



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 1998-2007

- 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.

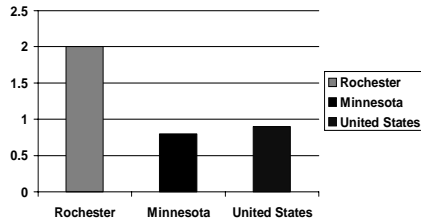
Community Return on Investment

- 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

1998-2007 Employment Growth Rates

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From 1998-2007, the Rochester area grew jobs more than twice as fast as the nation and state of Minnesota as a whole.

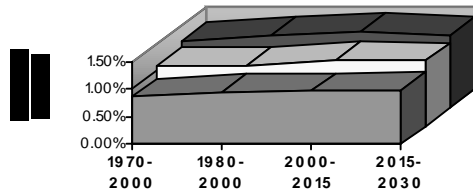
Sources:

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

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|-----------------------------|-------------------------|
| 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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