



FAIRPORT LOCAL DEVELOPMENT CORPORATION

Board of Directors Planning Meeting

April 24, 2024

4:30pm – Compans

AGENDA

- I. Call to Order

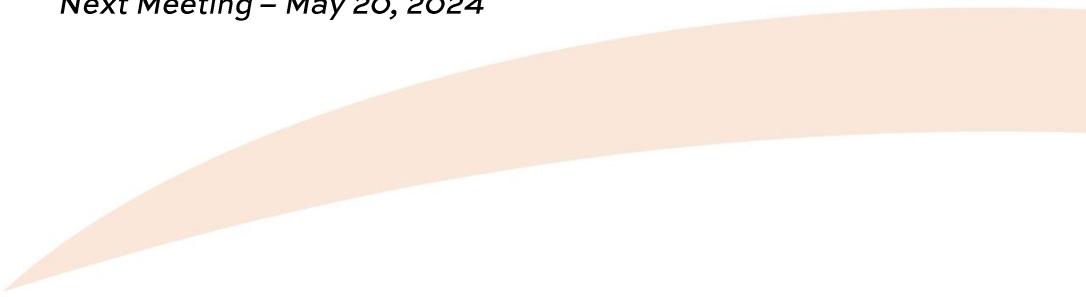
- II. Economic Development Strategic Plan – *Review*

- III. Planning
 - a. Encouraging Full and Productive Use of Commercial Properties
 - 1. Incentives
 - 2. Acquisitions
 - b. Capital Expenditure Plan
 - c. Housing
 - d. 2025 Streetscape Project
 - e. Social Media/Advertising/Marketing
 - f. Façade Grant Program – Funding
 - g. Organization

- IV. Economic Development Strategic Plan – *Update*

- V. Adjourn

Next Meeting – May 20, 2024

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O CED

**FAIRPORT OFFICE OF COMMUNITY
AND ECONOMIC DEVELOPMENT**



Prepared February 2022 by:

MRB | *group*

Board Update: January 2024

Executive Summary

The Fairport Economic Development Strategic Plan builds off the 2021 Fairport Economic Development Study by expanding the research to include interview data with local developers and stakeholders, detailed research on the real estate market in Fairport, and detailed information about industry employment in the Village. The Economic Development Strategic Plan was formed in working group sessions with development partners, IDA board members and staff, and interviews with stakeholders. In these discussions, we identified core values, core purpose, goals for the organization, and the envisioned future for Fairport that the organization seeks to help create. The Economic Development Strategic Plan combines the data and analysis into recommendations for action that are aligned with OCED's Strategic Vision. The Economic Development Strategic Plan is based on the Vision, comprehensively addressed through four focus areas, and enacted through recommended actions in the action matrix.

The Strategic Vision for The Fairport OCED:

*"THE FAIRPORT OFFICE OF COMMUNITY + ECONOMIC DEVELOPMENT WILL BE AN INNOVATIVE AND COLLABORATIVE ORGANIZATION THAT SUPPORTS THE CONTINUED GROWTH OF THE VILLAGE OF FAIRPORT INTO THE MOST SOUGHT-AFTER DESTINATION IN THE REGION FOR **RESIDENTS, VISITORS, AND BUSINESSES**; WHERE THE OPPORTUNITY FOR **COMPLETE COMMUNITY** LIVING IS MADE POSSIBLE FOR ALL **THROUGH ATTAINABLE HOUSING, ABUNDANT AMENITIES AND VIBRANT STREETS LINED WITH BUSINESSES**, STRENGTHENED BY OCED'S INVESTMENTS IN HISTORICAL ASSETS AND COMMITMENT TO THE FUTURE."*

Four Focus Areas:

1. **Development policies:** planning, policies, enforcement, and inducements.
2. **Attainable housing:** addressing critical housing needs unmet by the market.
3. **Local employment:** strategic employment growth in the village - both in local service occupations and professional and business services and the creative class.
4. **Complete community development:** placemaking, adaptive reuse, and continued investments in amenities, arts, and culture.

Key Findings:

- The Village of Fairport and OCED are **well-positioned to build on strengths** developed out of multiple years of sustained success in providing amenities and services to residents, thoughtful community planning, strong leadership, and effective public administration. OCED should communicate these achievements strategically to attract desired investment and support existing businesses.
- Continued growth that supports the Strategic Vision requires the **full productive use of downtown properties**, particularly those in critical positions on North Main Street. Fine-tuning the tools (policies, procedures, inducements, and enforcements) of economic and community development is needed to guide alignment with the vision and influence development patterns to their most effective form. Increasing downtown property values can create 'free-rider' market failures and discourage investors from developing critical assets. Addressing and correcting such market failures requires the necessary policy and enforcement tools.
- **Demand for attainable housing is strong**, and when new units are delivered to the market, they are absorbed almost immediately. Vacancy rates for the Village's multifamily properties have averaged 2.5%; significantly lower than vacancies in the larger Rochester market.
- While overall primary **private-sector jobs in the Village have grown since 2014**, Professional, Scientific, and Technical Services have risen to their highest levels in over a decade. Office space is not meeting demand, and an attractive new market rental inventory is necessary to support additional professional jobs in the Village.
- **Adaptive re-use of historical properties** throughout the Village would contribute to the needed office and residential space that will support existing businesses and attract workers and residents. Moreover, adaptive reuse supports placemaking objectives and aligns with OCED's ongoing investments in parks, amenities, arts, and culture. The Vision calls for Fairport's continued development into a community with a high quality of life; a place where families, friends, and neighbors gather to work, live, and play together - connected by walkable environments, abundant open spaces and parks, and rich cultural opportunities.
- OCED's support of community and economic development has shown positive results and future development should **build on OCED's capabilities**. Today, the Village downtown area has more retail, service, and other neighborhood commercial offerings, along with many multi-family units of various types in a compact space. OCED should reaffirm to the development community that it continues to welcome such development, especially concerning more multi-family units and specifically 'missing middle' housing, as identified in the Village of Fairport's Comprehensive Plan.

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Introduction

The Fairport Industrial Development Agency 2021 Economic Development Study identified regional and Village-specific demographic and economic conditions, strategic internal and external factors, and analyses and recommendations based on the findings. The Economic Development Study was completed to support the Village of Fairport's 2021 Comprehensive Plan and assist the Fairport Industrial Development Agency in developing an Economic Development Strategic Plan.

In November of 2021, MRB Group was selected as the project consultant to work with the community, and the staff and board of the Fairport Industrial Development Agency (FIDA) to create the Economic Development Strategic Plan. The Economic Development Strategic Plan was developed with community input from stakeholder interviews, review of recent documents including the 2021 Economic Development Study and the 2021 Village of Fairport Comprehensive Plan, and working sessions with members of the FIDA board and staff. It adds further research from real estate market analysis in the Village of Fairport and the Greater Rochester Metro Area, employment data for the Village of Fairport. Community input and stakeholder engagements included seven interviews, two working group sessions, site visits to ongoing and potential development projects, and weekly discussions with FIDA staff and board members.

The evaluation of data from previous studies and the Village of Fairport 2021 Comprehensive Plan were combined with new data, interviews, and working group sessions to meet our project goal of identifying and establishing a strong vision unique to the values, purpose, and goals of the OCED board and staff. We then identified four comprehensive focus areas that lead to the Strategic Vision. The action matrix identifies specific actions that have outcomes tied to these focus areas. We also identified general resources, partners, and responsible parties for these actions, and relative estimates for priority, time-frame, and cost.

Building on Recent Accomplishments

Over several years, OCED has supported over \$68 million of public and private investment in Fairport through commercial lending, bond financing, direct grant support, and PILOT agreements. OCED investments of over \$3.2 million have been used to enrich public spaces, support new housing construction, and give direct assistance to businesses. OCED partnerships with the Village of Fairport, developers, and community stakeholders have provided catalytic support leading to business investment, improved quality of life, and new housing opportunities.

PUBLIC SPACES		TOTAL PRIVATE / PUBLIC INVESTMENT	OCED INVESTMENT
Fairport Bicentennial Canal Gateway Project	Redevelopment of the north and south banks of the Erie Canal providing additional/upgraded amenities and park space	\$2.2 Million	\$500,000
Thomas Creek Wetlands, Phase II – Trail Connections	Improved trail connections between this urban wetland and the Erie Canalway Trail	\$105,345	\$55,345
Thomas Creek Wetlands, Phase III – Overlook Renovations	Renovated the existing overlook structure	\$29,500	\$29,500
North Main Parking Lot expansions	Expanded/upgrades to increase public parking supply	\$275,000	\$275,000
Public Art	Thomas Creek Wetlands, Fairport Rotary Mural, train viewing platform, Misc.	\$100,000	\$35,000

HOUSING		TOTAL PRIVATE / PUBLIC INVESTMENT	OCED INVESTMENT
High View Senior Housing	New construction – 55 units	\$9.5 Million	Payment-In-Lieu of Tax (PILOT) Agreement
The Residences at Canalside	Redevelopment and remediation of Village’s former DPW site. Ensuing private development created 48 residential units	\$17 Million	\$404,350
29 Perrin Street	Residential development	\$850,000	\$250,000
6 Perrin Street		\$1.1 Million	\$300,000
52-56 West Avenue		\$5.2 Million	PILOT Agreement
32-36 West Avenue	Mixed-use development	\$1.2 Million	\$300,000
92 South Main Street		\$3.2 Million	\$300,000
Memory Care Residences at Creekstone	New construction – senior care facility	\$9.5 Million	Bond Financing
Senior Home Improvement Loans & Grants	Emergency, essential, and/or safety-related owner-occupied home improvements or repairs.	\$32,800	\$32,800
Front Porch Grant Program	Residential grants to repair and renovate front porches	\$297,000	\$65,000
DIRECT BUSINESS ASSISTANCE		TOTAL PRIVATE / PUBLIC INVESTMENT	OCED INVESTMENT
The Cannery	Adaptive Reuse project – transformed a long vacant underutilized industrial building into a destination retail/office space	\$12 Million	Custom PILOT Agreement; Land Swap
Fairport Village Landing	Renovation and upgrade – shopping center	\$1.5 Million	PILOT Agreement
Ace Financial Group	Renovate long vacant commercial property	\$1.3 Million	PILOT Agreement
Commercial Loans – Equipment & Capital Improvements	Various	\$2.7 Million	\$771,000
Liftbridge Impact Fund & Grants	To mitigate the impacts of the Liftbridge closure on local businesses	\$150,000	\$150,000
Pandemic Impact Grants	To mitigate the impacts of the Pandemic on local businesses	\$150,000	\$150,000

Strategic Framework: Vision, Focus, and Action

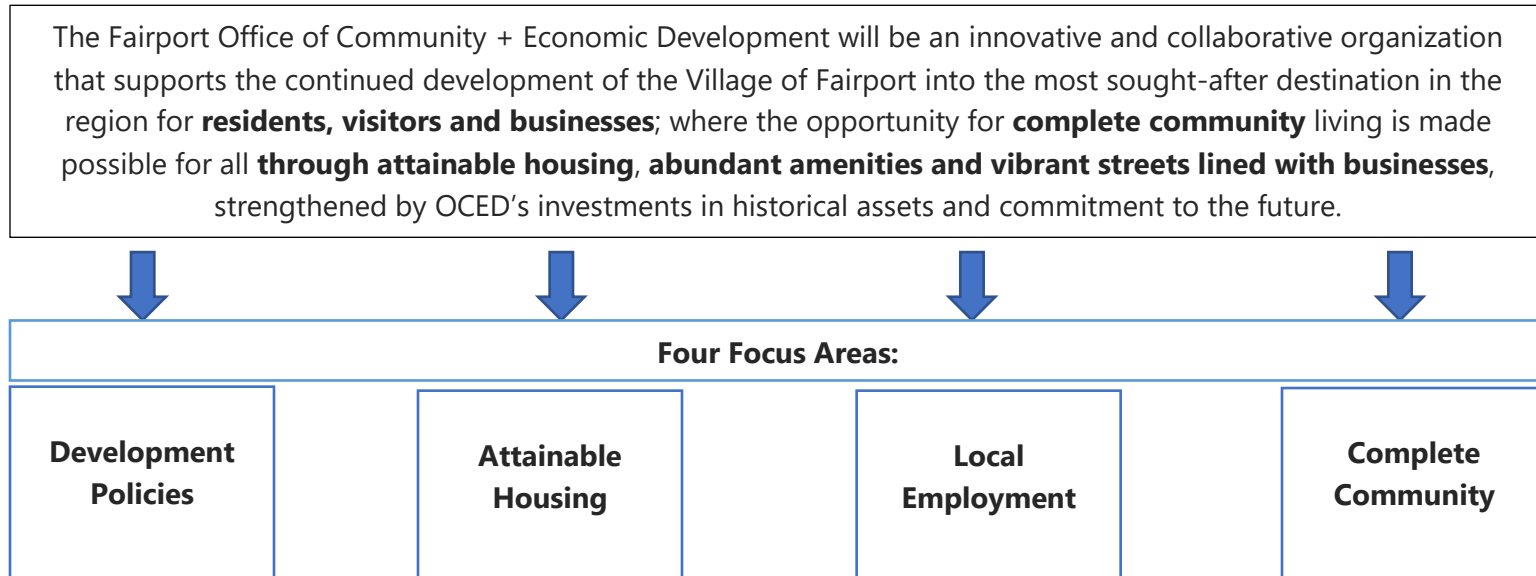
Strategic Vision

The Strategic Vision for economic development through the Fairport OCED is specific and concise and articulates to the community and developers how our values shape economic opportunities and growth. The Strategic Vision is the organization's "North Star" to guide decisions, communicate to residents and businesses, and share opportunities with investors. The process for developing the vision was grounded in interviews with developers, working group sessions with stakeholders and investors, and working group sessions with the IDA board and staff. The result of that work is a Strategic Vision that reflects core values, core purpose, goals, and an envisioned future for Fairport:

*"THE FAIRPORT OFFICE OF COMMUNITY + ECONOMIC DEVELOPMENT WILL BE AN INNOVATIVE AND COLLABORATIVE ORGANIZATION THAT SUPPORTS THE CONTINUED GROWTH OF THE VILLAGE OF FAIRPORT INTO THE MOST SOUGHT-AFTER DESTINATION IN THE REGION FOR **RESIDENTS, VISITORS, AND BUSINESSES**; WHERE THE OPPORTUNITY FOR **COMPLETE COMMUNITY** LIVING IS MADE POSSIBLE FOR ALL THROUGH **ATTAINABLE HOUSING, ABUNDANT AMENITIES AND VIBRANT STREETS LINED WITH BUSINESSES**, STRENGTHENED BY OCED'S INVESTMENTS IN HISTORICAL ASSETS AND COMMITMENT TO THE FUTURE."*

Focus Areas

The Strategic Vision leads to four focus areas for actions: Development Policies, Attainable Housing, Local Employment, and Investing in a Complete Community. Within the focus areas are outcomes that, if achieved, comprehensively address the values and goals outlined in the Strategic Vision. These focus areas were confirmed as opportunities for action in our interviews, working group sessions, the Economic Development Study, and the real estate and employment data collected for this plan. Activities in these focus areas are intended to drive processes and lead to events that deepen partnerships, align priorities, and achieve desired outcomes.



Focus Areas

Development Policies

The Vision imagines the continued growth in Fairport of vibrant streets where properties are not underused or vacant. All properties are growing in value while expanding the tax base, and new investment is ongoing. Existing businesses are the foundation of any economic growth strategy. Growing existing businesses and attracting new investments requires planning and policy resources that support owners who share the OCED vision while discouraging approaches that take advantage of market failures such as 'free-rider' problems that arise when property owners capture value from nearby investments.

Presently, the growth of Fairport's economy requires increased available space for commercial and residential development. Properties in downtown Fairport that do not add to the useable commercial and residential stock drain economic potential, but owners may not have the incentives to develop these properties if market conditions are favorable to a 'wait and see' strategy.

Development policies encompass both 'push' and the 'pull' approaches. Regulation and enforcement are effective and necessary tools for shaping development but need to be combined with education and incentives to align projects with the vision for the community.

Attainable Housing

Fairport has an opportunity to recapture some of the strong demand for multifamily and office units in the Greater Rochester market. Evidence in both geographies suggests a supply-side issue. Demand is outpacing the supply for multi-family housing in both cases. Notably, vacancy rates for the Village's multifamily properties have historically averaged at 2.5%, significantly lower than vacancies of the larger Rochester market. The few deliveries in recent years have been almost entirely absorbed (leased) in 18 months after delivery. When new apartments become available, people move there, suggesting high demand in the Village. (See Appendix 3.)

The people who spoke with us in the interviews and working sessions consistently said that Fairport was a destination for them and their families, as it was for their neighbors and friends who call Fairport home. Fairport is a place that people identify as a desirable community in which to live, and living in Fairport a goal for many. To build on that demand, Fairport must continue to be a place where people not only want a home but can find one. To do so, Fairport OCED needs to take up innovative solutions and support existing plans, such as the 2021 Village of Fairport Comprehensive Plan to create housing options for the whole community.

Local Employment

The 2021 Fairport Economic Development Study identified the potential for Fairport to increase the number of jobs in the Village and grow the number of workers who are also residents. Employment in the Professional, Scientific, and Technical Services sector has grown in the Village recently. There is continued potential for growth in the Village with solid employment in the industry in Perinton. The Economic Development Study identified potential for growth in this sector: "Although Professional, Scientific and Technical Services are the largest employment category in Perinton, only five percent of those jobs are in Fairport."

Professional, Scientific, and Technical Services employment in Fairport has doubled in the share of overall employment since 2013 to nearly 14% of the total jobs in the village. (See Appendix 4.) As Fairport looks to continue a growth trend of employment in the Village, professional and business services are a sector with enough existing support to build, provided that office space can accommodate. The growth of professional and business services in the Village likely impacted the change in jobs in Accommodation and Foods Services, which grew over a comparable period, increasing in share to 17.4% of employment in 2019, up from 11.1% in 2012.

In addition to solid growth in Professional, Scientific, and Technical Services, overall job growth in the Village has been strong. After a loss of manufacturing jobs in 2014 that drove down Village employment, the total number of primary private-sector jobs in the Village of Fairport climbed to the highest level since 2013, at 1,554 jobs, with 41% of those jobs earning at least \$3,333 per month.

Accommodating employment growth and sustaining current employment in the Village requires an increase in commercial/office stock. (See Appendix 3.) Fairport is already succeeding as an attractive place for employers and can continue to offer a high quality of living if it has the needed office space to accommodate the demand.

Invest in Complete Communities

Businesses want talent, and talent wants place. Talent competition will continue to grow stronger in the near and mid-term. For companies to attract top talent, they will need to be in thriving communities that offer an excellent quality of life through recreation opportunities, open spaces, amenities, entertainment, art, and distinctive character and culture. Great places will attract great people who live, work, and thrive.

From our working sessions, we heard from local business owners that they already leverage the placemaking attributes of Fairport to attract workers. Continuing investment in adaptive re-use of historical buildings, new investments in needed structures and amenities, and supporting arts and culture in a walkable place will help the many existing and new businesses attract needed workers.

A complete community offers a high quality of life that supports existing residents and attracts investment by providing opportunities for various life stages, cultures, family types, and ethnicities. A great community is diverse and inclusive of all types of residents. Through encouraging and supporting the development of a whole community in Fairport, Fairport OCED supports the growth of great places that give people opportunities for healthy, vibrant, diverse, and expressive lives.

FOCUS AREA 1: Fine-tune Development Policies to the Vision

Encourage the full productive use of all properties, using incentives and policy enforcement to correct for market failures such as 'free rider' problems.

STRATEGIES & ACTIONS	PRIORITY	TIMING	COST	RESPONSIBILITY	Resources & Partners
Strengthen code enforcement of underperforming properties to address free-rider market failures	High	Near	\$	Village of Fairport	OCED
Support opportunities to collaborate with the Village on planning and zoning	High	Near	N/A	OCED, Village of Fairport	
OCED recognition programs that give positive exposure to businesses and developments that support OCED's Vision	High	Near	\$	OCED	
Use OCED's Vision Statement as a communication tool that defines opportunities for investors and developers	Med	Long	\$	OCED	Village of Fairport
Consider a pre-development grant program that aligns projects to the Vision	Med	Mid	\$	FLDC	
Track and manage development and businesses with an updated CRM	Med	Mid	\$\$	OCED	
Explore maintaining an inventory of available properties on website	Med	Mid	\$	OCED	
Create an inventory of opportunities and assets with a Community Investment Prospectus	Med	Near	\$	OCED	
COMPLETED				Original Date	Completed
Update UTEP to reflect development priorities that are aligned with the Vision	High	Near	N/A	February 15, 2022	March 20, 2023
Update the OCED website to clearly identify and communicate the Vision and encourage development that aligns with the vision	High	Near	\$	February 15, 2022	August 15, 2023

FOCUS AREA 2: Attainable Housing

Create opportunities for housing options that support the whole community; workforce housing, families looking for starter homes, and those who wish to retire and live in Fairport.

STRATEGIES & ACTIONS	PRIORITY	TIMING	COST	RESPONSIBILITY	Resources & Partners
Support missing middle housing as identified in the Village of Fairport Comprehensive Plan	High	Near	N/A	OCED, Village of Fairport	Village of Fairport
Assure adequate resources to support and expand the existing Section 8 housing Program	High	Ongoing	\$\$	FURA, Section 8	
Actively seek Project Based Voucher opportunities with local Developers	High	Ongoing	\$	FURA, Section 8	
Actively promote and expand the Landlord Incentive Programs	High	Near	\$	FURA, Section 8	
Seek opportunities to use LDC Bonds to support attainable housing	Med	Mid	\$	FLDC	
Assist small-scale developers by working with the Village of Fairport on a user-friendly review public review process	Med	Near	\$	OCED, Village of Fairport	
COMPLETED				Original Date	Completed
Consider amendment of Uniform Tax Exemption Policy to create specific incentives to encourage projects that create Attainable Housing	High	Near	\$	February 15, 2022	March 20, 2023

FOCUS AREA 3: Local Jobs

Strengthen existing support for businesses by attracting new employment into the Village by supporting new office space, new housing opportunities for residents who want to live and work in Fairport, and identify industry targets that support the current businesses in the Village.

STRATEGIES & ACTIONS	PRIORITY	TIMING	COST	RESPONSIBILITY	Resources & Partners
Focus OCED incentive efforts around bringing new office space on the market	High	Near	\$\$	OCED	
Support the creation of more housing in the Village to develop a residential workforce	Med	Long	\$	OCED, Village of Fairport	
Conduct industry, supply-chain, and occupation analysis to identify target industries that complement and support current businesses in the community	Med	Near	\$	FIDA	
Collaborate with Fairport Perinton Partnership on updated Business Inventory	Med	Near	\$	FLDC	Fairport Partnership
COMPLETED				Original Date	Date Completed
Design UTEP to induce adaptive re-use development that includes office space	High	Near	N/A	February 15, 2022	March 20, 2023

FOCUS AREA 4: Support a Complete Community

Use placemaking strategies and adaptive re-use to reinforce the community and culture of Fairport as a Complete Community.

STRATEGIES & ACTIONS	PRIORITY	TIMING	COST	RESPONSIBILITY	Resources & Partners
Communicate OCED's Vision for Economic Development to developers and the community through published materials, online informational events,	High	Immediate	\$	OCED, Village of Fairport	
Communicate OCED's Vision for Economic Development in representation on the stakeholder input to the 2025 Village Streetscape project	High	Immediate	\$	OCED	Village of Fairport
Redevelopment of the Millstone Block	High	Near	\$\$\$	FIDA/FURA/FLDC	
Pursue funding partners for completion of North Main Parking Lot, Thomas Creek Trail and Pocket Park	High	Near	\$\$\$	FIDA	Village of Fairport, FMC
Complete Erie Canalway Grant Project - Thomas Creek Wetlands - Signage	High	Immediate April 2024	\$	FIDA	
Complete Thomas Creek Wetlands Entrance Project - supported by NYS Canal Corporation Grant	High	Near	\$\$	FIDA	
Monitor First Baptist church redevelopment project	Med	Mid	\$	FLDC	
Seek Funding for/Complete invasive species removal at Thomas Creek Wetlands	Med	Near	\$	FIDA	ESD, Village of Fairport, Town of Perinton
Explore opportunities for infill development as identified in the Comprehensive Plan	Med	Mid	\$	OCED	Village of Fairport
Ongoing/continued funding for public arts programs	Med	Ongoing	\$	FLDC	
COMPLETED				Original Date	Date Completed
Consider a review of Uniform Tax Exemption Policy to encourage adaptive reuse in general and development of Mixed-Use Properties specifically	High	Immediate	N/A	February 15, 2022	March 20, 2023
Utilize grant funds to complete Boardwalk renovation project at Thomas Creek Wetland	Med	Mid	\$\$	February 15, 2022	September 13, 2022