furniture & Home Furnishings Stores (NAICS 442)	\$36,282,325	\$13,418,775	\$22,863,550
Furniture Stores (NAICS 4421)	\$22,145,662	\$7,799,007	\$14,346,655
Home Furnishings Stores (NAICS 4422)	\$14,136,663	\$5,619,768	\$8,516,895
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$41,936,516	\$28,628,309	\$13,308,207
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	\$39,641,114	\$16,359,732	\$23,281,382
Building Material and Supplies Dealers (NAICS 4441)	\$36,469,199	\$16,277,391	\$20,191,808
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$3,171,915	\$82,341	\$3,089,574
Food & Beverage Stores (NAICS 445)	\$321,920,043	\$210,173,631	\$111,746,412
Grocery Stores (NAICS 4451)	\$298,047,913	\$186,114,336	\$111,933,577
Specialty Food Stores (NAICS 4452)	\$6,930,595	\$10,245,662	-\$3,315,067
Beer, Wine, and Liquor Stores (NAICS 4453)	\$16,941,535	\$13,813,633	\$3,127,902
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$65,319,683	\$159,776,848	-\$94,457,165
Gasoline Stations (NAICS 447/NAICS 4471)	\$212,876,758	\$84,526,059	\$128,350,699
Clothing and Clothing Accessories Stores (NAICS 448)	\$63,456,014	\$14,904,723	\$48,551,291
Clothing Stores (NAICS 4481)	\$52,299,803	\$10,043,991	\$42,255,812
Shoe Stores (NAICS 4482)	\$6,095,960	\$1,343,380	\$4,752,580
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$5,060,251	\$3,517,352	\$1,542,899
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$14,031,590	\$9,180,474	\$4,851,116
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$11,033,134	\$2,216,655	\$8,816,479
Book, Periodical, and Music Stores (NAICS 4512)	\$2,998,456	\$6,963,819	-\$3,965,363
General Merchandise Stores (NAICS 452)	\$116,365,817	\$53,199,945	\$63,165,872
Department Stores Excluding Leased Depts. (NAICS 4521)	\$44,336,315	\$12,603,890	\$31,732,425
Other General Merchandise Stores (NAICS 4529)	\$72,029,502	\$40,596,055	\$31,433,447
Miscellaneous Store Retailers (NAICS 453)	\$22,817,119	\$21,546,154	\$1,270,965
Florists (NAICS 4531)	\$1,155,465	\$2,765,768	-\$1,610,303
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$5,156,872	\$7,062,743	-\$1,905,871
Used Merchandise Stores (NAICS 4533)	\$2,336,671	\$1,973,561	\$363,110
Other Miscellaneous Store Retailers (NAICS 4539)	\$14,168,111	\$9,744,082	\$4,424,029
Nonstore Retailers (NAICS 454)	\$85,424,397	\$39,728,422	\$45,695,975
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$65,121,199	\$9,519,101	\$55,602,098
Vending Machine Operators (NAICS 4542)	\$3,041,838	\$9,837,876	-\$6,796,038
Direct Selling Establishments (NAICS 4543)	\$17,261,360	\$20,371,445	-\$3,110,085
Food Services & Drinking Places (NAICS 722)	\$225,063,592	\$169,394,953	\$55,668,639
Full-Service Restaurants (NAICS 7221)	\$97,833,840	\$92,467,641	\$5,366,199
Limited-Service Eating Places (NAICS 7222)	\$99,774,329	\$48,727,045	\$51,047,284
Special Food Services (NAICS 7223)	\$22,571,383	\$18,496,131	\$4,075,252
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$4,884,040	\$9,704,136	-\$4,820,096

Source: ESRI

Retail Use Feasibility

The retail use feasibility for the City Trade Area identifies a number of retail sectors that have an opportunity to expand in the City and recapture some of the spending that is currently leaking out of the City. Industries with the greatest potential for success include:

- Clothing Stores
- Limited Service Eating Places
- Sporting goods/Hobby/Musical Instrument Stores
- Grocery Stores

City of Rochester Retail Opportunities				
Industry Group	Retail Gap	Average Sales in Upstate NY	25% Recapture Rate	Number of Potential Businesses
Clothing Stores (NAICS 4481)	\$42,255,812	\$364,833	\$10,563,953	28.96
Limited-Service Eating Places (NAICS 7222)	\$51,047,284	\$732,580	\$12,761,821	17.42
Sporting Goods/Hobby/Musical Instrument (NAICS 4511)	\$8,816,479	\$144,367	\$2,204,120	15.27
Automobile Dealers (NAICS 4411)	\$192,283,568	\$3,930,036	\$48,070,892	12.23
Gasoline Stations (NAICS 447/NAICS 4471)	\$128,350,699	\$3,956,399	\$32,087,675	8.11
Electronics & Appliance (NAICS 443/NAICS 4431)	\$13,308,207	\$435,449	\$3,327,052	7.64
Grocery Stores (NAICS 4451)	\$111,933,577	\$3,867,700	\$27,983,394	7.24
Building Material and Supplies Dealers (NAICS 4441)	\$20,191,808	\$793,556	\$5,047,952	6.36
Home Furnishings Stores (NAICS 4422)	\$8,516,895	\$412,221	\$2,129,224	5.17
Shoe Stores (NAICS 4482)	\$4,752,580	\$244,955	\$1,188,145	4.85
Full-Service Restaurants (NAICS 7221)	\$5,366,199	\$301,777	\$1,341,550	4.45
Other Miscellaneous Store Retailers (NAICS 4539)	\$4,424,029	\$254,728	\$1,106,007	4.34
Lawn and Garden Equipment and Supplies (NAICS 4442)	\$3,089,574	\$190,491	\$772,394	4.05
Furniture Stores (NAICS 4421)	\$14,346,655	\$886,319	\$3,586,664	4.05
Jewelry, Luggage, and Leather Goods (NAICS 4483)	\$1,542,899	\$127,552	\$385,725	3.02
Other Motor Vehicle Dealers (NAICS 4412)	\$8,864,395	\$753,010	\$2,216,099	2.94
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$55,602,098	\$5,398,027	\$13,900,525	2.58
Other General Merchandise Stores (NAICS 4529)	\$31,433,447	\$3,862,761	\$7,858,362	2.03
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$3,013,610	\$506,463	\$753,403	1.49
Department Stores Excluding Leased Depts. (NAICS 4521)	\$31,732,425	\$5,448,496	\$7,933,106	1.46
Used Merchandise Stores (NAICS 4533)	\$363,110	\$62,477	\$90,778	1.45
Special Food Services (NAICS 7223)	\$4,075,252	\$832,219	\$1,018,813	1.22
Beer, Wine, and Liquor Stores (NAICS 4453)	\$3,127,902	\$780,630	\$781,976	1.00

Source: ESRI

Legend

25% Recapture Rate: Equals 25% of the Retail Gap.

Average Sales in Upstate NY: Equals average sale per store of indicated type in Upstate NY including all counties except Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk and Westchester.

of Potential Businesses: Potential recapture divided by Upstate Average Sales.

Market Segmentation

Three of the five market segments that make up the Local Trade Area (described in the previous section) are within the top five segments that make up the City Trade Area, suggesting that consumer preferences within both trade areas are similar. As shown in the table below, City Dimensions and Metro Renters are the two segments that appear only in the City Trade Area’s top five largest segments. These two segments replace the Inner City Tenants and Social Security Set segments identified in the analysis of the Local Trade Area. A description of these ‘new’ segments is provided below.

City of Rochester Tapestry Segmentation	
Tapestry Segment	Percent of Households
City Commons	14.7%
City Dimensions	12.4%
Metro City Edge	12.2%
Great Expectations	11.9%
Metro Renters	9.8%
Total	61.0%

Source: ESRI, Camoin Associates

Great Expectations (11.9%): Great Expectations households are typically made up of young singles that live alone and married couple-families. The median age is 33.3 years; most are just beginning their professional careers or family lives. The median household income is \$40,243 and the median net worth is \$21,548. Labor force participation rate is 66% with most jobs coming from manufacturing, retail, and service industry sectors. About half own homes and half rent, with more than half of the residences being single family dwellings. The median home value is \$100,315. Great expectations homeowners are not afraid to tackle smaller maintenance and remodeling projects, but they also enjoy a young active lifestyle which includes going out to dinner and the movies. Most grocery shopping is done at Wal-Mart, Aldi, and Shop ‘n Save. They throw Frisbees, play softball and pool, go canoeing, and listen to country music, classic rock, and sports on the radio. They occasionally eat at fast food restaurants. Shopping is done at major discount department stores. Travel is rare as they are focused on starting their careers.

Metro Renters (9.8%): Metro Renters neighborhoods are found made up of young, educated singles who are starting their professional careers. To offset high rent rates, residents will often share housing. Households are either a single person or shared. With a median age of 33.6 years, these residents are younger than the US population and are more ethnically diverse. Median household income for these neighborhoods is \$56,311 and is rising. As one of the most educated segments, more than one in four *Metro Renters* have a graduate degree, one in three has a bachelor’s degree and more than 80% have attended college. Employed residents primarily work in the professional and management occupations (60%). As renters, home products are a low priority for residents of these neighborhoods. They buy clothes from traditional stores or online, use the dry cleaners for work apparel and regularly work out at clubs. For entertainment, they go dancing, visit museums, attend classical or rock concerts and enjoy traveling.

Potential College Market

On December 10, 2011, Monroe Community College’s (MCC) board of trustees voted to recommend that MCC move its downtown Rochester campus to a location adjacent to the LYLAKS BOA. The potential new site for MCC’s downtown campus is five connected buildings located at State Street and Morrie Silver Way near the southeastern portion of the BOA, adjacent to the High Falls district. Pending an environmental review and a vote by the County Legislature, the goal for the project is to move into a new campus in the fall of 2015.

The relocation of MCC's downtown campus presents an opportunity for development in the BOA; however, the degree to which is difficult to estimate. In general, community college students typically have less discretionary income than the average college student and, because most students commute to class, they are typically only in the area for a limited number of hours during the day. Additionally, recent press on the project suggests that at its current location in midtown, MCC's downtown campus has had little to no impact on business development.

*Some have posited that a Sibley campus is imperative for midtown redevelopment, but for two decades our presence has had little to no impact on business development in the surrounding area. In fact, businesses have left even while our enrollment has grown. The true economic development value of MCC's downtown campus is in its power to educate, transform lives and develop this community's workforce. The recommended State Street location gives us the best opportunity to enhance that value.*⁶

However, as discussed in the *Demographic & Socioeconomic* section of this report, the City of Rochester has a large college community and the relocation of the MCC campus to the Kodak site would essentially bring a big chunk of this market to the BOA's doorstep. Current enrollment in MCC's downtown campus is 2,900 students and the relocation to the Kodak site would allow enrollment to increase by about 30%.⁷

Purchasing trends of community college students are driven by convenience. They lead busy on-the-go lifestyles that necessitate quick access to the services and amenities between classes or as they commute to and from campus. As such, one business opportunity in the BOA may be for small limited service eating places that cater the low-budget, busy routines of college students. Another general characteristic of college students to keep in mind is that many are quite health conscious and prefer to eat on the healthier side when given the opportunity (ESRI Tapestry Segmentation). According to the retail analysis above, there exists a significant sales leakage in the limited-service eating place industry sector, suggesting that this type of businesses could meet existing market demands of local residents as well as the potential new college student market.

According to Jiwire, a website dedicated to identifying Wi-Fi hotspots, there is not a single place to access free Wi-Fi in the BOA.⁸ There are two hotspots nearby, one at the Spin Café on Mill Street at the southeastern corner of the BOA and another at a McDonalds on Lyell Avenue (just west of the BOA). College students **require** internet access and any business offering free Wi-Fi will certainly attract this demographic. A welcoming place where students can find a table near an outlet to use their laptop for an extended period of time and/or where groups of students can meet to work on projects together has potential. Providing additional free Wi-Fi would also benefit the local resident population who may not have internet access at home.

Another characteristic of the college student market is their very high interest in watching and participating in sports and athletic events (ESRI Tapestry Segmentation). The proposed location for the new MCC campus is situated between the Sahlen's Stadium - home of the Rochester Rhinos (soccer) and

⁶ Kenneth G. Goode. *MCC downtown: Kodak property best site, says MCC board chairman*. Democrat and Chronicle.com. December 17, 2011. Web: Accessed January 4, 2012.

<http://www.democratandchronicle.com/apps/pbcs.dll/article?AID=2011112180330>.

⁷ Michael Seigler. *MCC board recommends downtown campus move to Kodak site*. Democrat and Chronicle.com. December 10, 2011. Web: Accessed January 4, 2012.

<http://www.democratandchronicle.com/apps/pbcs.dll/article?AID=201111210002>.

⁸ Jiwire website. Accessed January 5, 2012. http://v4.jiwire.com/search-wifi-hotspots.htm?city_id=86580&result_display=map

Frontier Field - home to the Rochester Red Wings (baseball). Relocation of the MCC campus to this area may present some potential to increase attendance at events held at these locations and better integrate the sports stadiums with the community. However, this will require aggressive, persistent marketing directly to the college community.

Any new business looking to target students and/or faculty at the proposed new MCC downtown campus should be within a reasonable walking distance to campus (around 5-10 minutes door to door). Once commuter students find a parking spot for the day, it is extremely unlikely that they will go back to their car until they are ready to head home. Additionally, MCC runs a shuttle between the two campuses for students attending classes at both; therefore, there will be many students at the downtown campus without access to a vehicle.

Observations

In the analysis of both the Local Trade Area and the City Trade Area, several retail sectors experiencing significant sales leakage were identified. The analysis shows that there is demand for a variety of goods and services locally; the next step is for the project team to identify options that are suitable for within the BOA. Based on the findings of this analysis and a windshield assessment of the BOA, we suggest the following retail uses for further consideration:

Automobile Dealership

The sales surplus/leakage analysis for both the Local Trade Area and the City Trade Area suggest that there is a possible opportunity for a 'flagged' or 'name brand' automobile dealership in the BOA. In the Local Trade Area, there is a retail gap of \$65-million annually in the *Automobile Dealers* industry (NAICS 4411); recapturing 25% of the sales leakage could support approximately 3 businesses. Additionally, the City Trade Area's \$192-million in sales leakage has the potential support approximately 12 new automobile dealer businesses if 25% of the sales were recaptured. These are significant numbers for an area whose spending power is relatively low.

In addition to being supported by the local and city-wide market, an automobile dealership would complement many of the existing businesses in the BOA. In the Local Trade Area, there is a modest surplus in the *Auto Parts, Accessories, and Tire Stores* industry (NAICS 4413), meaning that non-residents are coming into the Local Trade Area to patronize these businesses. According to ESRI Business Analyst, there are approximately 20 businesses in this industry within the Local Trade Area and approximately 66% of their sales are attributed to non-residents. In addition, there are over 30 automotive service related businesses (NAICS 8111) located in the Local Trade Area. These businesses include those that do automotive body work, glass repair, decal work, etc. They are considered service businesses (i.e. non-retail businesses) and, unfortunately, sales supply/demand data is not available. However, due to the high concentration of these businesses in the Local Trade Area and the low spending power of Trade Area residents, it is reasonable to assume that these businesses are experiencing a sales surplus as well. Therefore, the addition of an automotive dealership in the BOA would complement and expand upon the existing auto-theme that currently exists in the BOA.

Based on the feedback received during interviews for the Market Analysis, businesses and residents in the BOA are generally in favor of enhancing the local automotive service and retail industry. Many of the local residents already work in and possess the skills/knowledge needed for this type of work and it is expected that a new automobile dealer business would be able to hire from within the local community.

An automobile dealership would also help to improve the aesthetic conditions within the LYLAKS BOA. The general layout of a car dealership consists of a large paved area to park inventory with a single building (sales office and sometimes maintenance garage) set back away from the roadway allowing for space to park inventory within sight of the travel corridor. Dealerships will also typically put in small-

scale landscaping (flowers, shrubs, and small trees) along the edges of the lot to draw attention to the vehicles up for sale. This type of use would be different than what is currently in the BOA, but in a positive way. A car dealership would 'open up' the corridor along Lyell Avenue by removing some of the tall dilapidated buildings that currently hug the roadway making the whole corridor feel dark and small.

Finally, the general nature of an automobile dealership can be a good fit for a brownfield site. Depending on the type and degree of contamination, the cheapest remediation option for a brownfield site may be to simply cap the site by paving over it. Therefore, it may be significantly less expensive to remediate the site for an automobile dealership use than other uses such as a residential development.

Limited Service Eating Place - With Wi-Fi

With the proposed relocation of the MCC campus to the Kodak site, a new opportunity exists for new and existing businesses to cater to the college community market. The types of businesses that have the greatest potential to tap into this market should offer Wi-Fi, lots of spaces for students to work on laptops (preferably near electric outlets), spaces for small groups of students to congregate (just to 'hang-out' or to work on school projects), and quick service with affordable, healthy food options.

Soccer Stadium

There is no question that the Marina Auto Stadium presents an opportunity within the BOA to build commercial momentum. However, as described in the JOSANA Plan, to grasp this opportunity the stadium needs to be better integrated with the community. Increased attendance at the stadium can help support local businesses and, in turn, community revitalization efforts can help boost the stadium's success. The recently completed JOSANA Plan makes a series of good recommendations regarding how to increase the number of events at the stadium (particularly during the off-season) and improve the visibility of the stadium with improved signage. Specifically, the plan recommends clustering commercial development along travel corridors around the stadium to create opportunity for new businesses to gain exposure to the stadium traffic. These recommendations are sound and, with proper implementation, will help the community 'connect' with the stadium and realize commercial opportunities.

Gateway Improvements

The 5-way intersection of Smith Street, Lake Avenue, Lyell Avenue, and State Street - referred to as the 5-way intersection - ties the different geographies of the BOA together creating a transition area or gateway from one section of the BOA to another. Attractive community gateways can emit a sense of pride and caring. Unfortunately, the dilapidated buildings with boarded up windows and confusing traffic patterns render the LYLAKS BOA gateway uninviting from all directions. Due to its proximity to Downtown, and strategic location within the BOA, improvements to the properties in and around this intersection should be considered as a crucial catalyst to future development in the BOA.

Over the short-term, the City needs to take an active role in code enforcement throughout the BOA; particularly in the vicinity of the 5-way intersection. Cracking down on code violations will improve the aesthetics of the area and instill a sense of accountability in property owners. It will also assure potential developers that their investment will not be adversely affected by negligent adjacent property owners. Another short-term improvement could be the addition of vegetation in the vicinity of the intersection to create a more welcoming atmosphere. Landscaping, plantings, and other greenery along public spaces would go a long way to improving the attractiveness of the 5-way intersection for a relatively modest cost. These types of investments may also inspire business owners in the area to make improvements to their own properties.

More drastic measures should be considered for the long-term to improve the appearance of the 5-way intersection and its abutting properties. For instance, removal of the irregular intersection and development of a traffic circle would ease traffic flow as well as create an attractive gateway into the

different portions of the BOA. The City of Glens Falls, NY is a great example of where a confusing intersection was replaced by a traffic circle (see photo below). Rehabilitation and/or removal of dilapidated buildings should also be considered as long-term improvements to the gateway area.

Improvements to the intersection and its adjacent properties will be seen by every vehicle that passes through. Local residents, commuters, and visitors will begin to notice the changes, which can help build community support for future projects in the area. As such, improvements along the intersection should be a top priority.

Glens Falls Traffic Circle



Image Source: <http://www.photosfromonhigh.com/glensfalls.htm>

OFFICE & INDUSTRIAL MARKET ANALYSIS

The Office and Industrial Market Analysis evaluates recent trends and projections within the regional office and industrial space-utilizing industries to identify potential opportunities for development. This market analysis also provides a review of the market report produced by the leading national real estate firm CB Richard Ellis. This report takes a regional perspective which includes all of the counties of the Rochester MSA as well as adjacent Genesee County (hereafter referred to as 'Greater Rochester'). Additionally this region is divided into two sub-markets: Downtown Rochester (i.e. the City of Rochester) and Suburban Markets (areas outside of the City).

Individuals who are knowledgeable about the local and regional commercial real estate market were interviewed, including real estate professionals, property owners, business owners, and others. The combination of interviews and research helped to further refine the understanding of the current market conditions and the types of development occurring in the region.

Takeaway Findings

- The current office market is one of oversupply; however, over the next 10 years, the real estate market for office space within the Rochester MSA is projected to tighten, particularly for Class A office space.
- Like so many cities throughout the northeast, the overabundance of industrial properties within the region has flooded the industrial real estate market.
- A major office or industrial project is unlikely to succeed in the BOA.

Existing Office Space

Building classifications are used to report market data in a manner that differentiates between building types. Office space is generally classified as being in a Class A, Class B, or Class C. Each market varies in how each classification is defined, but generally Class A buildings represent the highest-quality buildings within a market (including considerations for access, visibility, and neighborhood quality) and Class B and Class C buildings are classified relative to Class A.

According to the 2011 Rochester Market Outlook, by CB Richard Ellis, the Greater Rochester office market is comprised of approximately 15.7-million square feet of competitive, multi-tenanted Class A and B office space.⁹ This report only uses two classifications for office space, Class A and B. Non-competitive office space - defined as single-tenant, owner occupied office space - adds an additional 5-million square feet to this total. Non-competitive office space is excluded from vacancy rate figures.

Downtown Rochester contains approximately 6.9-million square feet of office space, and the suburban markets contains on the order of 8.8-million square feet. The two predominate suburban markets for office space in the Greater Rochester Area are located in the south central region and the south east, with space concentrated in Brighton and Perinton.

⁹ 2011 Market Outlook: Rochester, New York. CB Richard Ellis, NY LLC.

Square Feet of Existing Competitive Office Space			
	Class A	Class B	Total
Downtown Rochester	2,550,000	4,350,000	6,900,000
Suburban Markets	5,150,000	3,650,000	8,800,000
Total	7,700,000	8,000,000	15,700,000

Source: 2011, CH Richard Ellis/Rochester, NY LLC.

Downtown Rochester is home to approximately 1.3-million square feet of vacant office space. Vacancy rates for Class A office space in the downtown were around 15.3% at the end of 2010, up by 2.4 percentage points from the year prior. With an overall rate of 21.9%, Class B properties have consistently shown a higher vacancy rate than Class A properties. As is common for downtown sections of old industrial cities, some of the square footage comprising the Class B vacancy is contained within properties that are functionally obsolete and are candidates for conversion to alternative uses.

Rochester’s suburban office market contains approximately 1.3-million square feet of vacant space. With a relatively consistent vacant rate for both classes of just over 14%, the Rochester suburban office market is in line with the current national average. Generally, vacancy around 10% is considered a healthy long-term vacancy rate. Based on this measure, the City and Suburban markets are considered to be in oversupply for both Class A and B office space.

Square Feet of Vacant Competitive Office Space					
	Class A		Class B		Total
	Vacancy Rate	Vacant Space	Vacancy Rate	Vacant Space	
Downtown Rochester	15.3%	390,150	21.9%	952,650	1,342,800
Suburban Markets	14.3%	736,450	14.5%	529,250	1,265,700
	-	1,126,600	-	1,481,900	2,608,500

Source: 2011, CH Richard Ellis/Rochester, NY LLC.

Existing Industrial Space

The Greater Rochester industrial real estate market is comprised of approximately 82.9-million square feet of industrial space, including nearly 19-million square feet of space owned by two of Rochester’s largest industrial corporations: Eastman Kodak and Xerox. Eastman Business Park, Eastman Kodak’s main facility, spans across parts of the City of Rochester and the Town of Greece. Xerox operates its Rochester operations in the northeast suburb of Webster.

Square Feet of Existing Industrial Space	
City of Rochester	35,600,000
Suburban Markets	47,300,000
Total	82,900,000

Source: 2011, CH Richard Ellis/Rochester, NY LLC.

Overall, the City of Rochester houses a considerable portion of the total industrial market, with around 35.6-million square feet or 43% of the total market. In 2010 the City’s inventory remained flat, which has been the general trend for the last few years. The suburban market inventory consists of 47.3-million square feet of owner and tenant occupied space. This market experienced a slight increase in 2010 of approximately 120,000 square feet.

All together, the vacancy rate of the industrial market increased by approximately one half of one percent to 13.6%. Even though the City’s total inventory remained flat in 2010, the vacancy rate increased from 8.7% to 10.2%. As such, net absorption was negative for 2010. On the other hand, the vacancy rate in the suburban market decreased slightly to 16.1%, ending a three-year increasing trend and moving the net absorption rate into positive territory.

Square Feet of Vacant Industrial Space		
Region	Vacancy Rate	Vacant Space
City of Rochester	10.2%	3,631,200
Suburban Markets	16.1%	7,615,300
Total	13.6%	11,246,500

Source: 2011, CH Richard Ellis/Rochester, NY LLC.

Regional Growth

The industries projected to experience the most growth through 2020 are those that are typically office utilizing industries. For example, health care and social assistance, professional services, and the finance industries all require office space. Most of the industry sectors that typically utilize traditional industrial or manufacturing space are losing jobs in the Rochester MSA.

Rochester MSA Fastest Growing Industries 2011-2020					
NAICS	Description	2011 Jobs	2020 Jobs	% Change	Change
62	Health Care and Social Assistance	87,150	95,989	10%	8,839
54	Professional, Scientific, and Technical Services	41,554	48,866	18%	7,312
52	Finance and Insurance	29,790	34,119	15%	4,329
53	Real Estate and Rental and Leasing	21,903	24,861	14%	2,958
61	Educational Services	32,587	35,050	8%	2,463
72	Accommodation and Food Services	36,192	38,550	7%	2,358
71	Arts, Entertainment, and Recreation	14,427	16,671	16%	2,244
81	Other Services (except Public Administration)	26,089	28,085	8%	1,996
56	Administrative and Support and Waste Management	31,147	32,214	3%	1,067
42	Wholesale Trade	19,132	19,503	2%	371
21	Mining, Quarrying, and Oil and Gas Extraction	1,511	1,818	20%	307
55	Management of Companies and Enterprises	13,167	13,388	2%	221
48-49	Transportation and Warehousing	13,658	13,708	0%	50
22	Utilities	1,940	1,857	(4%)	(83)
11	Agriculture, Forestry, Fishing and Hunting	6,982	6,882	(1%)	(100)
51	Information	10,902	10,243	(6%)	(659)
90	Government	74,103	73,441	(1%)	(662)
23	Construction	25,516	24,467	(4%)	(1,049)
44-45	Retail Trade	62,956	60,954	(3%)	(2,002)
31-33	Manufacturing	58,425	48,003	(18%)	(10,422)
	Total	609,130	628,669	3%	19,539

Source: EMSI Complete Employment - 4th Quarter 2010

Regional Growth in Office Utilizing Industries

As stated above, employment projections indicate that there will be growth in the majority of the industries that typically utilize office space. The following table lists the top ten office utilizing industries, ranked by the estimated number of jobs added from 2011 to 2020. All together, these industries are expected to increase by 8% and add about 28,000 jobs over the next nine years. This equates to an increase of almost 3,100 jobs annually. Industries projected to add the most jobs include the Health Care and Social Assistance; Professional Scientific, and Technical Services; and Finance and Insurance industries.

Rochester MSA: Growth in Office Utilizing Industries 2011 - 2020					
NAICS	Description	2011 Jobs	2020 Jobs	% Change	Change
62	Health Care and Social Assistance	87,150	95,989	10%	8,839
54	Professional, Scientific, and Technical Services	41,554	48,866	18%	7,312
52	Finance and Insurance	29,790	34,119	15%	4,329
53	Real Estate and Rental and Leasing	21,903	24,861	14%	2,958
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81	Other Services (except Public Administration)	26,089	28,085	8%	1,996
56	Administrative & Support and Waste Management	31,147	32,214	3%	1,067
55	Management of Companies and Enterprises	13,167	13,388	2%	221
51	Information	10,902	10,243	(6%)	(659)
90	Government	74,103	73,441	(1%)	(662)
Total		368,392	396,256	8%	27,864

Source: EMSI Complete Employment - 4th Quarter 2010

For comparative purposes, the table below shows the projected Rochester MSA growth rate for industries that typically utilize office space alongside the projected growth rates of the same industries in New York State and the U.S. The growth rate for office utilizing industries in the Rochester MSA is just below than the growth rate for the State. However, employment in office utilizing industries nationwide is projected to increase about 5% percentage points faster than the Rochester MSA. The data suggest that the demand for office space in the Rochester MSA will increase over the next nine years; however, this increase in demand will likely be less than that at the national level.

Compared Growth of Office Utilizing Industries				
	2011 Jobs	2020 Jobs	Change	% Change
Rochester MSA	368,392	396,256	27,864	8%
New York State	7,082,480	7,740,966	658,486	9%
United States	99,906,790	113,430,328	13,523,538	14%

Source: EMSI Complete Employment - 2011.2

The projected employment increase in office utilizing industries can be used to estimate the increase in demand for office space. If on average, each new employee requires approximately 250 square feet of office space; by 2020 the 27,846 new employees in the Rochester MSA will need roughly 7,000,000 square feet of office space (including competitive and non-competitive space). As reported above, there is currently about 2,600,000 square feet of vacant-competitive office space in the Greater Rochester Region (includes Genesee County). CB Richard Ellis reports about 5 million square feet of existing non-competitive office space in the Greater Rochester Region, vacancy rates for non-competitive office space were not provided.

Observations

Currently, the regional real estate market for both office and industrial space is very loose, and will likely remain this way for several years.

Over the next 10 years the real estate market for office space within the Rochester MSA is projected to tighten, particularly for Class A office space. This growth may lead to potential office space development opportunities within the BOA in the future; however, development of office space in this part of the City would likely only occur following a number of other successful redevelopment projects in the BOA and only within a small scale mixed-use development.

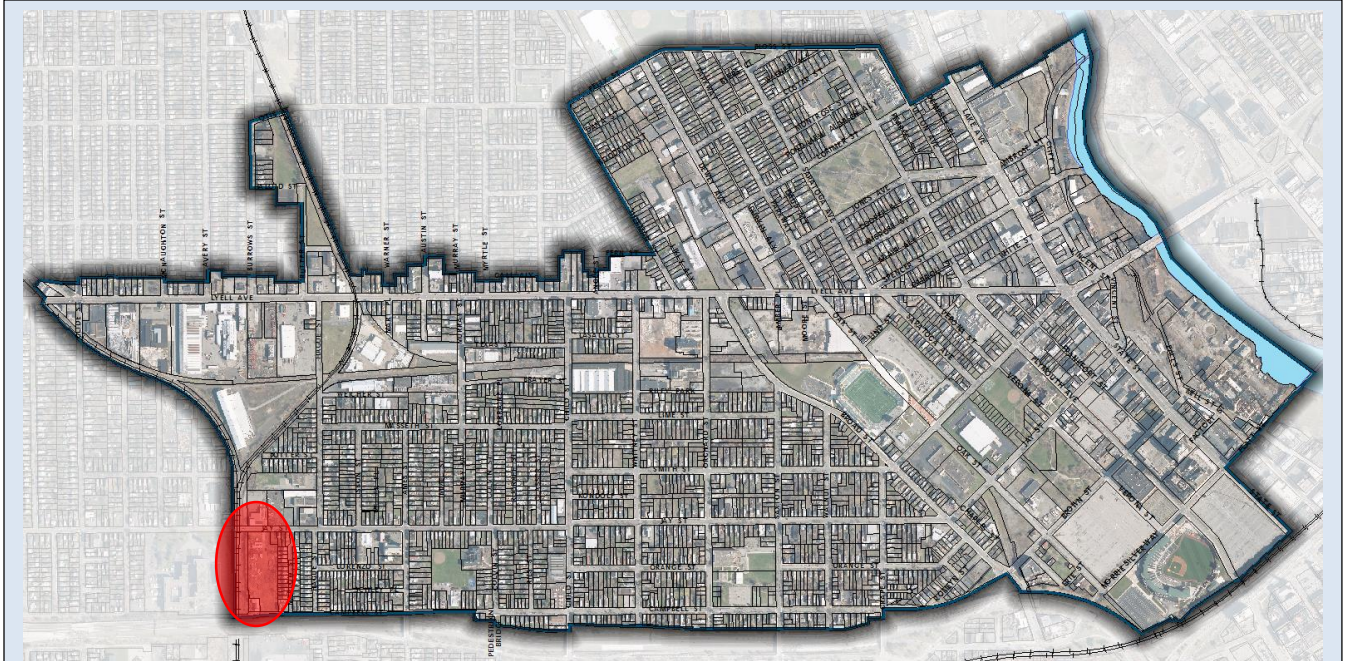
Like so many cities throughout the northeast, the overabundance of industrial properties within the region has flooded the industrial real estate market. Industrial development is not currently a viable option for redevelopment of the LYLAKS BOA.

INDIVIDUALS INTERVIEWED

Thank you to the following individuals who provided valuable input for the market analysis:

- Adam Driscoll - DHD Ventures
- Damian Vanetti - Sterns & Wheeler
- Howard Konar - Konar Properties
- Jane Forbes - City of Rochester
- Joseph Merry - Turner Bellows
- Kent Gardner - Center for Governmental Research
- Mark Caton - Carestream Health Inc.
- Mark Gregor - City of Rochester
- Peter Saxe - City of Rochester
- Rafe Coccia - Micro-Era Printers
- Richard Doyle - Bryce and Doyle
- Robert Amjad - Hemisphere Development, LLC
- Sal Tripi - Realty USA: Rochester Office

APPENDIX 2 STRATEGIC SITE PROFILES



Site 1: 1037 Jay Street

Acres: 3

Location: 1037 Jay Street between Marlow Street and the railroad line

Brownfield: Yes

Zoning: M1

Owner: 1037 Jay Street Inc.

Current Use: Vacant

Tax ID: 105.800-0001-081.001

Property Information

Existing infrastructure, utilities, and site access:

- There is no infrastructure or utilities currently serving the property.
- Site access is provided at Jay Street.

Proximity to existing transportation networks:

- Jay Street is serviced by RTS Bus Route 9.

Adjacent uses:

N: Various industrial businesses
S: I-490
E: Residential units
W: Railroad line

Historical land use; list of previous owners/operators:

Site was owned and used by the JP Mead Company as a facility for handling hazardous waste. The site is currently vacant and used for occasional storage.

Building Information

Gross Floor Area (sq. ft.): NA

Year Built: NA

Stories: NA

Original Use: Hazardous waste handling facility

Current Use: Vacant

Condition: A portion of the site is storing large, industrial equipment. There is a buffer of large trees between the site and its residential neighbors. The fence along Jay Street is deteriorated and does not buffer the street view of the site.

Environmental Information

Known or suspected contaminants and media affected (air, water, soil, etc): Yes

Notes from Curbside Site Assessment: NA

Registered PBS or CBS Facility: No

Spill Event Site: Yes

Spill Event Status: Closed. NYSDEC Spill No. 9510887 - 11/28/95; 30 gallons of paint thinners were abandoned in drums on-site; closed 10/10/96. Spill No. 9870017 - 7/20/98; an unknown amount of petroleum was spilled at the site; closed 3/12/02.

Hazardous Waste: Yes

Hazardous Waste Comments: EPA No. NYR000072074. This facility was formerly a handler of hazardous waste.

DEC Remediation Site: No



Site 2: Campbell Street Community Center

Location: 524 Campbell Street between Ames and Colvin Streets.

Acres: 1.4

Brownfield: No

Owner: City of Rochester

Zoning: OS

Tax ID: 105.810-0003-035.004

Current Use: Recreational Facility

Property Information

Existing infrastructure, utilities, and site access:

- Existing infrastructure and utilities are available and are currently serving the property.
- Site access is provided at Campbell Street.

Proximity to existing transportation networks:

- Nearby Jay Street is serviced by RTS Bus Route 9.
- Site is adjacent to sidewalks.

Adjacent uses:

N: Mix of Residential/Commercial uses and vacant

S: I-490

E: Residential uses, including assisted living apartment complex

W: Residential

Historical land use; list of previous owners/operators:

The City of Rochester has owned and operated the Community Center since its construction in 1975.

Building Information

Gross Floor Area (sq. ft.): Unknown

Year Built: 1975

Stories: 1

Original Use: Recreational facility

Current Use: Recreational facility

Condition: Fair (Brick exterior)

Environmental Information

Known or suspected contaminants and media affected (air, water, soil, etc): No

Notes from Curbside Site Assessment: NA

Registered PBS or CBS Facility: No

Spill Event Site: No

Hazardous Waste: No

DEC Remediation Site: No



Site 3: Orchard Street/Riley Park Block

Location: 367 Orchard Street/349 Orchard Street/
304 Whitney Street between Riley Park and railroad

Acres: 2.9

Brownfield: Yes

Owner: 367 Orchard LLC/John Cira/Bruno Coccia

Zoning: M1

Tax ID: 105.740-0003-002.000/105.740-
0003.000/105.710-0003-001.000

Current Use: Industrial

Property Information

Existing infrastructure, utilities, and site access:

- Existing infrastructure and utilities are available and are currently serving the property.
- Site access is provided at both Orchard and Whitney Streets for 367 Orchard, access for 349 Orchard Street available only at Orchard Street and access for 304 Whitney Street available only at Whitney Street.

Proximity to existing transportation networks:

- Site is within a block of Main Street and in close proximity to the Erie Canal.
- Site is surrounded by sidewalks.

Adjacent uses:

N: Vacant Industrial
S: Residential and Vacant lots
E: Underutilized parking lot
W: Industrial

Historical land use; list of previous owners/operators:

Distribution Facility/Auto Body Shop/Manufacturing Uses

Building Information

Gross Floor Area (sq. ft.): Unknown

Year Built: 1910/1940/1950

Stories: 8/1/1

Original Use: Industrial

Current Use: Distribution Facility/Manufacturing Uses

Condition: Fair (functional brick buildings)

Environmental Information

Known or suspected contaminants and media affected (air, water, soil, etc): Yes

Notes from Curbside Site Assessment: NA

Registered PBS or CBS Facility: Yes

PBS/CBS Facility Comments: PBS No. 8-601525 - two 750 gallon, one 900 gallon, five 1,000 gallon and one 8,000 gallon USTs have been removed from the site.

Spill Event Site: Yes

Spill Event Status: Closed

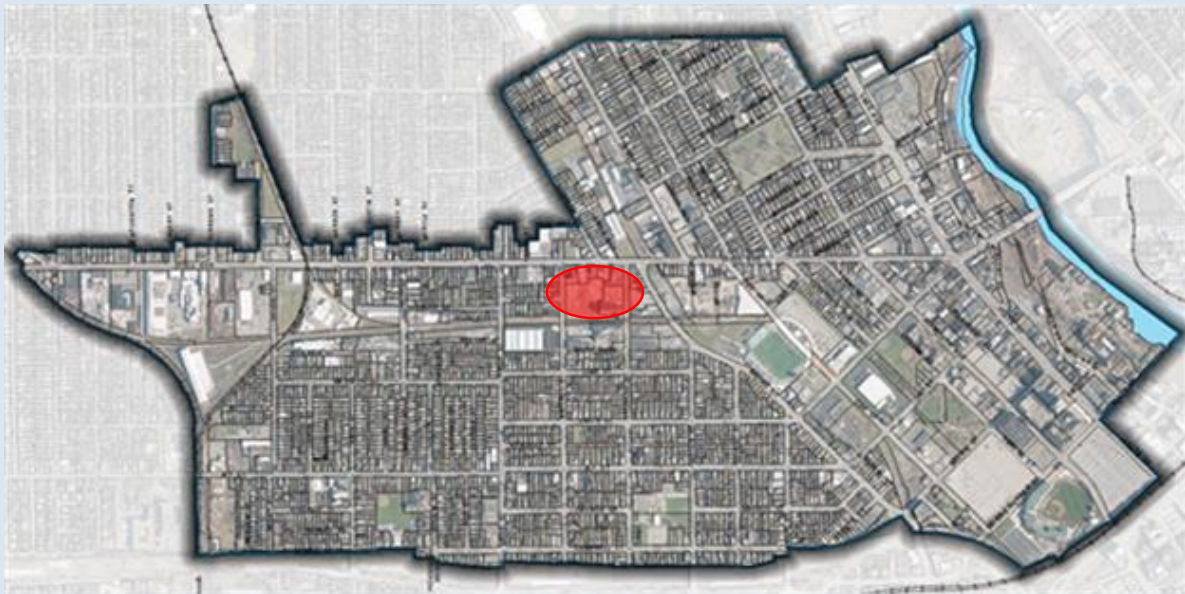
Spill Event Comments: Spill No. 9870461 - 12/30/98; unknown amounts of solvents, paint thinners, paint, and an unknown hazardous material were spilled. The spill was closed on 6/18/04.

Hazardous Waste: Yes

Hazardous Waste Comments: RCRA No. NYR000158204. The facility is a large quantity generator of hazardous waste and a biennial hazardous waste reporter.

DEC Remediation Site: Yes

DEC Remediation Comments: NYSDEC No. E828123; remediation is ongoing at the site. Completed: drum removal, debris cleanup, structure demolition, ACM abatement.



Site 4: Orchard Whitney Site

Location: 354 Whitney Street/415 Orchard Street **Acres:** 4.1

between railroad and Lyell Avenue properties **Brownfield:** Yes

Owner: LC National Equities Ltd/ City of Rochester **Zoning:** M1

Tax ID: 105.660-0003-024.000/
105.660-0003-023.000 **Current Use:** Vacant

Property Information

Existing infrastructure, utilities, and site access:

- Existing infrastructure and utilities are available and recently served the property.
- Site access is provided at both Orchard and Whitney Streets.

Proximity to existing transportation networks:

- Site is located near Lyell Avenue and next to the decommissioned railroad.
- Site is surrounded by poorly maintained sidewalks running North to South.

Adjacent uses:

N: Commercial uses/vacant lots
S: Industrial uses/parking lots
E: Vacant
W: Commercial/parking lots

Historical land use; list of previous owners/operators:

Various industrial uses in demolished or condemned industrial buildings.

Building Information

Gross Floor Area (sq. ft.): NA

Year Built: NA

Stories: NA

Original Use: Industrial

Current Use: Vacant

Condition: Very Poor (ongoing demolition)

Environmental Information

Known or suspected contaminants and media affected (air, water, soil, etc): Yes

Notes from Curbside Site Assessment:

N/A

Registered PBS or CBS Facility: Yes

PBS/CBS Facility Comments: PBS No. 8-601525 - two 750 gallon, one 900 gallon, five 1,000 gallon and one 8,000 gallon USTs have been removed from the site.

Spill Event Site: Yes

Spill Event Status: Closed

Spill Event Comments: Spill No. 9870461 - 12/30/98; unknown amounts of solvents, paint thinners, paint, and an unknown hazardous material were spilled. The spill was closed on 6/18/04.

Hazardous Waste: Yes

Hazardous Waste Comments: RCRA No. NYR000158204. The facility is a large quantity generator of hazardous waste and a biennial hazardous waste reporter.

DEC Remediation Site: Yes

DEC Remediation Comments: NYSDEC No. E828123; remediation is ongoing at the site. Completed: drum removal, debris cleanup, structure demolition, ACM abatement.



Site 5: Former Tent City Building

Location: 280 Lyell Avenue at the intersection
with Dewey Avenue

Owner: 280 Lyell Ave Inc.

Tax ID: 105.670-0001-056.001

Acres: 1

Brownfield: No

Zoning: C2

Current Use: Vacant

Property Information

Existing infrastructure, utilities, and site access:

- Existing infrastructure and utilities are available on site.
- Site access is provided on Lyell Avenue.

Proximity to existing transportation networks:

- Lyell Avenue is served here by RTS Bus Routes 16 and 3.
- Site is located on NYS Route 31.
- Site is accessible by sidewalks.

Adjacent uses:

N: Parking lot/storage
S: Commercial uses/vacant lots
E: Parking lot/storage
W: Vacant former Erie Canal route

Historical land use; list of previous owners/operators:

Manufacturing and commercial uses

Building Information

Gross Floor Area (sq. ft.): Unknown

Year Built: 1890

Stories: 5

Original Use: Various manufacturing uses

Current Use: Vacant

Condition: Good (brick and stone exterior)

Environmental Information

Known or suspected contaminants and media affected (air, water, soil, etc): No

Notes from Curbside Site Assessment:

N/A

Registered PBS or CBS Facility: No

Spill Event Site: Yes

Spill Event Status: Closed

Spill Event Comments: NYSDEC Spill No. 9700769 - 4/16/97; an unknown amount of an unknown material was spilled; closed on 04/25/06.

Hazardous Waste: Yes

Hazardous Waste Comments: EPA No. 65141. The facility is identified on the Assessment, Cleanup and Redevelopment Exchange System as a Federal Brownfield Property.

DEC Remediation Site: No



Site 6: Former BeeBee Station

Location: 100 Platt Street, north of Platt Street
between Falls Street and Genesee River

Owner: Rochester Gas & Electric Corp.

Tax ID: 106.70-1-1.

Acres: 23

Brownfield: Yes

Zoning: CCD

Current Use: Vacant

Property Information

Existing infrastructure, utilities, and site access:

- Existing infrastructure and utilities are available and recently served the property.
- Site access is provided from Falls Street.

Proximity to existing transportation networks:

- Site is located one block from State Street served by RTS Bus Routes 92, 20, 15, 14, 10 and 1.
- Site is in an isolated area with difficult accessibility.

Adjacent uses:

N: Vacant
S: High Falls Historic District
E: Genesee River
W: Commercial and Residential uses

Historical land use; list of previous owners/operators:

Industrial use as a power plant owned and operated by RG&E.

Building Information

Gross Floor Area (sq. ft.): Unknown

Year Built: 1959

Stories: Varies

Original Use: Power generation plant

Current Use: Vacant

Condition: Poor

Environmental Information

Known or suspected contaminants and media affected (air, water, soil, etc): Yes

Notes from Curbside Site Assessment: NA

Registered PBS or CBS Facility: Yes

PBS/CBS Facility Comments: NYSDEC PBS No. 8-106488; two 275 gallon ASTs listed as removed, two 12,500 gallon and two 108,000 gallon ASTs listed as closed in place.

Spill Event Site: Yes

Spill Event Status: Closed

Spill Event Comments: NYSDEC Spill No. 9315308; 3/27/94 unknown amounts of transformer and PCB oils spilled at the site; closed on 11/30/95.

Hazardous Waste: Yes

Comments: EPA No. NYD043069996; the facility is a Hazardous Waste Biennial Reporter, Large Quantity Generator, NPDES site, Air Facility System Reporter, and an Oil-based Electric Power Generator.

DEC Remediation Site: Yes

DEC Remediation Comments: NYSDEC No. 828010; bottom ash was placed in a lagoon to settle out, sludge was removed yearly to be landspread on property. No Further Action Required. NYSDEC No. V00014; Remedial Action initiated in 1997, currently listed as a completed site.



Newer transformers



View from the northwest



Stack



View from the south



Site 7: 18 Ambrose Street

Location: Northwest corner of Ambrose and Cliff Streets

Owner: Volunteers of America

Tax ID: 105.60-2-59.003

Acres: 2

Brownfield: Yes, remediated

Zoning: C2

Current Use: Vacant

Property Information

Existing infrastructure, utilities, and site access:

- Monitoring wells are on-site and there are signs of test-pits.
- Site access is provided from the south at the corner of Ambrose and Cliff Streets.

Proximity to existing transportation networks:

- Site is located one block from Lake Avenue, served by RTS Bus Routes 92, 20, 15, 14, 10 and 1.
- Site does not have direct access to sidewalks.

Adjacent uses:

N: Vacant, former-industrial uses
S: Various industrial and storage uses
E: Various Industrial and storage uses
W: Volunteers of America Human Resources Center

Historical land use; list of previous owners/operators:

Former Raeco Products industrial site that has been remediated through the New York State Brownfield Cleanup Program.

Building Information

Gross Floor Area (sq. ft.): NA

Year Built: NA

Stories: NA

Original Use: Raeco Products facility for the bulk storage, blending, packaging and distribution facility for chemicals and petroleum products.

Current Use: Vacant

Condition: NA

Environmental Information

Known or suspected contaminants and media affected (air, water, soil, etc):

Yes, remediated

Notes from Curbside Site Assessment:

NA

Registered PBS or CBS Facility: No

Spill Event Site: Yes

Status: Closed

Comments: No. 8701722, unknown amount of unknown petroleum deliberately spilled on 5/29/87 with groundwater impact, closed 11/12-87

Hazardous Waste: No

DEC Remediation Site: No



View from the west



Looking southeast



Drum and well



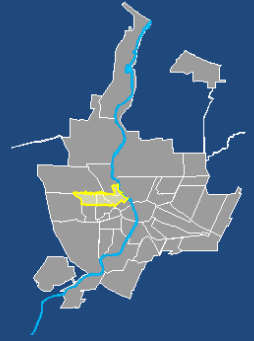
Monitoring well

APPENDIX 3 COMMUNITY PARTICIPATION PLAN

Public Participation Plan

LYLAKS BOA Nomination Study

Nomination Study



Lyell • Lake • State Street Brownfield Opportunity Area

City of Rochester

June 2011



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SECTION 1: OVERVIEW

Purpose

Bergmann Associates recognizes that community participation is a critical component of the planning process. Providing the opportunity for public input encourages citizens to be invested in the future of their community and to implement the recommendations developed as part of the LYLAKS BOA Nomination Study. This Public Participation Plan (PPP) is developed to describe how feedback will be solicited from local community members, project partners and stakeholders throughout the planning process. The PPP serves as a *guide* for community involvement and is subject to change as opportunities for additional community participation may arise. This PPP meets and exceeds the minimum requirements of the Department of State (DOS) Work Plan. The PPP describes strategies to achieve the following objectives:

- Share information with the public regarding the planning process;
- Provide opportunities for the public to provide feedback; and
- Provide an opportunity for community members to contribute their perspective in the development of the LYLAKS Nomination Study.

The Public Participation Plan for the LYLAKS Nomination Study is organized according to the following format:

SECTION 2: ROLES AND RESPONSIBILITIES 2

SECTION 3: STEERING COMMITTEE MEETINGS 3

SECTION 4: PUBLIC MEETINGS 4

SECTION 5: VISIONING WORKSHOPS 5

SECTION 6: OTHER OUTREACH EFFORTS 5

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SECTION 2: ROLES AND RESPONSIBILITIES

New York State Department of State

The New York State Department of State (DOS) is the primary sponsor of the LYLAKS BOA Nomination Study, providing funding for the project. In addition, the DOS will provide oversight, direction and technical assistance throughout the duration of the project. The primary representative for this project is **Elaine Miller** (see sidebar).

Elaine Miller
elaine.miller@dos.state.ny.us
(607) 721-8756

New York State Department of Environmental Conservation

The New State Department of Environmental Conservation (DEC) will provide technical assistance as needed throughout the course of the project. The DEC will be available to consult regarding site specific environmental conditions and will have an important role reviewing the BOA Nomination Study. The main DEC contact for the project is **Bart Putzig** (see sidebar).

Bart Putzig
bxputzig@gw.dec.state.ny.us
(585) 226-5349

City of Rochester

The City of Rochester is responsible for the daily administration and project management of the LYLAKS Nomination Study. The City will provide project oversight and will be responsible for disseminating public outreach information to the community and known stakeholders. The main contact for the City is **Jane Forbes** (see sidebar).

Jane Forbes
forbesj@cityofrochester.gov
(585) 428-7892

Bergmann Associates

The consulting team will be responsible for providing technical expertise for the duration of the project and will coordinate their efforts with the City of Rochester, DOS, DEC and subconsultants (Camoin Associates). In addition, representatives from Bergmann will facilitate all public outreach. The primary Bergmann contact is **Kimberly Baptiste** (see sidebar).

Kimberly Baptiste, AICP
kbaptiste@bergmannpc.com
(585) 232-5137 (x323)

SECTION 3: STEERING COMMITTEE MEETINGS

Overview

The Steering Committee formed for the LYLAKS Nomination Study is comprised of community members and stakeholders identified with local knowledge and capacity to devote to the preparation of the LYLAKS BOA Nomination Study (Appendix A). The Steering Committee is responsible for reviewing materials and providing feedback, community outreach and direction throughout the process. Meetings with the Steering Committee will provide the opportunity to discuss project related information and review comments received from the DOS, Steering Committee, and public upon review of materials.

Approximately four Steering Committee meetings will be held, beginning in August 2011 with a kickoff meeting. A tentative schedule for the Steering Committee meetings is provided in Appendix B, and the general purpose of each meeting is summarized below:

Meeting #1: The first meeting is intended as an information session to identify the roles, responsibilities, scope of work and project timeline. The group will be led in a visioning exercise to gather ideas regarding the future of the community. Additionally, the BOA boundary will be reviewed and modified, if necessary.

Meeting #2: The Steering Committee will review and provide feedback on the existing conditions report prepared by the consulting team. Members will then be led in an exercise to identify the Strengths and Opportunities associated with the study area and its redevelopment.

Meeting #3: The third meeting will be devoted to identifying strategic sites within the study area boundaries. Strategic sites are those sites with the greatest potential to spur area-wide redevelopment. The Steering Committee will identify these sites based on a variety of factors including property ownership, location, parcel size, surrounding land uses, and land use status.

Meeting #4: The consulting team will present the Draft Nomination Study and open the floor to discuss recommendations associated with revitalization of the study area. Updates will be made to the Nomination Study according to feedback received from the Steering Committee.

Notification

E-mail notification of meetings will be provided by either **Kimberly Baptiste** (Bergmann Associates) or **Jane Forbes** (City of Rochester). Meeting reminders will be sent to Steering Committee members, the DOS, and the DEC at least two-weeks prior to each meeting.

Documentation

Bergmann Associates is responsible for providing hard copies of all materials to each committee member. In addition, Bergmann will assume responsibility for preparing all meeting minutes.

Schedule

The proposed schedule for each Steering Committee Meeting is summarized below. The project timeline, outlining all meetings, is provided in Appendix B.

SECTION 4: PUBLIC MEETINGS

Overview

Public meetings provide the opportunity to garner feedback regarding the future of the study area and to provide transparency to the planning process. Feedback and input received during each meeting will be incorporated into the Draft Nomination report, as appropriate. Three public meetings are proposed, as detailed below.

Meeting #1: The first meeting will inform the public about the BOA process. The consultant team will present highlights from the existing conditions report and will lead attendees in a visioning exercise. Results will inform the vision, goals and objectives.

Meeting #2: The consultant team will present the Draft Nomination Study to the public, focusing on presentation of strategic sites and draft recommendations developed based on community input. The draft report will be made available to the public prior to the meeting, providing interested persons with the opportunity to review and provide comments or ask questions.

Meeting #3: The final meeting will be held at the conclusion of the planning process. The third public meeting will coordinate with the required public hearing for the City of Rochester to adopt the LYLAKS BOA Nomination Study.

Membership

All members of the community will be encouraged to attend each of the public sessions. The Steering Committee and the City of Rochester will be responsible for public outreach efforts.

Notification

City officials and the Steering Committee will be responsible for advertising meetings to the public. Bergmann Associates will assist with preparation of promotional materials.

Schedule

See Appendix B for the tentative meeting schedule.

SECTION 5: VISIONING WORKSHOPS

Overview

The Visioning Workshops provide the opportunity to gather community input regarding future land development scenarios and recommendations. Two Visioning Workshops are tentatively scheduled as part of this planning effort and are intended to be hands-on interactive pen-to-paper sessions.

Workshop #1: The goal of this workshop is to identify desired future land uses appropriate within the study area. The consultant team will present examples of best practices occurring in comparable communities and will utilize surveys to identify preferred development and placemaking features. The workshop will enable community members to have a voice in identifying future land uses in the study area.

Workshop #2: The second workshop will provide community members with the opportunity to review the Conceptual Design and Recommendations developed by the consultant team. Feedback generated from this workshop will be used to refine the concept plan and incorporate into the final draft document.

Membership

All members of the community will be encouraged to attend each of Visioning Workshops. The Steering Committee and the City of Rochester will be responsible for public outreach efforts.

Notification

City officials and the Steering Committee will be responsible for advertising both workshops to the public. Bergmann Associates will assist with preparation of promotional materials.

Schedule

See Appendix B for the tentative meeting schedule.

SECTION 6: OTHER OUTREACH EFFORTS

Overview

Additional outreach opportunities will be identified throughout the planning process. The purpose of these additional outreach efforts is to afford the project team the opportunity to learn about the issues and desires of neighborhood residents and to provide regular updates to all interested parties regarding progress associated with the development of the LYLAKS BOA Nomination Study.

Other outreach efforts may include:

- Meetings with members of the business community;
- Attendance at Neighborhood Group meetings within the study area boundary;
- Inclusion of project information on Neighborhood Group websites; and
- Outreach to local, regional and state agencies that may help to further the recommendations of the BOA, including but not limited to: Monroe County IDA, Genesee Finger Lakes Regional Planning Council, and Empire State Development Corporation.

APPENDIX A: STEERING COMMITTEE CONTACT LIST

Jane MH Forbes City DEQ - Environmental Specialist Project Manager 30 Church Street, Room 300B Rochester, NY 14614 585-428-7892	Scott Benjamin Charles Settlement House 71 Parkway Rochester, NY 14608 585-277-0810
Marcia Barry City – Director of Planning & Zoning 30 Church Street – Room125B Rochester, NY 14614 585-428-6824	<u>Charles House Neighbors in Action</u> Luis Aponte 47 Trent St Rochester, NY 14606 585-298-1211
Peter Saxe City – Director Northwest Neighborhood Service Center 1099 Jay St Bldg D Suite 200 Rochester, NY 14620 585-428-7642	<u>Lyell-Otis Neighborhood Association</u> Mike Visconte 109 Merrill St Rochester, NY 14615 585 663-8986
Andrew Raus/ Kimberly Baptiste Bergmann Associates 28 East Main Street - 200 First Federal Plaza Rochester, New York 14614 585-232-5137	<u>P.O.D.S.</u> James Muscatella 612 Maple St Rochester, NY 14611 585-328-2819
Elaine Miller NYS DOS BOA Program Coordinator Office of Coastal, Local Government and Community Sustainability NYS Department of State 44 Hawley Street - State office Building Binghamton, NY 13901-4455 607-721-8756	<u>Edgerton Neighborhood Association</u> Frank Shepardson 260 Emerson St Rochester 14613 585-254-8638
Bart Putzig, PE Regional Engineer Division of Environmental Remediation NYSDEC Region 8 6274 East Avon-Lima Road Avon, NY 14414-9519 585-226-5452	<u>Brown Square</u> Lucille Illi 77 Saratoga Ave. Rochester, NY 14608 585-254-5844
Karyn Herman Action for a Better Community 550 East Main Street Rochester, NY 14604 585-325-5116	Carla Palumbo Northwest City Council City Hall Room 301A Rochester, NY 14614 585-428-7538

APPENDIX B: PROJECT TIMELINE

TASK	2011				2012										
	Sept	Oct	Nov	Dec	Jan	Feb	March	Apr	May	June	July	Aug	Sept	Oct	Nov
a. Vision															
b. Existing Conditions															
c. GIS database and mapping															
d. Public Participation Plan															
e. Project partners															
f. Strengths, opportunities, constraints															
g. Market analysis															
h. Strategic sites															
i. Monthly client meetings															
j. Steering committee meetings (x4)*		1			2				3			4			
k. Public meetings (x3)*					1							2			3
l. Visioning workshops (x2)*							1			2					
m. Nomination study															
n. Draft and Executive Summary															
o. Briefing package															
p. Final nomination															
q. SEQR															
r. Application for project advancement															

*Meeting schedule is tentative and will be solidified in Public Participation Plan.

APPENDIX 4 PUBLIC MEETING SUMMARIES

City of Rochester LYLAKS Neighborhood Revitalization Strategy

Public Design Open House

February 19, 2013, 12:00 PM – 5:00 PM

Lyell Avenue Library

MEETING BACKGROUND & FORMAT

The LYLAKS Public Design Open House was designed to maximize flexibility in participation. Community engagement in the planning process has been limited to date, with participation levels at meetings ranging from a low of 3 to a high of 25. The highest attendance was a special meeting where the project team went to an existing meeting occurring at Charles Settlement House. The open house was organized to allow people to stop by at any time over a five hour period and participate to the extent that they desired. The open house was organized around 5 primary stations, as described below:

Station 1 | Sign-In and Project Overview

Meeting attendees were asked to sign in and provide an email address. They were also asked to identify where in the City they resided or worked (by placing thumbtack on map). A handout summarizing the planning process was provided, in addition to a large-scale informational board.

Station 2 | Community Survey

Station 2 consisted of an iPad. The online community survey prepared for the project was available on the iPad for anybody interested in taking it at the meeting. The survey included 10 quick questions which take approximately 5 minutes to respond to.

Station 3 | Community Character Survey

Ten (10) neighborhood and ten (10) commercial development images were presented on a large board. Attendees were asked to rank the appropriateness of each image for inclusion within the BOA study area.

Station 4 | Design Workshop

Two large aerial maps depicting the study area boundaries were rolled out on two large tables. Attendees were asked to mark up the maps with their ideas about future projects and development within the BOA.

Station 5 | Strategic Sites

Three boards were displayed highlighting key redevelopment sites identified by the Steering Committee – the Tent City parcel, the Orchard-Whitney site and the riverfront (including all parcels abutting the riverfront). Attendees were asked to share specific ideas for the redevelopment of these key sites.

COMMUNITY FEEDBACK

Feedback generated at the meeting is summarized below, organized by station.

Station 1 | Sign-In and Project Overview

As noted below, a copy of the sign-in sheet is attached. Attendees also identified whether they lived or worked in the study area. Thirteen (13) participants participated in this exercise. Six attendees live or work in the BOA. One attendee noted they work in the downtown. Six attendees live within 5 blocks to the west or north of the BOA boundary.

Station 2 | Community Survey

Approximately 7 attendees completed the online survey at the meeting. Total respondents to date are 20. The survey will remain open through the end of March. A summary of final survey results will be tabulated after the survey is closed. A summary of highlights and trends noted to date are listed below:

- Safety was identified by 90% of respondents as being primary concern in neighborhood. Other notable areas in need of improvement include variety of business and retail and access to educational programs and job training.
- Projects that would have the greatest positive impact on the neighborhood include development on vacant parcels and construction of new housing.
- The greatest deterrents to future revitalization efforts are noted as being crime, the visual appearance of houses and business, a lack of jobs, and absentee landlords.

- More than half of respondents said they would be interested in getting more involved in the local community if a task force were formed focused on park beautification and addressing safety and crime in parks.
- The businesses identified as most desirable in the neighborhood include grocery store, specialty foods (bakery, ice cream, etc.), a farmers market, and sit down restaurants.

PARTICIPATION

The sign-in sheet is scanned and attached. Not all participants chose to sign-in. Attendees that provided an email address will be added to master distribution list and will be sent emails regarding future meeting dates and major project milestones.

City of Rochester

LYLAKS Neighborhood Revitalization Strategy

Neighborhood Meeting: *Charles Settlement House*

August 8, 2012 | 10:30 AM

Meeting Attendees

- See attached sign-in sheet.

Meeting Summary

Bergmann Associates was invited to do a brief presentation as part of the Charles House Neighbors in Action (CHNA) regular weekly meeting. Jane Forbes (City of Rochester) and Kimberly Baptiste (Bergmann) provided a brief project overview and powerpoint presentation related to the project. They also distributed hard copies of the background information from the project website and copies of the community survey which meeting attendees were asked to complete and return.

Following the presentation a series of questions and comments were solicited from meeting attendees, as noted below:

- Continue to support business development and retention efforts.
- Maintain prominence of single family residential units – don't replace with large scale apartment complexes.
- Continue to support groups such as Charles House Neighbors in Action and Charles Settlement House.
- Retain Edgerton Community Center and all it offers.
- Maintain the free health and dental clinics currently offered at School #17.
- Identify opportunities to partner with RCSD, particularly as they begin development of their own master plan to ensure that each effort recognizes the goals and objectives of the other and they support one another. Engage the RCSD in planning discussions for this project. Meet with ad hoc committee developing the School District Master Plan.
- Partner with City and RCSD to develop an innovative business attraction / job training / youth engagement program that provides incentives to attract new businesses, train local youth for jobs and improves local home ownership rates (through a home buying incentive program for workers).
- Continue the work done in JOSANA (neighborhood improvements).
- Incorporation JOSANA Plan Vision.

- Come to consensus with RCSD Board regarding neighborhood schools.
- Need higher rate of homeownership.
- School No. 5 park and playground enhancements. New committee is 2013-2014.
- More greenspace and recreation facilities. Burrows Street upgrade.
- Zoning modifications for certain uses, such as food services for youth.

Feedback obtained during the meeting will be considered as the Vision Statement, Goals and Objectives are refined and as the project moves into the master planning and recommendation phase.

Kimberly also discussed the availability of the community survey and urged attendees to complete the survey and return.

City of Rochester

LYLAKS Neighborhood Revitalization Strategy

Neighborhood Meeting: *Dutchtown*

August 20, 2012 | 6:00 PM

Meeting Attendees

- See attached sign-in sheet.

Meeting Summary

Bergmann Associates was invited to give a presentation as part of the People of Dutchtown (P.O.D.) August meeting. Jane Forbes (City of Rochester) welcomed the public and introduced the project team. Kimberly Baptiste (Bergmann) gave a powerpoint presentation that described the Brownfield Opportunity area (BOA) program and discussed the progress of the project to date to the meeting participants. A brief description of the geography and neighborhoods of the LYLAKS study area was also provided. A discussion of past and future opportunities for public involvement with the LYLAKS project was also presented. Hard copies of the background information from the project website and copies of the neighborhood survey were also distributed to meeting attendees.

Following the presentation, Kimberly led the participants through a Community Character Survey (CCS) exercise to elicit opinions on desirable and undesirable neighborhood development characteristics associated with housing, neighborhoods and commercial establishments. Participants were asked to rank 29 photos on a scale of 0 (undesirable) to 10 (very desirable). Participants ranked photos using a survey worksheet, which were collected by the project team for tabulation.

Dave Plante (Bergmann) led the meeting participants through a visioning exercise to identify what aspects of the community they would like to see remain the same or change over the next decade. Feedback from that exercise is summarized below:

Change

- No more empty lots
- Address vacant homes
- More ownership, less rentals
- Make it easier to bring in young homeowners
- More neighborhood pride
- More places on Lyell Avenue (i.e. coffee shops)
- City Hall needs to listen to the people

- Back to how it was in 1964: friendlier neighborhoods, lower crime
- Vibrant, healthier real estate market, which will in turn attract new businesses
- Greater variety of entertainment options (bowling, movies, etc.)
- Grant programs for residential rehab
- More variety/selection of foods and restaurants (less fast food!)
- Access to healthy foods (fruits & vegetables)
- Clothes/shoes/variety of retail right in the community
- Listen to the people of the neighborhood
- Appropriate streetscapes
- Landlord accountability (Rochester point system)
- Incentives for good landlords

Stay the Same

- Green spaces, including parks, lawns and landscape streets
- Keep the residential portions of the community residential
- Preservation of historic properties
- Accessibility for handicapped and the elderly
- Single-family homes as the primary type of dwelling
- Keep the wide streets, because street narrowing doesn't work

Feedback obtained during the meeting will be considered as the Vision Statement, Goals and Objectives are refined and as the project moves into the master planning and recommendation phase. Kimberly also discussed the availability of the community survey and urged attendees to complete the survey and return it to Jane at the City of Rochester.

City of Rochester LYLAKS Neighborhood Revitalization Strategy

Public Design Open House

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Lyell Avenue Library

MEETING BACKGROUND & FORMAT

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Station 1 | Sign-In and Project Overview

Meeting attendees were asked to sign in and provide an email address. They were also asked to identify where in the City they resided or worked by placing thumbtack on map. A handout summarizing the planning process was provided to each member of the public. A large-scale informational board was also placed at Station 1, providing an overview of the LYLAKS project.

Station 2 | Community Survey

Station 2 consisted of an iPad. The online community survey prepared for the project was available on the iPad for anybody interested in taking it at the open house. The survey included 10 quick questions which took approximately 5 minutes to answer.

Station 3 | Community Character Survey

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Three boards were displayed highlighting key redevelopment sites identified by the Steering Committee – the Tent City parcel, the Orchard-Whitney site and the riverfront (including all parcels abutting the Genesee River). Attendees were asked to share specific ideas for the redevelopment of these key sites.

COMMUNITY FEEDBACK

Feedback generated at the meeting is summarized below, organized by station.

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Station 2 | Community Survey

Approximately seven (7) attendees completed the online survey at the meeting. Total respondents to date are twenty (20). The survey will remain open through the end of March 2013. A summary of final survey results will be tabulated after the survey is closed. A summary of highlights and trends noted to date are listed below:

- Safety was identified by 90% of respondents as being primary concern in neighborhoods. Other notable areas in need of improvement include variety of business and retail and access to educational programs and job training.
- Projects that would have the greatest positive impact on the neighborhoods include development on vacant parcels and construction of new housing.

- The greatest deterrents to future revitalization efforts are noted as being crime, the visual appearance of houses and business, a lack of jobs, and absentee landlords.
- More than half of respondents said they would be interested in getting more involved in the local community if a task force were formed focused on park beautification and addressing safety and crime in parks.
- The businesses identified as most desirable in the neighborhood include grocery store, specialty foods (bakery, ice cream, etc.), a farmers market and sit down restaurants.

Station 3 | Community Character Survey

Seven meeting attendees completed the Community Character Survey. Based on the responses, the top 3 and bottom 3 images for the Neighborhood and Commercial categories are illustrated below. Responses are generally consistent with the images selected by the public and committee at previous meetings.

Top 3 Neighborhood Images



Bottom 3 Neighborhood Images



Top 3 Commercial Images



Bottom 3 Commercial Images



Station 4 | Design Workshop

Many of the attendees opted to write specific comments regarding revitalization ideas on two roll-out maps at the Open House. Comments noted on the maps are summarized below.

- Structure at SE corner of Jay and Ames Streets could be a professional theater, educational complex
- Lots of skateboarders near Hague Street, create formal facility for them to use
- Greentopia is doing lead study on 0.5 acre lot on south side of Smith, just east of Whitney Street
- Opportunities for phytoremediation on sites?
- Need to do structural assessments of former rail bridges in association with rails-to-trails conversion
- Farmers Market at Sahlen's Stadium
- Verona Street behind School 5 abandoned and dedicated to school for improvements to athletic fields
- Intersection of Jay and Hague is prone to traffic issues and incidents
- Downzone Jay Street to residential
- Lots of tire dumping...turn to positive by creating tire recycling business
- Improve waterfront connections
- Gateways along Lake/State
- H&S Auto may be expanding along Whitney at LaSalle
- Cornerstone developing 45 units near Sahlen's Stadium
- Redevelop sites north of stadium and west of Oak with restaurants and other uses for stadium visitors.....create a destination / central square with uses around
- Implement rails-to-trails and incorporate safety elements
- Link School 17 and Campbell Street
- Create small parks on vacant parcels
- Create a street of shoppes / promenade on Orchard Whitney site to complement stadium development
- Better connect stadiums to neighborhoods
- More amenities for youth within neighborhood

- Strengthen Oak Street connection between stadiums to rails-to-trails
- City is undertaking Rails-to-Trails feasibility study.....follow-up
- Lyell Avenue
 - Businesses all need a facelift
 - Childcare / daycare centers needed
 - Safe and convenient parking
 - Wayfinding
 - More kid-friendly
- Skateboard park at Campbell Street? What are liabilities?
- Campbell Street
 - Building structure and maintenance issues
 - Better ball fields and playground
 - Move services to School 17 – dental, recreation, etc.

Station 5 | Strategic Sites

Ideas noted for each of the three strategic sites are summarized below:

Orchard Whitney property

- Mixed use
- Pedestrian marketplace
- Technical school
- Adult continuing education / second language school
- Small business workshop area, similar to Tremont Street
- Food market (like public market)
- Business incubator site
- Employment opportunities
- Development with lots of trees – neighborhood needs more trees
- Playground
- Water park
- Retail pedestrian promenade

Tent City property

- Mixed use
- Something for kids
- Jobs, jobs, jobs!
- Mixed housing with community room
- Center for children
- Job workshops
- Police patrol

- YMCA
- Small doctors' offices
- Dance classes
- Neighborhood services – classes, daycare, doctors, small retail
- Existing building creates opportunity for bad behavior
- Overnight community center
- Worship – community services (showers, overnight accommodations, food)
- Shopping mall
- Commercial on ground floor with housing above
- Youth center
- Concert hall
- Training center
- Piano class
- Night club

Riverfront properties

- Open space
- Mixed use
- Theater and bistro
- Upper story lofts overlooking the river
- Lower parts should have trails and open space access
- Restaurants
- Water parks
- No gentrification projects
- Trails, parks, open space and mixed use
- Bench and picnic area
- Walking and bike trail

Miscellaneous Comments

In addition to the stations noted above, there was also a large post-it pad of paper available for community members to identify any other comments or ideas they had regarding the study area. A summary of these comments is provided below:

- Job creation is key!
- Central worship center to unite all ministries
- Live theatre
- Out of town ownership is an issue – they hire local project managers with no certifications
- Address issue of too many abandoned and boarded up properties

- Vacant homes are an eyesore
- Roadside memorials should be removed after a certain amount of time
- Marketing strategy / publicity plan to highlight positive and overcome negative perceptions
- Collaboration with regards to resource sharing – school districts, recreation facilities, churches, neighborhood associations, etc. – which could result in short term projects at little cost to the community
- More libraries and kid-oriented activities are needed
- Need a water park or outdoor activity for kids
- Rehabilitation Center
- Are modular homes appropriate? Cost effective?

PARTICIPATION

The sign-in sheet is scanned and attached. Not all participants chose to sign-in. Attendees that provided an email address will be added to master distribution list and will be sent emails regarding future meeting dates and major project milestones.