

REAL ESTATE NEWS SUMMARY

Rochester, NY 4th Quarter 2008 Vol. 16 Issue 4

Economic & Business

Area Employment - Rochester area jobs were at the lowest level in 12 years this September, marking the fifth consecutive month that the region lost jobs. The five-county area had 5,300 fewer jobs last month than September 2007 and 25,000 fewer than the same month in 2000. Manufacturing has fallen the most, followed by retailing and wholesaling. (10/17) Rochester-area unemployment went down from 5.9 percent in September to 5.5 percent in October. The improvement is contributed largely to normal seasonal changes in hiring, not an improvement in the economy. A second survey actually showed a decrease of 3,400 jobs in October 2008 compared with the same month 2007. (11/18) Rochester area is seeing results of the recession fallout as unemployment continues to rise. The five-county unemployment rate rose to 5.9 percent, up from 5.5 percent in October and 4.3 percent in November 2007. Rochester is still doing better than the nation, as the U.S. unemployment rate was at 6.7 percent for the month. (12/19)

Harris Interactive Inc. - Due to a steep decline in the pharmaceutical industry, Harris Interactive in Brighton will eliminate 17 workers by the end of the month. (10/22)

COMIDA - The following projects have been approved for incentives from the County of Monroe Industrial Development Association: Columbia Analytical Services Inc. is receiving \$706,000 in incentives toward a \$2.75 million 20,400 sq.ft. facility at Rochester Science Park, adding 17 full-time jobs; Brinkman Precision Inc. is receiving \$485,000 toward a \$4.35 million 42,500 sq.ft. facility in the University Park development, which will preserve 99 jobs and create 55 more within 3 years; Pittsford Farms Dairy Inc is receiving \$104,000 for a \$1.15 million plant at 44 N. Main St in Pittsford, adding 7 jobs over 3 years; B&L Wholesale Supply Inc. is receiving \$38,000 to buy new equipment and trucks, creating 4 positions in 3 years; Callfinity Inc. of Pittsford is receiving \$2,800 toward its \$100,000 improvement plan, and adding 2 jobs. (10/22)

Xerox - Xerox Corp., Rochester's fourth-largest employer plans to eliminate 3,000 jobs throughout their global operations over the next 6 months. The impact on Rochester is yet unknown, because the company will first be looking for voluntary separations, which will cost about \$400 million in severance packages. In the past year, the local work force had already been cut back by about 2 percent, leaving 7,430 Rochester employees, which is Xerox' single largest concentration of workers. The company's third-quarter financial results show a 2 percent increase in both revenues and profit; however they are bracing for a tough 2009 economy and the restructuring is expected to save \$200 million in one year alone. (10/24)

Nothnagle - The region's largest realty firm, Nothnagle Realtors, is planning to offer franchise opportunities to agencies across the country, an expansion that will be a step toward going national. The expansion, which could mean new jobs in the Rochester area for the company's headquarters, will begin with cities such as Buffalo, Syracuse and Albany. For the past couple of years, Nothnagle executives have been working on the franchising plan, and the state Attorney General's office has given approval. The Rochester area currently has 23 offices housing 644 Nothnagle agents across 7 counties, and no franchises will be offered in this area to avoid competition. The company is also looking for a new site to create combined headquarters from four buildings on Monroe Ave in Brighton and a University Ave call center. Nothnagle, already ranking 36th in the country with over \$1.2 billion in annual transactions, hopes to have a half dozen to a dozen franchisees on board by the end of 2009. (10/28)

Drugstore Boom - Several reasons are cited for the boom in drugstore construction such as industry mergers, changes in business strategy, and an explosion in the number of prescriptions being filled throughout the country. More than 3.5 billion prescriptions were filled in 2007, which is a 52 percent increase from ten years earlier. This increase is due to an aging population, more ailments being treated by medication, better prescription insurance coverage, and greater awareness of available medication due to advertising. Currently there are 35 Rite Aid stores in the greater Rochester

area, 7 Walgreens, and 14 CVS. Several new stores are in the works and expected to be added in the near future. (10/28)

Area Housing - Builders in the Rochester area are not overly concerned with the 10 percent drop in new-home construction during the first 3 quarters of 2008, because the nation as whole is down 41 percent compared with the first 9 months of 2007. In Rochester, builders have been a lot more conservative, staying away from speculative building and not creating a large oversupply. Confidence of buyers and sellers affects real estate markets everywhere, and Rochester isn't scoring any better in that department. (10/29)

RenSquare - Funding for the \$230 million Renaissance Square project slated for East Main St and North Clinton Ave, is still falling \$55 million short toward the performing arts center portion. The Main and Clinton board of directors is looking to Albany for \$30 million, but is running into resistance, especially due to the state's \$47 billion budget gap over the next four years. An annual economic impact analysis of the project has increased to \$15 million from its original projection of \$11 million, and the consultants also estimate that \$22 million in tax revenue will be generated by construction, as well as over 1,300 jobs. Fundraising for the project is expected to continue into 2009, with no official deadline; however, Sen. Charles Schumer had issued a requirement in April for a funding plan to be in place by Jan. 31 2009, or risk losing federal funding that had already been secured. (11/4)

Kodak - Kodak has undergone a name change. Kodak will now be referred to as, Eastman Business Park. The strategy behind the name change is to market the site as a potential development site for new or expanding businesses. (11/12)

Area Foreclosures - Foreclosures in the nation grew by 25 percent in October 2008 over October 2007; however in Monroe County there was a 15 percent year-over-year decrease. In the Rochester area and across New York State there were less foreclosure auctions in October than a year earlier. (11/14)

PAETEC - The telecommunications company posted a loss of \$355.8 million for the third quarter, but PAETEC shares jumped by nearly 33 percent, closing above \$1 for the first time since October 27. For the same quarter 2007, they had posted a loss of \$5.1 million. Ending September 30, revenue over the last three months totaled \$406 million, up from \$284 the previous year. PAETEC plans to spend \$30 million in 2009 to cut costs and shed jobs. They are expecting a turnaround in the economy by the second half of 2010. (11/14) The CEO of PAETEC reaffirms that his company is definitely building its headquarters at the Midtown Plaza site, despite the 222 nationwide layoffs that were made this month. Forty of those full-time positions were from Monroe County. (12/10)

LogicalSolutions - Formerly located in Henrietta's Winton Place, LogicalSolutions.net is in the processing of moving into its new headquarters off Pittsford-Victor Road in Perinton with batches of 5 to 10 servers at a time. The new headquarters cost more than \$3 million overall, including data center upgrades, and LogicalSolutions is taking up about 21,000 sq.ft., with 15,000 sq.ft. as a sublet to the building's previous owner, Synergy. LogicalSolutions currently has 48 employees, and revenues year to date are up 30 percent. They have a five-year goal to add a second data center. (12/2)

Constellation Energy Group Inc. - The owner of Ginna nuclear power plant in Wayne County is being sought by two potential purchasers. An agreement was already in place with Warren Buffet's company, MidAmerican Energy Holdings, to purchase Constellation for \$4.7 billion, but Constellation shareholders have filed several lawsuits stating that the bid is too low. A new bid has been made by France's state-controlled Electricite de France SA offering \$4.5 billion for just half of Constellation's business, including Ginna. The price represents a 96 percent premium to the rival offer; however, the deal would require approval from the U.S. Nuclear Regulatory Commission, which enforces a ban on foreign companies from taking full ownership of a nuclear plant. Termination of the MidAmerican offer would incur a \$175 million fee plus interest. (12/4)

Mortgages - Rochester-area real estate agents and mortgage brokers are seeing a rush to either refinance or take on a new mortgage this week, as 30-year mortgage rates fell to their lowest point in the 37 years that mortgage company Freddie Mac has been keeping track. The new average, 5.19 percent, was down from 5.47 the previous week, which had been the low for the year. (12/19)

Office

University of Rochester - The University of Rochester Medical Center is receiving a \$50 million grant from the National Institute of Health, toward the \$76.4 million Clinical and Translational Science Building project. The four-story center on Crittenden Blvd. will house more than 600 scientists, physicians, nurses, statisticians, research administrators and support staff for research to turn scientific discoveries into drugs, medical devices and other treatments for patient health. It will be the first of its kind in the nation. (10/28)

Geneseo - Coast Professional Inc, a student loan collection company with operations in California and Louisiana, is opening a third location in Geneseo early next year. Construction has begun on their \$1.8 million 4,100 sq.ft. call center on Volunteer Rd, with plenty of room to expand over 4 acres. Coast Professional plans to employ 30 by spring 2009, and 100 within 3 years. They are receiving \$200,000 from Empire State Development Corp. to offset costs, and \$540,000 in grants from the state Department of Housing and Community Renewal. (10/29)

Midtown - The 1.5 million sq.ft. Midtown complex on 8.5 acres in the center of downtown Rochester is slated to become 7 distinct city blocks, one of them home to PAETEC Holding Corp.'s new world headquarters. Plans for the other blocks include a 100-room hotel and mixed-use buildings with offices, residential units and retail space, surrounding an open town square. Changes to the original plan include retaining the Midtown office tower, instead of demolishing it, and PAETEC's scaling back to 350,000 sq.ft. due to the nation's economic turmoil. The city, state, and PAETEC will likely be signing a final development agreement by early 2009. Currently the state has \$55 million allocated for the razing of the Midtown complex to begin in 2009. (11/11)

Retail

PriceRite - Located at the northeast corner of Culver Road and University Ave., PriceRite has opened their second store in the Rochester area, fourth in New York State. The 35,000 sq.ft. grocery store specializes in keeping prices down, and will employ about 100 full and part-time workers. (10/8) It took 16 weeks to build the new PriceRite store on the site of the former Vertis Media and Marketing warehouse that was partially demolished to make way for the \$6 million store. Due to a demographic study of the area, the new store will feature a large Italian section, as well as the only Polish and Russian food sections in Rochester. (10/17)

Bull's Head Neighborhood - City officials are beginning a multi-phase planning effort to create a neighborhood center, anchored by a police station on 14 acres in the historic Bull's Head neighborhood along West Main St. and West Ave. A tavern that operated near Genesee and West Main in the 1800's gave the area its name. The city is looking for a consultant to assist with planning of the project, which is not expected to be complete until 2010. (10/13)

East Avenue - The 31 yr old McDonald's at 1701 East Ave, owned by NexGen Ventures has been torn down, with intention of a rebuilt updated model on the same site. Upon reopening in November, the McDonald's restaurant will feature bar height tables, lounge chairs, flat panel televisions, a diaper changing area, and 2 drive thru lanes. The owner hopes to hire about 10 to 15 new employees at that time. (10/15)

Medley Centre - Pyramid Cos., the mall development company that purchased the 900,000 sq.ft. Medley Centre on East Ridge Road in Irondequoit 18 months ago, is preparing a \$250 million redevelopment plan. The proposal begins with clearing out all of the current tenants, except for the 2 anchors Macy's and Sears, and interior demolition. The mixed-use project would include hotels, conference center, new retail, theatres, restaurants, offices, and residences. At this time there is not a site plan or time table in place, but demolition is scheduled to begin in 60 to 90 days. The developer is making arrangements with the town for a payment in place of taxes program. (10/16) Developers presented plans for the \$250 million redevelopment of the Medley Centre mall including housing, a 35-story hotel, retail shops, and a movie theater. The project would create 1,000 plus construction jobs, and the same number of jobs when complete. A new zone, Tourism and Resort Redevelopment District, will have to be created to allow the project to be built. (12/17) COMIDA is reviewing developer Scott R. Congel's application for tax breaks totaling \$8.5 million on the \$260 million Medley Centre renovation. The redevelopment of Medley Centre could bring \$82 million in sales tax and income revenue to the region over 10 years, as well as 600 jobs within the first 3 years after completion. COMIDA will be making a decision on the request after the town and school district have worked out agreements on a PILOT program. (12/30)

Henrietta - Benderson Development Company received town board approval to add a 60,960 sq.ft. retail building to Market Square on Jefferson Road. There are no tenants currently committed to the space. (10/16)

East Rochester - Hoselton Auto Mall will spend \$4 million on an 18,000 sq.ft. expansion of its Marsh Road facility. Expected to be complete next spring, the project could add up to 30 jobs, and will include 40 service bays, an expansion of the customer service area and vehicle display space. The COO for Hoselton cites an 11 percent increase in 2008 sales due to a demand for fuel-efficient vehicles like Toyotas and Nissans. (10/17)

Clarion Hotel - SPG Associates, owner of the Clarion Riverside Hotel at East Main and St. Paul Streets, is planning to change the hotel to the Radisson Riverside, with a \$1.9 million improvement project. The hotel project is receiving a \$62,000 sales-tax incentive from COMIDA to improve the facade and touch up the interior of the building. (10/19)

Staybridge Suites - The second new business at Brooks Landing, on the west bank of the Genesee River across from U of R, Staybridge Suites Hotel has been in planning for 25 years between city officials and area residents. Two developers had left the project due to issues with the soil and sewage easement. Now the 88 suite hotel is open for business, employing 18 people, and a centerpiece of Brooks Landing. (11/11)

Canandaigua - Pooler Enterprise received town approval to subdivide 20 acres on Routes 5 and 20 across from Wegmans into four lots to be divided between a motel, a restaurant, and retail, with one lot to remain wetlands. The developer already has a sale for the 3.5 acre hotel lot, which will be a three-story 70 to 72-room modern upper mid-scale hotel. The other lots do not have buyers or tenants at this time. The next step is permit application for the structures, and they hope to break ground next year. (11/23)

Eastview - Owner Wilmorite Management Group is planning a \$50 million makeover intended to attract new high-end retailers to Eastview mall over the next 5 to 7 years. Already considered the most upscale in the area, the 37-year-old mall currently has 5 department stores and 170 specialty stores. The renovation will not increase the 1.3 million sq.ft., but will improve the existing space. The project will be funded by Wilmorite, with about \$20 million borrowed from the Ontario Industrial Development Agency. The IDA is also considering sales tax abatements and a pay-in-lieu-of-taxes financing, or PIF, which would also require town, county, and school district approvals. (12/4)

Greece Ridge Center - The Mall at Greece Ridge is the third area shopping center with renovations coming up in the near future. Owners Wilmorite Management Group announced plans to spend \$6 million in upgrades by 2012, followed by \$23 million in a second phase. The project will not increase the size of the mall, but no specific renovations have been named at this time. Wilmorite has applied for a sales tax exemption from COMIDA, as roughly 40 percent of the project cost is expected to be building materials, and the sales tax savings would be \$192,000. (12/10) COMIDA officials are considering a request from Wilmorite Management Group for about \$192,000 in tax breaks on the \$6 million first phase of their \$29 million two-phase upgrade project on the Mall at Greece Ridge. Community members had some objections to the tax breaks considering the county budget deficit, but Wilmorite says that it won't go through with the project without the breaks. (12/16) COMIDA has approved Wilmorite's request for tax incentives on the first phase of their \$29 million upgrade to the Mall at Greece Ridge, in exchange for creating 2 new jobs. Construction is set to begin within the next year. (12/18)

M&T Bank - Five years ago, the current branch of M&T Bank on the first floor of a four-story building at 1820 East Ave, was sold to Wegmans Food Markets Inc. and M&T had been leasing the space since. Now M&T is getting ready to move into a newly constructed 4,000 sq.ft. building about a block away on the other side of University Ave. The new building will have 2 ATMs and drive-up teller windows, as well as access on both East Ave and University. M&T will have a sale-leaseback arrangement with the owner. (12/12)

Greece - Benderson Development is seeking site plan approval from the town of Greece Planning Board for a 54,000 sq.ft. plaza on 9.4 acres at the northwest corner of Long Pond and Latta Roads. The proposed development would include a Walgreens drugstore, Tim Horton's, and a bank. The Planning Board's main concern is around traffic, and developers are working on a better plan to be presented in January. (12/15)

Tops - Tops Markets is planning to spend \$150 million on adding 7 to 10 stores in upstate NY and renovating 60 of their 76 existing stores over the next five years. Plans for the new stores will be available in January. (12/16)

Wal-Mart - Plans for a Wal-Mart to go into Northgate Plaza were approved by Greece town Planning and Zoning boards in September 2007; however the project continues to be delayed by a community group called Residents Against Wal-Mart. They lost their original lawsuit, claiming that the boards overlooked the impact that the new store would have on the neighborhood, and are now awaiting for their appeal date in January. (12/18)

Industrial

Seneca Falls - ITT Goulds Pumps had been considering relocating its Seneca Falls plant before receiving a \$3 million incentive package from Empire State Development Corp and other state sources. Not only does this deal safeguard 750 existing jobs, it will help create 60 new jobs at the plant. The plant improvements are intended to streamline operations, improve capacity, and upgrade machinery, and the upgrades should take place over the next 18 months. (10/8)

Henrietta - A new automobile collision and repair shop will open on about 4 ½ acres on Thruway Park Dr in Henrietta early next year. The project received town board approval to re-zone the land from commercial to industrial and a special permit allowing an auto collision shop to operate there. Stipulation of the approval included that the parking area is fully screened from public view, and the parking area is paved by May 1, 2009. (10/9)

Henrietta - Brinkman Precision, currently located in Gates, received town planning board approval to build a 42,500 sq.ft. machine shop on 7 acres at 100 Park Centre Dr in Henrietta. The company will continue to manufacture small machined parts, and employ 155 people. (10/16)

RG&E - Rochester Gas & Electric is looking at 2 upgrade projects. They have not yet decided whether to go ahead with the installation of a second turbine and generator at the hydroelectric facility in the High Falls neighborhood, adding 6.5 megawatts to the one that currently produces 7.5 megawatts of generating capacity at a cost of \$20 million. The company has decided to move forward with the addition of 1.5 megawatts to an existing generator at their Upper Falls plant, known as Station 2. (10/27)

Acquest - Buffalo-based Acquest Development LLC purchased 2 million sq.ft. at Kodak Park South on Lexington Ave for \$11 million in March, and put it up for sale in July, but has now decided to keep it. An \$18 million bid from Montreal-based Dalfen America Corp was withdrawn based on the property not being able to produce a strong enough return. Acquest renamed the property the Lexington Commerce Center and signed Carestream Health Inc to occupy 155,000 of the 2 million sq.ft. building shortly after the purchase. Since then roughly 200,000 sq.ft. has been signed to new tenants, and between 250,000 and 700,000 sq.ft. is in lease negotiations. Acquest is optimistic about continuing to manage and lease the property and has no further plans to put it up for sale. (11/21)

Residential

Rochester - Plan Architectural Studio P.C. and 250south Development LLC are opening the Washington Square District's first residential development. The \$2 million project has redeveloped a 1905 city warehouse on South Ave into a four-story mixed-use residential and commercial building. The development firm invested \$2 million in the project, including \$88,000 in acquisition costs, but also received about \$300,000 in grant money from the Restore New York Communities Initiative grant through Empire State Development Corp. (10/10)

Victor - Morrell Builders have made a request to have the village annex 56 acres of land in the town, meaning that the development on that land would then be village property, subject to village taxes. The developer is proposing a complex of patio homes, townhouses, and apartments for seniors, young professionals, and empty nesters on the property in question, and 2 additional acres that are already in the village. If the annex by the village takes place, the property would then need to be rezoned to allow more than one house per acre. Houses in the proposed development are expected to be divided 30 percent young professionals to 70 percent seniors and empty nesters, and the cost is expected to be about \$175,000 to \$250,000, with apartments renting from \$700 to \$1,100. (10/21)

Cox Building - Developer Taib Elkettani is planning an \$8 million revamp of the historic Cox Building at St. Paul and Mortimer Streets for new loft apartments. The project is receiving sales and mortgage tax exemptions from COMIDA in the amount of \$734,000 for improvements to the seven-story building. He intends to build between 68 and 74 rental lofts in the upper floors of the building, while leaving the first-floor retail as is. In addition to the COMIDA abatements, the project has also received partial loan financing by the U.S. Department of Housing and Urban Development. The apartments will be mostly one and two-bedroom, ranging from 800 to 1,400 sq.ft, and construction could begin in December, lasting about 16 months. (10/22)

Canandaigua - The 3 year old proposal for Residences at West Lake Marine Club, a housing development on West Lake Rd, continues to draw controversy from Canandaigua Residences. The current proposal is for 69 homes on 73.6 acres, a 2,960 sq.ft. clubhouse, 1,040 sq.ft. utility building, restroom on the lakefront, and 110 boat slips. Resident concerns include the number of boat slips, the height of the new homes, changing the character of the lakefront neighborhood, and runoff into the lake. If the town Planning Board grants the requested subdivision, site plan, and special use permits, the project will move on to the Zoning Board of Appeals for variances. At this time the Planning Board is preparing its final opinion on the potential impact of the project. (10/31) The Canandaigua Town Board voted to issue a findings statement on the environmental review of the proposed Residences at West Lake Marine Club, indicating that the modified development minimizes environmental impact as much as possible, and clearing the way for developers RSM West Lake Road LLC to seek preliminary subdivision and site plan approval, as well as a special use permit. (11/13) Two lake advocacy groups, The Canandaigua Lake Watershed Alliance and Canandaigua Lake Association are taking an appeal to the state Court of Appeals in Albany in an attempt to reverse a 3-to-2 decision released by a panel of state Supreme Court Justices favoring the proposed Residences at West Lake Marine Club. (11/23) Developer RSM West Lake Road LLC received town Planning Board approval for a special-use permit for the Residences at West Lake Marine Club, provided some 45 conditions are met including no more than 110 boat docks, no moorings, no outdoor loudspeaker system, and a no-wake zone within 200 feet of the docks. The special-use permit will have to be renewed in three years. The preliminary subdivision and site plan permits will be reviewed next month. (11/26) The town Planning Board granted two

permits to the developer of the proposed subdivision and marina off West Lake Road, leaving the Zoning Board of Appeals as the last road block. The ZBA will deliberate on multiple variance requests, take public comments, and issue decisions by mid-February. (12/10)

Rochester - The Flower City Habitat for Humanity and Rochester Housing Authority are working together to rebuild the neighborhood between PAETEC Park and Interstate 490, known as JOSANA, or the Jay-Orchard Streets Area Neighborhood Association. The neighborhood that had been ravaged by poverty and foreclosure now has 20 new houses in various stages of completion. City Council hesitated to sell six more lots to the project, due to the lack of an organized plan, but approved the \$2,900 sale anyway. The city and nonprofit leaders have met to begin the plan development. It is only in the best interest of the city to support this project, as it would help boost attendance at PAETEC Park. (11/3)

Henrietta - Graywood Meadows is a proposed 60 acre 120-home subdivision just west of the intersection of East River Road and Farrell Road Extension. Developer Jaynes Riverview, LLC and the Town Planning Board have run into a disagreement regarding the need for sidewalks to be added to the project. The developer points out that no sidewalks were included in the original proposal, but the town board states that sidewalks are required in any proposed subdivision for safety reasons. A compromise will be needed before the project can move forward. (11/13)

Greece - Unity Health System is replacing its 36-year-old three-story Park Ridge Living Center with four free-standing cottages for seniors. Each cottage will have 20 private rooms and private baths, and community kitchens where residents can participate in meal preparation. Courtyards will allow residents to perform outdoor activities such as gardening. The \$23 million project received a \$1 million gift from Philip and Ann Wegman in honor of Edwin J. and Lois M. Wegman, for whom the complex will be named. The 156-acre campus will also include a 40-bed short-stay Transitional Care Center. Construction of the project will begin in late 2008 and is expected to be complete in 2010. (11/13)

Canandaigua - The City Council opened a 30-day public comment period on a draft environmental review of Conifer Realty's proposed \$140 million project on Booth and Muar Streets. The 33.5 acre development would include 334 housing units, a wellness center, and 75,700 sq.ft. of retail space. After the public input, city staff will have a month to adopt the scope, allowing the developer to begin preparing for the environmental impact statement. (11/24)

South Bristol - After a three year approval process Ketmar Development of Pittsford will be beginning construction next year on Seneca Point Landing luxury lakefront homes on Seneca Point Road. The original proposal in 2005 was for 37 homes, and was met by fierce opposition, causing the project to go into private meetings between town officials and the developer. The resulting map divided the land in a way that would avoid subdivision review by the town Planning Board, with only 20 homes. The redesign caused a bit of clamor in South Bristol, with residents concerned that the same thing could happen again, but it does not appear that any other property would qualify for the same concessions. (11/30)

Brighton - St. John's is proposing an independent living community geared toward active seniors 55-years and older. Following a "new urbanism" concept, the proposed 102-unit community would be designed to encourage people from outside of the complex to come in and share in the neighborhood center, winter garden, walking trails and retail space on the 16 acre site. The project manager is expecting final Planning Board approval in January or February, the project would take about 14 months to complete, and ground breaking is planned for April. (12/12)

South Wedge - Conifer Realty LLC is ready to move forward with plans for River Park Commons at 185-405 Mt. Hope Ave. The seven-acre parcel located in southeast Rochester and bordered by the Genesee River on the west and Interstate 490 on the east, has been home to the subsidized housing development, River Park Commons since 1975. The \$43 million plan includes replacing the failing low-rise buildings, refurbishing the existing 13-story tower, and improving access to the river. The first phase of demolition on the four low-rise buildings will begin this spring, and make way for 130 market-rate and affordable flats and townhouse, renamed Erie Harbor. The refurbished tower will be called the Hamilton, and will remain with one and two-bedroom units, with all new common spaces. Funding for the project is from various sources such as \$2 million from the City of Rochester's community development federal grant, and \$3.5 million in low-interest loans from NY State. (12/12)

Victor - Rudy Kumpf, a Victor resident made a presentation to the Victor Town Planning Board proposing a 25-home subdivision on 52 acres off Victor-Egypt Road. The proposed subdivision, called Walnut Ridge, would have 25 three-quarter-acre lots on some very hilly terrain. The sloping hills are a big concern to the board, as well as the entry point to the subdivision. Kumpf would need to provide a more elaborate plan before any decisions are made. (12/21)

Other

Geneva - Almost 5 acres of city-owned lakefront property is the center of the proposed \$268 million Lakefront/Downtown Development Plan, drafted by Bergmann Associates and a 15-member steering committee. The proposal includes a mixed-use, multi-story building, a marina, beach, as well as a hotel and townhouses in the downtown Geneva area. Funding is the main challenge for the project currently, as only \$5 million has been raised to date. The developer's plan proposes \$27.8 million from the public sector, \$31.5 million from the private sector and \$208.8 million from joint partnerships. Many more public hearings are expected before any action on the plan is taken. (10/1)

Area Hospitals - The State Hospital Review and Planning Council has approved \$536 million in the expansion and renovation of 3 area hospitals. The approval of a 10 percent increase is a little more than half of the additional beds that were originally requested, and the full additional space requested has been approved so that more beds can be quickly added later, if needed. The approval will include 83 new beds at Strong, 34 at Rochester General and 35 at Unity Health System, formerly Park Ridge. Also expected from the projects are new construction jobs, and permanent new health care jobs. The hospitals are expected to seek community donations toward the renovations over the next few years. (10/3)

Monroe Community College - MCC in Brighton opened its new \$12 million PAC Center athletic facility, named after a 1978 alumni who donated \$1.5 million toward the project. The 56,000 sq.ft. facility is the largest of any other community college across the country, offering an 136x220' indoor playing field with artificial turf, a 3-lane running track, 3,200 sq.ft. fitness center, training rooms, locker rooms, and coaches offices. There was a \$6 million state contribution toward the cost, and the rest was donations. (10/15)

Microtel Inn & Suites - Indus Companies of Pittsford withdrew their application to build a 67-room Microtel Inn & Suites at 2360 Chili Avenue. Board members and town residents cited location as a major factor in their disagreement with the original proposal. Indus is expected to present a revised version of the project at a later date. (11/12)

Victor - Finger Lakes Community College is taking up a satellite campus in Victor to serve as a science and technology hub, with 14 classrooms and labs. The two-story, almost 27,000 sq.ft. building on 6 ½ acres off Route 251 is expected to open by January 2010, and initially be used by about 150 students, potentially increasing to 400 within 3 years. The \$5 million building will be owned by DiFelice Associates, with a 20 year lease to FLCC at \$485,000 per year. FLCC's main campus is in Hopewell, with existing satellite sites in Geneva and Newark. (10/23)

Perinton - The Town of Perinton is presenting plans to the public for a pedestrian bridge linking Perinton and the village of Fairport, about 1,600 feet east of Turk Hill Road crossing over the canal and connecting the RS&E Highway/Bikeway Trail on the south side of the canal with the Erie Canal Recreation Trail on the north side. In the works since 2001, the \$1.875 million project has been granted a \$1.5 million federal grant administered by the Department of Transportation, requiring a 20 percent match by the town. Lu Engineers should begin construction in October 2009, with the bridge opening by late summer 2010. (11/12)

Rochester - Traikos Real Estate from Florida is taking on two real estate projects in the Susan B. Anthony neighborhood in Rochester. The first is the historic Academy Building on South Fitzhugh Street. The second is the former James Cunningham, Son & Co. carriage factory on Litchfield Street. The four-story 1.5 acre carriage factory property was purchased for \$75,000, its assessed value. Redevelopment of the sites is intended to link the Susan B. Anthony district with the rest of the city, and hopefully spark further development. Both projects are in the design stages, but construction will be on hold for the state of the economy to stabilize and funding to be secured. (11/14)

Manhattan Square - Part of an ongoing \$7 million makeover to downtown's Manhattan Square Park was the opening of a revamped and enlarged ice rink. The 5-acre park, which originally opened in 1975 is getting attention after the Cultural Landscape Foundation, of Washington D.C., included Manhattan Square in its 2008 "Landslide" list of significant but at-risk American landscapes. The next step in the restoration plan is to finish waterfalls on the park's western edge. (11/28)

Parma - The Greece Cobras Soccer Club is going to court to fight the Parma Zoning Board of Appeals denial to overrule a town building officials decision that their proposed 16-field soccer park doesn't comply with existing zoning regulations. The land along Route 18 is currently cornfields, zoned for residential building. What is proposed to be Comparato Park, if built, would have the largest concentration of soccer fields in the area. The 400 member soccer club has been spending \$20,000 a year to rent fields, and may file an appeal in state Supreme Court to move forward with their proposal. (12/5)

Fingerlakes - A deal was in the works for undeveloped city owned land around Hemlock and Canadice lakes to be purchased by New York State to preserve it. A problem has come up due to appraisals that were done as if it were to be used for residential development, mistakenly not taking into account the actual conservation zoning that rules out that sort of development, making the appraised values about 75 percent higher than they should have been. The state is willing to negotiate the purchase; however, they are required to pay a fair value. Town Boards are working on a solution to create a new residential development zoning classification to apply to the land, making the appraisals valid again. (12/5)

Rhinos Stadium - PAETEC Holding Corp will not be renewing the contract to have its name on the 12,500 seat Rochester Rhino's soccer team stadium. Until a new sponsor is chosen, it will be called Rochester Rhinos Stadium. A \$4 million stadium grant that was allocated over 2 years ago has yet to be used, and the stadium still lacks permanent locker rooms and luxury suites. (12/11)

Broad Street - After debating since the abandoned canal bed/subway shut down in 1956, city of Rochester officials are working on a master plan for the Broad Street corridor that has public support. The \$70 million preliminary plan calls for a boulevard of fountains ending in a water-filled aqueduct or reflecting pool at either end. The first piece of work expected is to fill in the deteriorated portion between West Main and Brown Streets beginning late summer 2009. The remaining redevelopment is envisioned as a 15-year effort, hopefully beginning by late 2010. Rochester has \$10 million available toward the first phase, which is estimated to require \$23 million to complete. Private and federal investments will be needed to bring this project to fruition, but there is a lot of work to be done before it is ready to move forward. (12/12)

Naples - The village of Naples has made a deal with Constellation Brands to accept a piece of property in exchange for payment of overdue water bills. Several years ago the multi-national winery was found to have been mistakenly under-billed by \$155,792, beginning negotiations on the 73-acres from the Widmer's Wine Cellars property bordering Naples Creek between Ontario Street and Route 245. The land had currently been leased to corn farmers, and the village is discussing plans to use it for a sewage treatment plant, possibly setting aside a portion for a skate park. The offer requires a commitment from Constellation by Jan. 1, with a deadline of March 1 to close on the title. (12/17)

General

Flex Real Estate - Rochester is one of the largest industrial markets in Upstate NY, with 81.4 million sq.ft. of space, and Class A flex space is in rising demand in an otherwise slow market. Gallina Development Corp. and LeFrois Development LLC are local companies that specialize in that type of space, and can hardly keep up with the demand. Gallina's 1.5 million sq.ft. of property is 96 percent occupied, and to keep up they are in the process of constructing 2 new buildings. (10/3)

Greece - The \$35 million reconstruction of West Ridge Road is coming to completion after nearly four years, with only landscaping left to be finished. (10/9)

Greece Schools - The Greece Central School District is seeking a court order for the structural design files of the flawed Greece Athena Performing Arts Center from architects Thomas Associates. Also known as Tetra Tech, Thomas did architectural work on the district's \$119.5 million Capital Improvement Project from 2000, which has been the subject of several disputes, including an ongoing suit in state Supreme Court. A forensic engineer told the board that the flaws found at APAC imply that the building should be closed if winds exceed 45 mph, although the building has already withstood greater winds with no sign of problem. (10/29)

Park Point - The multimillion-dollar mixed-use residential and commercial development on 60-acres of RIT land at the corner of Jefferson Road and John St is struggling from a lack of traffic. Wilmorite, the company that leased the land from RIT to run the development, is launching an advertising and marketing campaign to get the word out that these businesses are open to the public, not just RIT students. (11/14)

Wind Farm Projects - There are currently 10 wind projects in New York with a combined potential to generate more than 700 megawatts of electricity, but several have been halted due to the nationwide financial crisis. The company, First Wind, has projects pending in Cohocton and Prattsburgh, and EcoGen is working on a 2009 project in the towns of Prattsburgh and Italy. (11/24) A final environmental review with tax incentives was approved by the Steuben County Industrial Development Agency for a 36 turbine wind farm project in Prattsburgh by EcoGen. There is still potential for the plans to be stalled by concerned citizens, as is the wind farm plans of First Wind, which isn't expected to move forward for about a year. (12/23)

Canandaigua National Bank - The purchase of Greentree Capital Management LLC by Canandaigua National Bank and Trust Co will enhance a long-standing partnership, as the two companies have shared similar culture and investment philosophy. (12/23)

All information in this news summary has been taken from published reports as reported in the following list of sources. This information is assumed to be correct but is not guaranteed. Bruckner, Tillett, Rossi, Cahill & Associates assumes no responsibility for any incorrect information in this news summary.

News Sources:

- *Democrat and Chronicle*
- *Times-Union*
- *The Daily Record*
- *Rochester Business Journal*
- *Messenger-Post publications*
- *The Wall Street Journal*
- *New York Real Estate Journal*
- *The Greater Rochester Realtor*
- *and other publications*

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