



**Rochester Urban Renewal Agency**

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City Hall Room 005A  
30 Church Street  
Rochester, New York  
14614-1290

R. Carlos Carballada  
Secretary

# Rochester Urban Renewal Agency

## Annual Report

7/01/07-6/30/08



The financial reports submitted are certified that based on the officer's knowledge, the information provided herein is accurate, correct and does not contain any untrue statement of material fact; does not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made; and fairly presents in all material respects the financial condition and results of operations of the authority as of, and for, the periods presented in the financial statements.

A handwritten signature in black ink, appearing to read "R. Carlos Carballada", written over a horizontal line.

R. Carlos Carballada, Secretary

A handwritten signature in black ink, appearing to read "Brian Roulin", written over a horizontal line.

Brian Roulin, Chief Financial Officer

RURA

7/01/07-6/30/08

Operations and Accomplishments

1. ESL Federal Credit Union (ESL) will be constructing its new headquarters on 225 Chestnut Street, along with a parking garage to be located on 280 S. Clinton Avenue in downtown Rochester. ESL employs approximately 600 people (nearly 350 at its current headquarters, and 150 who work at one of ESL's 19 branches). The new headquarters building will pave the way for an approximately 180,000 square foot, six story facility and up to 520 space parking garage.

The City of Rochester (City) and Rochester Urban Renewal Agency (RURA) assisted with this project by selling three parcels of land (225 & 255 Chestnut Street, and 280 S. Clinton Ave).

The project is anticipated to bring over 300 positions to the City upon project completion. Total investment resulting from the project is expected to be approximately \$50-\$60 million.

The employee move in to the new facility is projected to be in February-March 2010.

2. Price Rite, 373 Driving Park

This project involved the donation from Wegmans of the property at 373-375 Driving Park Avenue (the former site of Wegmans Food Market). This parcel was accepted by the City under the conditions that City taxes and other charges against the parcel shall be cancelled from the date of closing forward. Any taxes levied after the date of closing, while the City still owns the parcel, shall also be cancelled. Additionally, said parcel shall be accepted free and clear of any outstanding liens or encumbrances. The acceptance of the donation shall be subject to the requirement that the funds (\$425,000 to 373 Driving Park Ave. LLC – Peter Lutz and Dale Scutti, members) received from the sale of this property shall be used to fund economic development in the Driving Park Urban Renewal District.

373 Driving Park Ave LLC agreed to lease the property to an acceptable food market operator, Price Rite, a full service food market operator. Price Rite proceeded with renovations at the 2.2 acre site and the 43,000 sq. ft. structure. This provided the residents with convenient shopping and Maplewood businesses with hope for the future.

As part of this land use agreement, the City's Economic Development Department will offer grants of up to \$30,000 for targeted exterior improvements to businesses along Dewey Avenue from Lexington Avenue to West Ridge Road. Building owners and commercial tenants can apply for assistance provided they submit an architect's plans.

3. Midtown acquired for sale and redevelopment. (See Projects Undertaken by RURA section.)
4. St. Joseph's Parking Garage--The City established the St. Joseph's Urban Renewal District in 1995 with the purpose of acquiring properties and assembling land for construction of a privately owned parking. RURA retained ownership of the land and leased the property to the County of Monroe Industrial Development Agency. A 1,000 space parking garage was constructed and operated by a private developer (CIDC) on the property. The garage was financed with tax

exempt bonds and funds received by the City of Rochester for purchase of 376 spaces in the garage for public use.

Since the garage opened in 2000 it operated at annual deficit. CIDC was in default to the mortgagor of the garage (Tower Rochester LLC) and in arrears in property taxes and PILOT payments to the City of Rochester and County of Monroe. Tower Rochester LLC assumed ownership of the garage from CIDC in early 2008 and RURA approved an Option Agreement for Purchase of the land beneath the garage for \$570,000. Tower has paid all outstanding obligations to the City and County and is current with all taxes and PILOT payments. Tower has proposed selling the garage to a local developer and RURA has approved assigning the Purchase Option Agreement to LCG Acquisitions LLC. LCG is expected to acquire the parking garage by November 7, 2008. The City is maintaining the agreement with LCG for the 376 public parking spaces.

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**Rochester Urban Renewal Proceedings for 7/1/07-6/30/08**

<b>Date</b>	<b>Resolution No.</b>	<b>Action</b>
Proceedings in 2007		
7/07	URA-5	Approving the sale of parcels to the City of Rochester
	URA-6	Approving the acceptance of the former Hilton Street from the City of Rochester *Property accepted by RURA to confirm title.
9/07	URA-7	Designating Genesee Brooks LLC as qualified and eligible to purchase and develop Sub-Area II in the Brooks Landing Urban Renewal Project
	URA-8	Approving and adopting the Urban Renewal Plan for the Driving Park Urban Renewal District
	URA-9	Designating 373 Driving Park LLC as qualified and eligible to purchase and develop 373-375 Driving Park Avenue in the Driving Park Urban Renewal Project
Proceedings in 2008		
2/08	URA-1	Designating Tower Rochester LLC as qualified and eligible to obtain an option to purchase and develop 58-72 North Clinton Avenue in the St. Joseph's Area Urban Renewal Project
	URA-2	Approving an option to Tower Rochester LLC for the sale of 58-72 North Clinton Avenue in the St. Joseph's Area Urban Renewal Project, cancellation of a ground lease and appropriating sale proceeds
4/08	URA-3	Designating the Adirondack Sports Club LLC as qualified and eligible to lease and develop the soccer stadium parcels in the Erie Canal Urban Renewal Project
	URA-4	Designating ESL Federal Credit Union as qualified and eligible to purchase and develop 225 and 255 Chestnut Street in the Southeast Loop Urban Renewal Project
	URA-5	Approving the sale to ESL Federal Credit Union of 225 and 255 Chestnut Street in the Southeast Loop Urban Renewal Project

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RURA  
Summary Financial Information  
7/1/07-6/30/08

Summary Statement of Net Assets

Assets

**Current Assets**

Cash and cash equivalents	\$1,404,629
Investments	\$750,000
Receivables, net	
Other assets	
<b>Total Current Assets</b>	<b>\$2,154,629</b>

**Noncurrent Assets**

Restricted cash and investments	
Long-term receivables, net	
Other assets	

**Capital Assets**

Land and other nondepreciable property	\$570,000
Buildings and equipment	
Infrastructure	
Accumulated depreciation	
Net capital assets	

<b>Total Noncurrent Assets</b>	<b>\$570,000</b>
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<b>Total Assets</b>	<b>\$2,724,629</b>
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Liabilities

**Current Liabilities**

Accounts payable	
Pension contribution payable	
Other post-employment benefits	
Accrued liabilities	
Deferred revenues	\$570,000
Bonds and notes payable	
Other long-term obligations due within one year	
<b>Total Current Liabilities</b>	<b>\$570,000</b>

**Noncurrent Liabilities**

Pension contribution payable	
Other post-employment benefits	
Bonds and notes payable	
Other long-term obligations	
<b>Total Noncurrent Liabilities</b>	<b>\$0</b>

<b>Total Liabilities</b>	<b>\$570,000</b>
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Net Asset (Deficit)

**Net Assets**

Invested in capital assets, net of related debt	
Restricted	\$2,154,629
Unrestricted	

**Total Net Assets** \$2,724,629

**Summary Statement of Revenues, Expenses and Change in Net Assets****Operating Revenues**

Charges for services	
Rental & financing income	
Other operating revenues	\$2,394,343

**Total Operating Revenue** \$2,394,343

**Operating Expenses**

Salaries and wages	
Other employee benefits	
Professional services contracts	
Supplies and materials	
Depreciation & amortization	
Other operating expenses	\$250,621

**Total Operating Expenses** \$250,621

**Operating Income (Loss)** \$2,143,722

**Nonoperating Revenues**

Investment earnings	\$10,908
State subsidies/grants	
Federal subsidies/grants	
Municipal subsidies/grants	
Public authority subsidies	
Other nonoperating revenues	

**Total Nonoperating Revenue** \$10,908

**Nonoperating Expenses**

Interest and other financing charges	
Subsidies to other public authorities	
Grants and donations	
Other nonoperating expenses	

**Total Nonoperating Expenses** \$0

<b>Income (Loss) Before Contributions</b>	<b>\$2,154,630</b>
<b>Capital Contributions</b>	<b>\$0</b>
<b>Change in net assets</b>	<b>\$0</b>
<b>Net assets (deficit) beginning of year</b>	<b>\$0</b>
<b>Other net assets changes</b>	<b>\$0</b>
<b>Net assets (deficit) at end of year</b>	<b>\$0</b>

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RURA  
Debt Report  
7/01/07-6/30/08

1. The authority did not have any outstanding debt, including conduit debt, at any point during the reporting period.
2. There was no new debt issuance during the reporting period.

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RURA  
Annual Investment Report  
7/1/07-6/30/08

CHASE INSIGHT  
INVESTMENT & DEBT  
Investment Interest Payment History  
7/1/2007 - 6/30/2008

Payment Date	ID Number	Description	Rate	Maturity Date	Issuer	Bank	Par	Interest
<b>Portfolio Group: 336 Driving Pk Urban Renewal</b>								
Portfolio: 336 Driving Pk Urban Renewal								
11/13/2007		Certificate of Deposit	4.750000	11/13/2007		HSBC NYC	425,000.00	1,906.60
12/3/2007		Certificate of Deposit	4.300000	12/3/2007		HSBC NYC	425,000.00	1,015.28
1/10/2008		Certificate of Deposit	4.730000	1/10/2008		CHASE NYC	425,000.00	2,121.93
2/14/2008		Certificate of Deposit	4.000000	2/14/2008		CHASE NYC	425,000.00	1,652.78
3/18/2008		Certificate of Deposit	2.550000	3/18/2008		CHASE NYC	425,000.00	993.44 *
4/22/2008		Certificate of Deposit	2.040000	4/22/2008		CHASE NYC	440,000.00	872.67
5/22/2008		Certificate of Deposit	2.580000	5/22/2008		HSBC NYC	440,000.00	946.00
6/24/2008		Certificate of Deposit	2.180000	6/24/2008		CITIZENS ALB	700,000.00	1,398.83
Total Portfolio: 336 Driving Pk Urban Renewal								10,907.53 ✓
Total Portfolio Group: 336 Driving Pk Urban Renewal								10,907.53

\* Actual Interest 3/18 Maturity \$ 993.43  
(rounding)

✓ Actual Interest 6/30-08 \$ 10,907.52

RURA  
Procurement Contracts Report  
7/1/07-6/30/08

(Procurement contracts open during the reporting period with an actual or estimated value of \$5,000 or more.)

The authority has no open procurement contracts for the above time period.

RURA

7/1/07-6/30/08

Compensation Schedule

Position	Title & Name of Person holding Position	Salary, Compensation, Allowance and/or benefits provided to any officer, director or employee in a decision making or managerial position whose salary is in excess of \$100,000

There are no paid officers, directors or employees of the Rochester Urban Renewal Agency.

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Projects undertaken by RURA  
7/1/07-6/30/08

1. Inventory of land and sold or deeded to the City--City Council approved transfer of 27 RURA owned properties to the City in July 2007. These properties were deeded to the city on February 11, 2008. They are being used as parks, street rights-of-way and in a few instances being conveyed to adjoining property owners as non-buildable properties.
2. Midtown Plaza- The Midtown Urban Renewal District was established by the Rochester City Council in March 2007. The purpose of the District was to facilitate the redevelopment and revitalization of an approximately 11 acre area in the center of the downtown district. The area was characterized by significantly vacant and underutilized buildings. The Midtown Urban Renewal Plan included the acquisition of the Midtown Plaza Mall by the City of Rochester. The 1.4 million square foot Midtown Plaza Mall was constructed in 1962 and included office, retail and restaurant uses. When the Urban Renewal District was established, the property was approximately 80% vacant and having adverse economic impacts on the adjacent properties and the ability of the City to revitalize the Region's Center City.

The City acquired Midtown Plaza in May 2008 for \$5.9 million and has since relocated a majority of the remaining building tenants. It is the intent of the City to demolish Midtown Plaza and sell a portion of the property to PAETEC Holdings Corp. for construction of their new world headquarters Building. PAETEC will bring approximately 1,200 jobs to property. The remaining property will be sold for private development for retail, commercial and residential uses. The State of New York has approved \$55 million for the Midtown Plaza asbestos removal and demolition.

Currently, the City is in the process of preparing a redevelopment plan and environmental impact statement for the project. Demolition is scheduled to commence in mid 2009 with construction of the new PAETEC Headquarters to begin in 2010.

3. Price Rite, 373 Driving Park

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As part of this land use agreement, the City's Economic Development Department will offer grants of up to \$30,000 for targeted exterior improvements to businesses along Dewey Avenue from Lexington Avenue to West Ridge Road. Building owners and commercial tenants can apply for assistance provided they submit an architect's plans.

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RURA Properties with estimated fair market value in excess of \$15,000 that RURA intends to dispose of.

The attached list indicates properties held by RURA. We do not have appraisals for most of the properties listed.

338 Ford Street is the parcel resulting from a resubdivision of 376, 334, 338 and 344 Ford Street and 567 and 579 Clarissa Street. The appraisal for the combined parcels with the easement restrictions was \$5,000.

Appraisals were completed in October 2006 for both 47 Savannah Street and 15 Manhattan Square Drive. The estimated market value of the Fee Simple Estate is \$720,000 for 47 Savannah Street and \$321,500 for 15 Manhattan Square Drive.

The South Avenue Garage at 36 South Avenue was appraised at \$5,620,000 in 2008.

Most of the other parcels listed are "non-buildable" and therefore would likely be conveyed for \$1.00.

The intent to dispose of these properties is dependent upon development opportunities. As appropriate opportunities arise, properties may be disposed of. These actions would be subject to RURA approval.

RURA properties not on the list include:

1. 485 N. Clinton Avenue-This is a school and may be considered for potential conveyance to the Rochester City School District.
2. 125-141 S. Clinton-No plan to dispose of this property at this time.
3. 165 Court Street-No plan to dispose of this property at this time.
4. 58-72 N. Clinton-Approved option to sell this property for \$570,000.

Other than the projects for which there is a current appraisal, RURA does not have an estimate of fair market value for all such property held at the end of the reporting period.

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Rochester Urban Renewal Agency  
 Real Property Report  
 7/1/07-6/30/08

OWNER NAME	PROPERTY ADDRESS
RURA (School #9)	485 N. Clinton Avenue
RURA-COMIDA-Bausch & Lomb	125-141 S. Clinton Avenue
RURA-COMIDA-Community	58-72 N. Clinton Avenue
RURA-Excellus Health Plan	165 Court Street
Rochester Urban Renewal Agency	2 Reynolds Street
Rochester Urban Renewal Agency	36 South Avenue
Rochester Urban Renewal Agency	40 Broadway
Rochester Urban Renewal Agency	46-48 Broadway
Rochester Urban Renewal Agency	52 Broadway
Rochester Urban Renewal Agency	54-60 Broadway
Rochester Urban Renewal Agency	66 Broadway
Rochester Urban Renewal Agency	414 E. Broad Street
Rochester Urban Renewal Agency	50 Broadway
Rochester Urban Renewal Agency	11 Favor Street
Rochester Urban Renewal Agency	15 Manhattan Square Drive
Rochester Urban Renewal Agency	47 Savannah Street
Rochester Urban Renewal Agency	31 Favor Street
Rochester Urban Renewal Agency	25 Favor Street
Rochester Urban Renewal Agency	146-148 Troup Street
Rochester Urban Renewal Agency	152 Troup Street
Rochester Urban Renewal Agency	200 Exchange Blvd.
Rochester Urban Renewal Agency	151 Mt. Hope Avenue
Rochester Urban Renewal Agency	51 Dr. Samuel McCree Way
Rochester Urban Renewal Agency	49-49.5 Dr. Samuel McCree Way
Rochester Urban Renewal Agency	12-12.5 Cady Street
Rochester Urban Renewal Agency	338 Ford Street
Rochester Urban Renewal Agency	780 Exchange Street

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RURA  
 Real Property Transactions  
 7/1/07-6/30/08

Property Sold	Sold To	Price	Date of Transaction
225 & 255 Chestnut Street	ESL Federal Credit Union	\$13,990 + \$1,385,353.21	6/30/08
373 Driving Park	373 Driving Park Ave LLC	\$425,000	9/27/07

Note that on 5/6/08, Tower Rochester LLC paid the Rochester Urban Renewal Agency \$570,000 for the option to buy 58-72 N. Clinton Avenue. The option to buy was not exercised, but RURA received funds. These funds are shown as deferred revenue.

Properties deeded to the City of Rochester by RURA  
 7/1/07-6/30/08

600 St. Paul Street  
 371-383 St. Paul Street  
 407 E. Broad Street  
 91 Van Auker Street  
 47 Waverly Place  
 290 S. Plymouth Avenue  
 195 Tremont Street  
 141 Atkinson Street  
 455 N. Clinton Avenue  
 401-403 Scio Street  
 210-266 Troup Street  
 11 Ford Street  
 392 Exchange Blvd.  
 446 Exchange Blvd.  
 452 Exchange Blvd.  
 420 Exchange Blvd.  
 424 Exchange Blvd.  
 430 Exchange Blvd.  
 436 Exchange Blvd.  
 466 Exchange Blvd.  
 476 Exchange Blvd.  
 492 Exchange Blvd.  
 494 Exchange Blvd.  
 496 Exchange Blvd.  
 500-504 Exchange Blvd.  
 508 Exchange Blvd.  
 102 Violetta Street

These properties were deeded to the City of Rochester for a total of \$1.00 in February, 2008.

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## Code of Ethics

All persons acting on behalf of the Rochester Urban Renewal Agency in RURA matters are covered by the City of Rochester's Code of Ethics.

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Rochester Urban Renewal Report  
7/1/07-6/30/08

Assessment of the effectiveness of the Authority's internal control structure and procedures.

Audit Report

The Rochester Urban Renewal Agency financial information is included in the City of Rochester's audited financial statements. An independent audit for RURA was not done.

A copy of the City of Rochester's most recent (fiscal year ended 6/30/07) Comprehensive Annual Financial Report is on file in the office of the Rochester Urban Renewal Agency. As soon as the report for fiscal year ended 6/30/08 is available, it will be put on file in the RURA office as well.

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