

MINUTES – AGENCY MEETING – July 21, 2015

Time & Place: 12:00 Noon, Ebenezer Watts Conference Center,
49 S. Fitzhugh Street, Rochester, New York

Board Present: T. Mazzullo (Chair), A. Burr, E. Caccamise, C. Campbell,
J. Popli, , M. Worboys-Turner

Board Excused: M. Siwiec

Also Present: P. Johnson (Acting Executive Director), R. Yolevich (Monroe County Legislature),
E. Liberti, M. Townsend, Esq.

Chair Mazzullo called the meeting to order. A. Burr led the Pledge of Allegiance.

Chair Mazzullo opened the Public Forum. Joanne Sasse offered comments regarding the projects to be presented to the board today, the historical benefit/incentive ratio, job creation requirements and cost overruns. Thomas Bantle offered comments regarding retail, office & housing projects receiving benefits, as well as the benefit/incentive ratios and the social and financial costs related to projects on the agenda. There being no further speakers, the Public Forum was closed.

A report on the Requests for Verified Exemptions was presented by Brian LaFountain of The Bonadio Group. During the last month, The Bonadio Group has received one request for exemption from the local labor requirements for the Morgan Hard Road/Royal Highlands project, under the criteria “cost differential”. Mr. LaFountain reported that upon review, the Bonadio Group found the request valid.

Yvonne Lowrey of Loewke Brill Consulting Group, Inc. presented the Monitoring Report for the period of June 1, 2015 – June 30, 2015. During that time, 58 monthly and 4 follow up visits were conducted. Of the 458 workers that were identified, twelve were noncompliant on the initial visit. As of June 30, 2015 all monitored sites were compliant. Loewke & Brill delivered signs to 5 new projects.

Chair Mazzullo reminded the Board that Conflicts of Interest should be disclosed after the Project is introduced and before a vote is considered.

P. Johnson presented the following applications for agency consideration:

Terminal Building Roc LLC – Sales & Mortgage Tax Exemptions Only

The company was represented by Adam Driscoll. Terminal Building Roc LLC (TBR), a local real estate development company, is proposing to redevelop the vacant Terminal building in the City of Rochester. The 70,208 square foot, 8 story building has been vacant for the last 10 years and is owned by Monroe County. The \$9,124,300 project will create 61 residential 1 and 2 bedroom units, with a small component of office space. The project is projected to create 2 new FTEs over the next three years. The City of Rochester is supportive of the project as the renovation of a currently underutilized building will add vitality to the City Center while preserving the historic character of the building. The City of Rochester will be providing the CUE real property tax exemption. TBR is seeking COMIDA approval for sales and mortgage tax exemptions only. The Benefit/Incentive ratio is 2.4:1. A

Public Hearing was held in the City of Rochester on June 16, 2015. Upon inquiry by the Chair, the applicant representative confirmed that they are aware of the Local Labor requirements. After a brief discussion and on a motion made by J. Popli and seconded by A. Burr, an inducement and final resolution was adopted approving subject project. M. Worboys-Turner and C. Campbell abstained. All others Aye.

183 East Main Street LLC Sales & Mortgage Tax Exemptions Only

The company was represented by Adam Driscoll. 183 East Main Street LLC (183EMS), a local real estate partnership of DHD Ventures and Morgan Management, is proposing to redevelop the largely vacant Alliance Building in the City of Rochester. The 167,000 square foot, 15 story building opened in 1926 as the Lincoln Alliance Bank, and is listed on the National Register of Historic Places. The \$16,451,300 project will convert the floors 4-15 into 130 residential 1 and 2 bedroom units, with commercial uses to remain on floors 1-3. The project is projected to create 6 new FTEs over the next three years. The City of Rochester is supportive of the project as the renovation of a currently underutilized building will add vitality to the City Center while preserving the historic character of the building. The City of Rochester will be providing the CUE real property tax exemption. 183EMS is seeking COMIDA approval for sales and mortgage tax exemptions only. The Benefit/Incentive ratio is 2.7:1. A Public Hearing was held in the City of Rochester on June 16, 2015. Upon inquiry by the Chair, the applicant representative confirmed that they are aware of the Local Labor requirements. After a brief discussion and on a motion made by J. Popli and seconded by E. Caccamise, an inducement and final resolution was adopted approving subject project. M. Worboys-Turner and C. Campbell abstained. All others Aye.

First Transit Inc. Sales Tax Exemptions Only

The company was represented by Jim Gorman. First Transit Inc. (FTI) provides contract management services and operates transit systems for government agencies, municipal organizations and private companies. FTI will provide campus shuttle services for RIT beginning in August 2015 and is proposing the acquisition of 11 buses, 1 service vehicle and related equipment. This is a 10 year contract to provide improved access for students and faculty at RIT including disabled/handicapped. The \$3,588,000 project will impact 57 FTEs and is projected to create 17 new FTEs over the next three years. The applicant is seeking approval of sales tax exemptions only. The City of Rochester is supportive of the project as it will result in additional development of an existing industrial site within the City and is expected to provide additional job opportunities for City residents. The Benefit/Incentive ratio is 0.8:1. A Public Hearing was held in the City of Rochester on July 21, 2015. After a brief discussion and on a motion made by E. Caccamise and seconded by C. Campbell, an inducement resolution was adopted approving subject project. A. Burr abstained. All others Aye.

2013 VC, LLC Lease/Leaseback with JobsPlus

The company was represented by Betsy Brugg. 2013 VC, LLC, a Morgan Management real estate entity, is proposing a senior housing project in the Town of Gates. The 89,532 square foot complex will be located on approximately 4.5 acres adjacent to the Italian American Community Center. The project includes 87 senior apartments in one 3- story building. The project will also include detached garages and storage units, a community room and fitness center. The \$9,400,000 project is projected to create 6 new FTEs over the next three years. The applicant is seeking approval of JobsPlus property tax abatement. The job creation requirement is 1 FTE. The Benefit/Incentive ratio is 2:1. A Public Hearing was held in the Town of Gates on July 20, 2015. Upon inquiry by the Chair, the applicant representative confirmed that they are aware of the Local Labor requirements. After a brief discussion and on a motion made by J. Popli and seconded by A. Burr, a resolution was adopted approving SEQR for the subject property. All Aye. On a motion made by C. Campbell and seconded by E. Caccamise, an inducement and final resolution was adopted approving subject project. All Aye.

Gary & Marcia Stern FLP **Lease/Leaseback with JobsPlus**

The company was represented by Alan Stern. Gary & Marcia Stern FLP, a real estate holding company, is proposing the expansion of The Village Gate in the City of Rochester. The project includes four new single story buildings totaling 53,413 square feet, the remodeling of an existing building, expansion of the parking and upgrades to the landscaping and lighting. The buildings will house a mix of offices, showrooms and retail establishments. The \$10,809,353 project will impact 10 FTEs and is projected to create 4 new FTEs over the next three years. The applicant is seeking approval of the JobsPlus property tax abatement. The job creation requirement is 1 FTE. The Benefit/Incentive ratio is 2.3:1. A Public Hearing was held in the City of Rochester on July 21, 2015. Upon inquiry by the Chair, the applicant representative confirmed that they are aware of the Local Labor requirements. After a brief discussion and on a motion made by C. Campbell and seconded by J. Popli, a resolution was adopted approving SEQR for the subject property. All Aye. On a motion made by M. Worboys-Turner and seconded by J. Popli, an inducement and final resolution was adopted approving subject project. All Aye.

Erie Station 25 LLC/ Vuzix Corporation **Lease/Leaseback with JobsPlus**

The company was represented by Gary Izzo. Erie Station 25 LLC, a Konar real estate entity, is proposing the build-out 29,152 SF of space in an existing building in the Town of Henrietta. The space will be leased to Vuzix Corporation. Founded in 1997, Vuzix is a public company with offices in Rochester, Oxford, UK and Tokyo, Japan. Vuzix is a leading supplier of Video Eyewear and Smart Glasses products in the consumer, commercial and entertainment markets, including personal display and wearable computing devices. The \$2,023,102 project will impact 27 FTEs and is projected to create 47 new FTEs over the next three years. The applicant is seeking approval of JobsPlus property tax abatement. The job creation requirement is 3 FTEs. Vuzix is seeking approval of sales tax exemptions on \$350,000 of materials, equipment, furniture and fixtures. The Benefit/Incentive ratio is 33.6:1. A Public Hearing was held in the Town of Henrietta on July 20, 2015. Upon inquiry by the Chair, the applicant representative confirmed that they are aware of the Local Labor requirements. After a brief discussion and on a motion made by J. Popli and seconded by C. Campbell, an inducement resolution was adopted approving subject project. All Aye.

Charlotte Square Apartments LLC **Lease/Leaseback with Custom Pilot**

The company was represented by Nelson Leenhouts. Charlotte Square Apartments LLC, a Home Leasing real estate entity, is proposing the construction of 72 rental apartments on Charlotte Street in the City of Rochester. The vacant land is currently owned by the City of Rochester. The \$15,214,577 project is projected to create 2 new FTEs over the next three years. The City of Rochester is in favor of the project as it will provide much needed housing downtown and contribute to the revitalization and stabilization of the area. The City has asked COMIDA to provide a custom abatement based on the CUE schedule, with the condition that the project includes eight affordable rate apartments. The Benefit/Incentive ratio is 2.4:1. A Public Hearing was held in the City of Rochester on July 21, 2015. Upon inquiry by the Chair, the applicant representative confirmed that they are aware of the Local Labor requirements. After a brief discussion and on a motion made by C. Campbell and seconded by J. Popli, an inducement and final resolution was adopted approving subject project. T. Mazzullo abstained. All others Aye.

SNIR A LLC **Sales & Mortgage Tax Exemptions**

The company was represented by Chris Kotary and Patrick Dutton. SNIR A LLC, a real estate holding company, is proposing the redevelopment of the former Merkel Donohue building in the City of Rochester. The project will convert the approximately 30,000 square foot former showroom and warehouse to mixed use space housing retail and office space on the first floor and 26 loft apartments on the second and third floors. The \$2,750,000 project is projected to create 3 new FTEs over the next three years. The applicant is seeking approval of sales and mortgage tax exemptions only. The City of Rochester provides the CUE real property exemption. The Benefit/Incentive ratio is 3.4:1. A Public Hearing was held in the City of Rochester on July 21, 2015. Upon inquiry by the Chair, the applicant representative confirmed that they are aware of the Local Labor requirements. After a brief discussion and on a motion made by J. Popli and seconded by A. Burr, an inducement and final resolution was adopted approving subject project. All Aye.

Continental Service Group Inc. dba ConServe Sales Tax Exemptions Only

The company was represented by Rich Klein. Continental Service Group Inc. d/b/a ConServe is an accounts receivable management company headquartered in Fairport. To accommodate continued growth, ConServe will be expanding to an additional 20,000 square feet in the town of Henrietta and purchasing network equipment, security systems, computers and furniture at a cost of \$970,000. ConServe currently employs 547 FTEs in Monroe County and expects to create 20 new FTEs over the next year. ConServe has been approved for the GreatRate program through Monroe County Industrial Development Corporation and is seeking approval of the EquiPlus program. The Benefit/Incentive ratio is 6.1:1. After a brief discussion and on a motion made by C. Campbell and seconded by E. Caccamise, an inducement and final resolution was adopted approving subject project. All Aye.

Chestnut Elm LLC Mortgage Tax Exemptions Only

The company was represented by Ron Zohr. Chestnut Elm LLC, a real estate development company, is proposing the acquisition, renovation and rehabilitation of the Cadillac Hotel located in the City of Rochester. The property, built in 1920, is an eight story building with approximately 35,560 square feet. The \$7,999,565 project will create a mixed use property with 56 market rate studio and one bedroom apartments and first floor retail space and lobby. The applicant is seeking approval of mortgage tax exemption only. The Benefit/Incentive ratio is 46.8:1. After a brief discussion and on a motion made by E. Caccamise and seconded by J. Popli, an inducement and final resolution was adopted approving subject project. All Aye.

On motion made by A. Burr and seconded by C. Campbell, minutes for the meeting of June 16, 2015 were reviewed and adopted and approved. All Aye.

M. Townsend, Board Counsel, presented the following items for Agency Action:

Terminations:

-3750 Monroe Avenue Associates, LLC

-90 Air Park Drive

On a motion made by J. Popli and seconded by C. Campbell, a resolution was adopted approving the termination of the above named projects. All Aye.

Miscellaneous:

-Anthony Costello & Son (Spencer) Development LLC

On a motion made by J. Popli and seconded by C. Campbell, a resolution was adopted approving amendment to Anthony J. Costello & Son (Spencer) Development, LLC/CityGate approval to name a related entity, Anthony J. Costello & son (Landon) Development, LLC as agent for Projects Costs in the amount of \$8,865,234. No Incremental benefits. All Aye.

-Costco Wholesale

On a motion made by A. Burr and seconded by M. Worboys-Turner, a resolution was adopted approving, at the request of the City of Rochester, an amendment to extend the term of the PILOT to be coterminous with the mortgage. All Aye.

-Seneca Building of Monroe County LLC

On a motion made by J. Popli and seconded by M. Worboys-Turner, a resolution was adopted approving an increase in project costs by \$175,000 to \$6,000,000. Original approval 9/16/2014 for \$5,825,000. All Aye.

There being no further business, on a motion made by J. Popli and seconded by C. Campbell the meeting was adjourned.