



Rochester Urban Renewal Agency

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

R. Carlos Carballada
Secretary

Rochester Urban Renewal Agency

Annual Report

7/01/08-6/30/09

Revised 12/7/09

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EEO/ADA Employer



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". The signature is fluid and cursive, with a prominent initial "R" and a long, sweeping tail.

R. Carlos Carballada, Secretary

A handwritten signature in black ink, appearing to read "Brian Roulin". The signature is cursive and somewhat stylized, with a large "B" and "R".

Brian Roulin, Chief Financial Officer

RURA

7/01/08-6/30/09

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 and Rochester Urban Renewal Agency 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.

Construction of the garage and headquarters are on schedule. The City continues to work with ESL, assisting with construction, permits, zoning and other issues they may face. Employees are projected to move in to the facility February-March 2010.

2. Funds received from the sale of the Wegmans Driving Park store that was donated to the City in the amount of \$425,000 is to be used to fund the Targeted Commercial Exterior Improvement Grant in the Dewey-Driving Park Urban Renewal District. Prior to the funds becoming available, the City hired a consultant to complete a Conditions Analysis and Comprehensive Plan. In December 2008, City Council approved the Conditions Analysis for the Expansion of the Driving Park Urban Renewal District. In June 2009, City Planning Commission approved the Comprehensive Plan and the expansion and renaming of Driving Park Urban Renewal District to Dewey-Driving Park Urban Renewal District. As part of this land use agreement, the City 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 paid all outstanding obligations to the City and County. Tower subsequently sold the garage to a local developer and RURA

Rochester Urban Renewal Proceedings for 7/1/08-6/30/09

Date	Resolution No.	Action
Proceedings in 2008		
8/08	URA-6	Designating Benderson Development Company, Inc. as qualified and eligible to lease and redevelop 52 Broadway in the Southeast Loop Urban Renewal Project, NYR-175
	URA-7	Approving the lease by the Rochester Urban Renewal Agency to Benderson Development Company, Inc. of 52 Broadway in the Southeast Loop Urban Renewal Project, NYR-175
10/08	URA-8	Approving assignment of the option for the sale of 58-72 North Clinton Avenue in the St. Joseph's Area Urban Renewal Project and cancellation of a ground lease
	URA-9	Designating LCG Acquisitions LLC as qualified and eligible for assignment of the option to purchase and develop 58-72 North Clinton Avenue in the St. Joseph's Area Urban Renewal Project
11/08	URA-10	Approving the 2007-08 annual report
Proceedings in 2009		
4/09	URA-1	Approving the 2007-08 audit
	URA-2	Approving policies and procedures
5/09	URA-3	Approving the 2009-10 budget
	URA-4	Designating Montgomery Neighborhood Center, Inc. as qualified and eligible to purchase and redevelop 12-12.5 Cady Street and 49-49.5 and 51 Dr. Samuel McCree Way in the Third Ward Urban Renewal Project
	URA-5	Approving the sale of 12-12.5 Cady Street and 49-49.5 and 51 Dr. Samuel McCree Way in the Third Ward Urban Renewal Project
6/09	URA-6	Designating the Secretary of the Rochester Urban Renewal Agency

RURA**Summary Financial Information****Summary Statement of Net Assets**

<u>Assets</u>	6/30/2008	6/30/2009
Current Assets		
Cash and cash equivalents	\$1,404,629	97,836
Investments	\$750,000	2,000,000
Receivables, net		
Other assets		
Total Current Assets	\$2,154,629	2,097,836
Noncurrent Assets		
Restricted cash and investments		
Long-term receivables, net		
Other assets		
Capital Assets		
Land and other nondepreciable property	\$570,000	0
Buildings and equipment		
Infrastructure		
Accumulated depreciation		
Net capital assets		
Total Noncurrent Assets	\$570,000	0
Total Assets	\$2,724,629	2,097,836
<u>Liabilities</u>		
Current Liabilities		
Accounts payable		
Pension contribution payable		
Other post-employment benefits		
Accrued liabilities		
Deferred revenues	\$570,000	0
Bonds and notes payable		
Other long-term obligations due within one year		
Total Current Liabilities	\$570,000	0
Noncurrent Liabilities		
Pension contribution payable		
Other post-employment benefits		
Bonds and notes payable		
Other long-term obligations		
Total Noncurrent Liabilities	\$0	0
Total Liabilities	\$570,000	0

Net Asset (Deficit)**Net Assets**

Invested in capital assets, net of related debt		
Restricted	\$2,154,629	2,097,836
Unrestricted		
Total Liabilities and Net Assets	\$2,724,629	2,097,836

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	0

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	0
Operating Income (Loss)	\$2,143,722	0

Nonoperating Revenues

Investment earnings	\$10,908	23,507
State subsidies/grants		
Federal subsidies/grants		
Municipal subsidies/grants		
Public authority subsidies		
Other nonoperating revenues		
Total Nonoperating Revenue	\$10,908	23,507

Nonoperating Expenses

Interest and other financing charges		
Subsidies to other public authorities		
Grants and donations		65,000
Other nonoperating expenses		15,300
Total Nonoperating Expenses	\$0	80,300

Income (Loss) Before Contributions	\$2,154,630	-56,793
Capital Contributions	\$0	
Change in net assets	\$0	-56,793
Net assets (deficit) beginning of year	\$0	\$2,154,629
Other net assets changes	\$0	
Net assets (deficit) at end of year	\$0	2,097,836

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RURA
Debt Report
7/01/08-6/30/09

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

7/1/08-6/30/09

CHASE INSIGHT
INVESTMENT & DEBT
 Investment Interest Payment History
 7/1/2008 - 6/30/2009

Payment Date	ID Number	Description	Rate	Maturity Date	Issuer	Bank	Par	Interest
Portfolio Group: 336 Driving Pk Urban Renewal								
Portfolio: 336 Driving Pk Urban Renewal								
7/29/2008		Certificate of Deposit	2.240000	7/29/2008		CITIZENS ALB	750,000.00	1,633.33
8/26/2008		Certificate of Deposit	2.290000	8/26/2008		CHASE NYC	1,200,000.00	2,519.00
8/26/2008		Certificate of Deposit	2.300000	8/26/2008		CHASE NYC	750,000.00	1,341.67
9/26/2008		Certificate of Deposit	2.330000	9/26/2008		CHASE NYC	1,950,000.00	3,912.46
10/28/2008		Certificate of Deposit	2.550000	10/28/2008		CITIZENS ALB	1,950,000.00	4,420.00
12/2/2008		Certificate of Deposit	2.470000	12/2/2008		CITIZENS ALB	2,000,000.00	4,802.78
1/8/2009		Certificate of Deposit	1.550000	1/8/2009		CITIZENS ALB	2,000,000.00	3,186.11
2/10/2009		Certificate of Deposit	0.150000	2/10/2009		CITIZENS ALB	2,000,000.00	275.00
3/17/2009		Certificate of Deposit	0.200000	3/17/2009		CITIZENS ALB	2,000,000.00	388.89
4/23/2009		Certificate of Deposit	0.300000	4/23/2009		HSBC NYC	2,000,000.00	616.67
5/19/2009		Certificate of Deposit	0.150000	5/19/2009		HSBC NYC	2,000,000.00	216.67
6/23/2009		Certificate of Deposit	0.100000	6/23/2009		CITIZENS ALB	2,000,000.00	194.44

Total Portfolio: 336 Driving Pk Urban Renewal 23,507.02

Total Portfolio Group: 336 Driving Pk Urban Renewal 23,507.02

RURA
Procurement Contracts Report
7/1/08-6/30/09

(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
7/1/08-6/30/09

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
7/1/08-6/30/09

1. **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 all of the remaining building tenants. When the City acquired Midtown Plaza, 45 tenants were located at the property. Utilizing the Federal Uniform Relocation Benefit Guidelines and additional City assistance programs, the City successfully relocated 24 tenants to locations within the city of Rochester and 3 tenants to areas outside the city. 18 businesses closed. 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.

The City has completed all environmental review requirements under SEQRA for the project. Demolition is scheduled to commence in mid 2010 with construction of the new PAETEC Headquarters to begin in 2012.

2. Funds received from the sale of the Wegmans Driving Park store that was donated to the City in the amount of \$425,000 is to be used to fund the Targeted Commercial Exterior Improvement Grant in the Dewey-Driving Park Urban Renewal District. Prior to the funds becoming available, the City hired a consultant to complete a Conditions Analysis and Comprehensive Plan. In December 2008, City Council approved the Conditions Analysis for the Expansion of the Driving Park Urban Renewal District. In June 2009, City Planning Commission approved the Comprehensive Plan and the expansion and renaming of Driving Park Urban Renewal District to Dewey-Driving Park Urban Renewal District.

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-Property was sold 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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URBAN RENEWAL PARCEL STATUS & RECOMMENDATIONS								
Id	Secno	Block	Lot	Sublot	Address	Street	Current Use	Proposed Use
42079	121.023	2	26	2	36	SOUTH AV	Parking Garage	Same, No Action
42589	121.023	2	30	0	60	BROADWAY	Leased to Benderson	Keep RURA, Future Dev Parcel
42614	121.023	2	30	0	414	E BROAD ST	Leased to Benderson	Resub in one parcel
42590	121.023	2	34	0	40	BROADWAY	Leased to Benderson	
42592	121.023	2	34	0	48	BROADWAY	Leased to Benderson	
42729	121.023	2	35	0	52	BROADWAY	Leased to Benderson	
42593	121.023	2	36	0	60	BROADWAY	Leased to Benderson	
42522	121.023	2	37	0	66	BROADWAY	Leased to Benderson	
48959	121.039	1	4	0	15	MANHATTAN SQ BR	Parking Lot Leased	Leased to Miracum, No Action
45712	121.039	1	5	0	74	SUNSHINE ST	Leased to Miracum	Leased to Miracum, No Action
44702	121.029	1	42	0	11	FAVOR ST	Various Church Leases & Easements	Transfer to City ownership and reclassification lease for churches
44848	121.037	2	7	1	31	FAVOR ST		
44841	121.037	2	8	1	25	FAVOR ST		
45001	120.044	2	1	32	2	REYNOLDS ST	Contamination	Check Joe B re status
45298	121.039	1	5	1	200	EXCHANGE BLVD	Surface Parking	Keep RURA for Redev
45068	121.037	2	6	0	148	THOMP ST	Vacant & Easements	Trans to City Consider for Redev
45370	121.037	2	7	1	152	THOMP ST	Easements	Trans to City Consider for Redev
48976	121.047	1	44	0	151	MT HOPE AV	Reserved for Project	River Commons
49072	121.053	1	10	0	63	DR SAMUEL MCGEE WAY	Adjacent to Montgomery Cent	Being Conveyed to Montgomery
49074	121.053	1	15	0	61	DR SAMUEL MCGEE WAY	Adjacent to Montgomery Cent	Being Conveyed to Montgomery
49064	121.053	1	21	0	12	BOABY ST	Adjacent to Montgomery Cent	Being Conveyed to Montgomery
51075	121.053	2	18	2	338	FORD ST	Lease to AME & Easements	Transfer to City and Assign Agreement
55591	121.069	3	75	0	780	EXCHANGE ST	Easement Restrictions	Offer portion to adjacent owner, subdivide and sell balance to Church of Love

23 parcels remaining

11/12/2009

Parcel Status and Recommendations

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Rochester Urban Renewal Agency
 Real Property Report
 7/1/08-6/30/09

OWNER NAME	PROPERTY ADDRESS
RURA (School #9)	485 N. Clinton Avenue
RURA-COMIDA-Bausch & Lomb	125-141 S. 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

The following property was disposed of during the annual reporting period, on 11/6/08.

RURA-COMIDA-Community	58-72 N. Clinton Avenue
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RURA
Real Property Transactions
7/1/08-6/30/09

Property Sold	Sold To	Price	Date of Transaction
58-72 N. Clinton Avenue	LCG Acquisitions, LLC	\$570,000	11/6/08

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. They sold the option to LCG Acquisitions LLC. LCG bought the garage and exercised the option and took title to the land.

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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 Code of Ethics adopted by the RURA. (The City of Rochester's Code of Ethics was adopted by the RURA.)

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Rochester Urban Renewal Report
7/1/08-6/30/09

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.

A copy of the City of Rochester's fiscal year ended 6/30/09 Comprehensive Annual Financial Report is on file in the office of the Rochester Urban Renewal Agency.

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