



# Making a Difference in Rochester

## RAEDI

Rochester Area Economic Development, Inc.

*RAEDI's mission is to facilitate the growth and diversification of the Rochester area economy*

- RAEDI's primary goal is to attract, retain and assist the growth/expansion of base businesses within the Rochester area.
- RAEDI's value proposition is the ability to assist businesses and entrepreneurs in securing the private and/or public resources needed to execute their business plans.

### RAEDI's Impact from 1997-2006

- In the last 10 years, RAEDI has assisted more than 100 businesses with the development and execution of their business plans.
- RAEDI's work has generated over \$2 billion of new economic activity.
- The Rochester community attained over \$1 billion in new payrolls and local purchases of goods and services, and earned \$1.7 million in local tax dollars through state and local grants.
- Approximately \$365 million in private capital investment and over \$110 million in new tax base for area communities was gained.
- The average annual wage of new jobs created is in excess of \$50,000 per year.

- More than 4,850 new jobs were created that supported an additional 4,500 jobs at a cost of \$1,410 per job. These jobs were in addition to the positions that Mayo Clinic created during this time period.

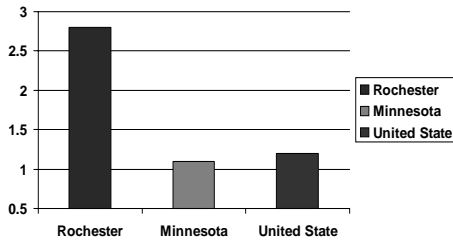
This activity helped lay a solid foundation for further economic growth by generating over \$2 billion of investment in the base of our economy. Increased demand for commercial and residential growth was fueled, in part, by this investment.

### Community Return on Investment

- Rochester invested \$6.8 million (\$3.2 in RAEDI's operating budget and \$3.6 in project investments) and generated the flow of \$1 billion within the community over the last 10 years. This investment resulted in \$156.58 in new dollars for every community dollar invested.
- There was \$53.32 in private capital investment for every community dollar invested in projects, resulting in a marginal rate of investment of 1.9%. This means that 98% of project financing came from private sources.
- There is \$329.35 in new dollars generated for each dollar invested in RAEDI and \$1.31 of new taxes for every community dollar invested. By taking out the private dollar component the return on public dollar investment jumps to more than \$6.

[www.raedi.com](http://www.raedi.com)

### 1997-2006 Employment Growth Rates



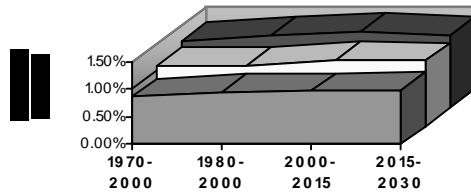
From 1997-2006, the Rochester area grew jobs more than twice as fast as the nation and state of Minnesota as a whole.

Sources:  
Minn. Dept. of Employment & Economic Development, U.S. Dept. of Labor

### Growing Diversity of Local Economy

- Rochester is one of the nation's fastest growing urban areas with a highly regarded "quality of life."
- The Rochester area produces over \$14 billion of economic output accounting for nearly 88% of total regional output.
- Over 7% of U.S. total real output for computers and office equipment is produced in the Rochester area (Milken Institute Study of America's High Tech Economy).

### Historical and Projected Growth Rates



The Rochester MSA population grew at a rate 36% faster than the state of Minnesota and 22% faster than the nation as a whole from 1980-2000.

The Rochester MSA rate of population growth will continue to outpace national and state rates of growth through the year 2030.

Source: Woods & Poole Economics

### High Concentration of High-Tech Businesses

- According to the Milken Institute Study of America's High Tech Economy, Rochester has the highest concentration of high-tech business in the United States.
- During the last 10 years, Rochester has had one of the highest number of patents filed per 100,000 residents in the nation.
- The economic base continues to grow and diversify with over 30 new companies locating in the Rochester area in the past 10 years.

## Partial List of RAEDI Assisted Area Businesses

- |                             |                         |
|-----------------------------|-------------------------|
| Benchmark Electronics       | Mid-States Tire         |
| Bowman Tool                 | NRI Electronics         |
| Charter Communications      | Osborn Medical          |
| Domaille Engineering        | Pace Electronics        |
| FedEx                       | Progressive Tool        |
| Gauthier Industries         | Quest                   |
| Geotek                      | Reichel Foods           |
| Halcon                      | Rochester Medical       |
| Hiawathaland Tool           | Seneca Foods            |
| JDS Uniphase                | Schmidt Printing        |
| Land O'Lakes                | Silver Creek Stoneworks |
| Magnum Machining*           | SPSS                    |
| Marigold Foods              | Technology Concepts     |
| MedCity Medical Innovations | Van Whye Dairy          |

\*Companies that have since discontinued local operations. This is pointed out merely to stress the fact that the structure of our economy is constantly changing; therefore, the need for RAEDI continues.

## RAEDI SERVICES

### Financial Packaging

- Direct investment funding
- Fixed asset financing

### Business Planning

- Cost differential comparison
- Market research & analysis
- Community data/profiles

### Site/Location Support

- Provide objective information on sites, facilities and access to support services
- Develop comparative site data

### Business/Community Advocacy

- Identify and present business interests and concerns to government
- Support area social, economic and infrastructure development

RAEDI is committed to assisting new and existing companies with expansion, location and research efforts.

*For more information, contact:*

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