

APPLICATION SUMMARY

DATE: March 15, 2016

APPLICANT:

Morgan U-Ave LLC
1080 Pittsford-Victor Road
Pittsford, New York 14534

PROJECT ADDRESS:

933 University Avenue
Rochester, New York 14607

PROJECT SUMMARY:



Morgan U-Ave LLC (MUA), a local real estate development company, is proposing a \$22.6 Million redevelopment of a 2.51 acre site on University Avenue in the City of Rochester. The property includes an existing residential structure, originally built in the 1920's that is currently owned and occupied by a not-for-profit veteran's organization, Monroe Voiture. The property is in poor condition. The building will be acquired by MUA, renovated and leased to the Monroe Voiture, which will ensure the long-term health of the Monroe Voiture and the many veterans programs that are operated from this facility. Additionally, MUA will be constructing a four story, 115,200 square foot, 99-unit apartment building with interior parking spaces and a surface lot. The project is projected to create 3 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 2.5:1.

PROJECT AMOUNT:

\$22,587,617 – Lease/Leaseback with JobsPlus

JOBS: EXISTING:

0 FTEs

NEW:

3 FTEs

REQUIREMENT:

1 FTEs

REAL PROPERTY TAXES:

EXISTING:

\$0

WITH IMPROVEMENTS:

\$5,753,101

PUBLIC HEARING DATE:

March 15, 2016

BENEFIT TO INCENTIVE RATIO:

2.5: 1

SEQR:

REVIEWED AND PROCESS IS COMPLETE.

ELIGIBILITY:

NEW COMMERCIAL CONSTRUCTION WITH INCREASE TO THE TAX BASE

APPROVED PURPOSE:

JOB CREATION

RECOMMEND APPROVAL:

Acting Executive Director



Board Report

Table 1: Basic Information

Project Applicant	Morgan U-Ave LLC
Project Name	New Housing
Project Industry	Real Estate
Municipality	Rochester City
School District	Rochester
Type of Transaction	Lease
Project Cost	\$22,587,617
Mortgage Amount	\$19,070,094
Employment at Application (Annual FTEs)	0
Direct Employment Expected to Result from Project (Annual FTEs)	3
Direct Employment Required for PILOT (Annual FTEs)	1

Table 2: Estimated State & Regional Benefits / Estimated Project Incentives Analysis (Discounted Present Value^{*})

Total State and Regional Benefits	\$6,974,760	
Total Project Incentives	\$2,841,655	
State and Regional Benefits to Incentives Ratio	2.5:1	
Projected Employment	State	Region
Total Employment	348	348
Direct**	3	3
Indirect***	2	2
Induced****	1	1
Temporary Construction (Direct and Indirect)	341	341

Table 3: Estimated State & Regional Benefits (Discounted Present Value^{*})

Total State and Regional Benefits	\$6,974,760
Income Tax Revenue	\$623,676
Property Tax/PILOT Revenue	\$5,753,101
Sales Tax Revenue	\$428,226
IDA Fee	\$169,757

Table 4: Estimated Project Incentives (Discounted Present Value^{*})

Total Project Incentives	\$2,841,655
Mortgage Tax	\$190,701
Property Tax Above 485-b	\$1,974,533
Sales Tax	\$676,421

* Figures over 10 years and discounted by 2%

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

*** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

**** Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.