

REAL ESTATE NEWS SUMMARY

Rochester, NY 4th Quarter 2009 Vol. 17 Issue 4

Economic & Business

Constellation – Constellation Brands Inc plans to close its Widmer Wine Cellars in Naples, consolidate the operations there into an expanded Canandaigua facility, and donate the Naples property to RIT. The transition is expected to take place over about 18 months. RIT intends to use the 860 acres in its culinary program, possibly for sustainable wine education. (9/17) The Victor-based Constellation Brands Inc. posted a profit of almost \$100 million for the fiscal second-quarter, after a loss of almost \$23 million for the same quarter the previous year. This profit was despite an 8 percent sales drop. (10/2)

Rochester – The Brookings Institution ranked Rochester among the 20 strongest-performing metro areas in a study of the nationwide economic decline. Five indicators that the study was based on are employment, unemployment, output, home prices, and foreclosure rates. (9/18)

Paychex – Penfield-based Paychex Inc. saw its client base go down 3 percent in fiscal 2009, as well as a 7 percent fall in its net income. Despite these drops, they still showed a 1 percent increase in revenues. (10/14)

RBTL – LeChase Construction Services was hired by the Rochester Broadway Theatre League to assess the viability of renovating the Auditorium Theatre. Their report reflects a rough estimate of \$60 million to \$100 million to meet RBTL's outline of requirements for a new facility. (9/18) RBTL has requested proposals on 5 sites to take a closer look at for a potential new theatre, including; Canal Ponds in Gates & Greece, Anthony Costello & Son Development in Brighton, Medley Center in Irondequoit, Fingerlakes Gaming & Race Track in Farmington, and the town of Webster. (10/1) The old McCurdy's location on the northeast corner of Midtown is in the running for the new RBTL location. (11/12)

Xerox – In their biggest deal ever, Xerox Corp. is purchasing Dallas-based Affiliated Computer Services Inc. for \$6.4 billion, greatly increasing its business process outsourcing services. (9/29) The fourth-largest employer in the Rochester area posted revenue of \$3.68 billion for the 2009 third-quarter, 16 percent less than the July-September period of 2008. (10/23)

Midtown Tower – The only structure in the Midtown Complex to be saved is the city-owned 18-story tower. A decision today will name the company that will renovate the building, as well as apply for up to \$4 million in state funding. (10/15) The yet to be unveiled development of Midtown Tower is estimated to cost \$71 million, and expands beyond the Midtown lot to Chestnut St. (10/16) Mayor Duffy announced that Christa Companies/Morgan Management has been chosen to renovate Midtown Tower. The \$71 million plan will fill the tower with 186 apartments, 24 high-end condominiums, and possibly retail and offices on the lower floors. Work should begin next August and be completed in 2012. (10/20)

Rochester – U.S. Census Bureau data shows that the decline in incomes in the Rochester area is outpacing trends in the state and nationwide. (10/28)

Eastman Kodak – For the third quarter ending September 30, Kodak posted a 26 percent drop in sales, and a net loss of \$653 million. (10/30) Monroe County Water Authority is purchasing an industrial water

treatment plant in Greece from Eastman Kodak Company. The \$9.5 million deal has been in the works for about a year, and will be financed with cash freed up from deferred capital projects and possibly bonds. (12/11)

Erie Canal Aqueduct – The City Council is preparing to award a contract to fill in the aqueduct between Main and Brown Streets. The Erie Canal Aqueduct project requires an additional \$18 million for phase one, an estimated \$70 million for the total of three phases. Six million in federal funds have been secured, and draft environmental review is expected by January. (11/6)

Nothnagle – Rochester's largest real estate company, Nothnagle Realtors, is launching its new franchising operation with two locations in the Buffalo area. One in the city and one in the Clarence/Williamsville area will be opening in early 2010. (11/10)

Birds Eye – New Jersey-based Pinnacle Foods Group LLC is proposing to purchase Brighton-based Birds Eye Foods Inc. for \$1.3 billion, possibly by the end of the year. (11/20)

Alternative Fuel – Monroe County and the City of Rochester are teaming up to build three new stations offering a variety of alternative fuels. The \$5.3 million project will be funded with \$4.3 million in federal money and the remaining \$1.1 split between the city and county. Monroe County has a goal of converting their entire fleet of vehicles to alternative-fuel by 2012, and the stations will be open to municipalities outside of Rochester, as well. (11/30)

LiDestri – The president and CEO of LiDestri Foods Inc. is converting a former recording studio at East Ave & Winthrop Street into a residence for his family. The \$3 million transformation will turn the 5,600 sq.ft. building into a 15,000 sq.ft. building with the addition of two upper floors. The project is expected to be complete in April. The city has several programs to incent the conversion of non-residential buildings into residential. (12/11)

Office

Genesee Regional Bank – GRB is moving its corporate offices to Linden Oaks in Pittsford, due to a 60 percent increase in employment, while keeping their Monroe Avenue branch open. (9/25)

High Falls – State Street Storage Inc. has purchased a four-story mixed-use building on State Street in the High Falls District downtown. The 24,073 sq.ft. building was constructed in the early 1900s and contains a mix of office, warehouse, and manufacturing space. (10/1)

East Rochester – The East Rochester Department of Public Works building is having repair work done to the garage roof, due to a fire in January. Over \$200,000 has been paid by the village's insurance policy, also covering the replacement of a dump truck, furnace, and several pieces of equipment. (12/9)

Retail

Medley Center – Development company Bersin Properties LLC missed the deadline for a \$500,000 PILOT payment on the \$260 million redevelopment project of the former Irondequoit Mall. The deadline has been extended to the end of the month in hopes that the project will move forward. (10/9)

Rush – Vacant for nearly two years, The Rush Market and Deli on East Henrietta Road was recently purchased by local entrepreneur, Naveed Hussain. He plans to demolish the building, and construct a multi-use building housing a grocery store, pharmacy, and possibly a fast-food restaurant. The Rush Planning Board will need to issue a site plan approval. (10/15)

Brighton – With the help of \$169,000 in property tax breaks from COMIDA, Cortese Dodge Inc. plans to build a new showroom and add Jeep and Chrysler brands to their business. The \$1.4 million project will add 5 jobs in the next 3 years. (10/21)

Wegmans – Rochester-based grocery store chain, Wegmans, is opening its 75th store in Leesburg, Virginia, and intends to open its first Massachusetts store in 2011. There are also plans to expand its Pittsford location, and build a new store on East Ave. (11/4)

Pittsford – Wegmans is opening a standalone full-service restaurant called Next Door Bar & Grill on Monroe Avenue across from its Pittsford store. (11/18)

Spencerport – In 2010, Tops Friendly Markets will open a 30,000 sq.ft. full-service supermarket at the former IGA market site on Slayton Avenue. The store has been vacant for four years, and area residents are looking forward to the new store, which will create about 100 new jobs. (11/19)

Perinton – A new Panera Bread on Pittsford Palmyra Road features the first Panera drive-through in Monroe County. (12/2)

Greece – Construction should begin next year on the Widewaters Group's Wal-Mart project in Northgate Plaza. Since the approvals happened back in 2007, it is possible they would have to repeat the approval process. (12/10)

Industrial

Ontario – A 125-ton crane is being set up at the Ginna nuclear power plant to install a spent fuel rod storage facility next to the plant. Constellation Energy, the company that owns the plant, is also building similar facilities at their Calvert Cliffs and Nine Mile Point facilities. (9/16)

Rochester – Spinerger, a digital media manufacturer, is one of several companies filling the more than 1.1 million sq.ft. of plant space in the old Valeo building on Lyell Ave. The remaining 300,000 sq.ft. of unoccupied space is undergoing renovation. (9/22)

Genesee County – The Empire State Development Corp recently approved \$1 million in funding toward the Western New York Science and Technology Advanced Manufacturing Park, or WNY STAMP. The high-tech manufacturing park would be located on 1,340 acres in the town of Alabama, and is expected to bring as many as 9,300 jobs to the area. Phase 1 of the project was the feasibility study, Phase 2 will include environmental planning, marketing and initial engineering costs, Phase 3 will be implementation and management. The Genesee County Economic Development Center expects to start marketing the park by 2011, but completion is expected to take up to 20 years. (10/2)

High Falls – A 24,000 sq.ft. manufacturing and office building on State Street has been purchased for \$100,000. The new owners, Trickey and Wilton, plan to use it as a storage facility with possible workplace units. (10/16)

Greece – The old Odenbach Shipbuilding Co. on Dewey Ave remains on a highly contaminated site despite cleanup efforts over the past eight years. The property owners have now left NY state to oversee remediation. (10/20)

Gates – Elmgrove Crossings Business Park, by Gallina Development Corp, is 140-acres containing 21 lots, and 40 acres of forever-wild buffer area. Originally envisioned as a flex business park, it has grown into a multi-use development including warehouse, distribution, office, manufacturing, retail, and recreational uses. The park currently has 18 buildings totaling over 470,000 sq.ft. and housing over 35 separate businesses. There are also six lots remaining for development, which Gallina intends to complete over the next 2 to 3 years. (10/27)

Rochester – COMIDA approved \$15,000 in sales tax abatements for Drapery Industries for their relocation and expansion. (11/18)

Greece – Fairport-based LiDestri Foods Inc. has purchased a 625,000 sq.ft. manufacturing building from Eastman Kodak. LiDestri received \$337,000 in tax breaks from COMIDA, and a \$1.5 million convertible

loan from the state toward the \$2.5 million transaction. The renovation project is expected to cost approximately \$10.5 million, employ over 60, and begin operations in 2010. (11/19)

Lake Ontario – The New York Power Authority formally requested proposals from private developers for a series of lake-based turbines along the coasts of Rochester and Wayne County. The proposed wind farm could potentially be the first in North America located in water, would generate between 300 and 500 megawatts, and would contribute to NY's goal to get 45 percent of its electricity from renewable resources by 2015. Proposals are due by June 1st. (12/3)

Residential

Rochester – City and state officials ended a year's worth of negotiation for the city's purchase of the Culver Road Armory, which is now back on the auction block. Once envisioned as a housing development, the WWI-era armory on 11 acres has been found to be contaminated with petroleum, as are a half-dozen areas to the west. (9/23)

Rochester – Habitat for Humanity constructed the first private residence in the Rochester area to qualify for Leadership in Energy and Environmental Design, or LEED certification. The home, on Campbell Street features low-flow pipes, a tankless water heating system, and locally produced materials. The cost to build was about \$102,000, which is about 10 to 15 percent more than without the 'green' features. (10/7)

Rochester – The Urban League of Rochester is working on a \$6.8 million plan to rehabilitate the city's oldest block of buildings on State Street into 21 apartments. They are also seeking to have the buildings listed on the National Register. (10/30)

Rochester – Three affordable housing communities in the city underwent major renovations over the last two years. The \$26 million public-private partnership was overseen by the Cornerstone Group, and included Fernwood Park, Norton Village, and Ramona Park. War veterans will be given preference to the 516 units, as when they were built a half-century ago. (11/12)

Pittsford – A group of former LeCesse Construction executives are teaming up with owners of a vacant 7.5 acre East Ave parcel to develop a townhouse community. The 10-building 41-unit Kilbourn Place would be geared toward empty-nesters. Construction is expected to begin next summer. (11/20)

Rochester – Cornerstone Group and Ibero-American Development Corp have teamed up for the planning of El Camino Estates, a \$7.4 million housing development in the Conkey & Clifford Ave neighborhood. The development of 24 new homes and rehab of another, has been in planning for almost four years, and is up against funding deadlines. Tax credits from the state would account for half of the funding, and federal stimulus funds would cover the rest. (12/14)

Other

Henrietta – Osher Lifelong Learning Institute at RIT, opened a new facility, about twice the size of its old, in the Riparian Independent Living Complex at Rivers Run in Henrietta. The center is for people age 50 and older to participate in classes, discussions, lectures, social events and travel. (9/17)

Nazareth College – Nazareth College expects to open its renovated performing arts center by the end of September featuring top-of-the-line patron amenities, performance hall, rehearsal spaces, expanded lobby, and 2,000 sq.ft. art gallery. The mainstay of the center will be dance, with an annual dance festival to begin next summer. (9/18)

Rochester – Federal stimulus funds of \$6.8 million are sighted for several upgrades to the East Main Street headquarters of the Rochester-Genesee Regional Transportation Authority. The proposed 170-spot parking lot has drawn much conflict from neighbors. RGRTA hopes to break ground on the project, if approved, in spring of 2010. (9/21)

Mendon – The Town of Mendon will use \$523,000 in stimulus funds to extend and enhance the 16-mile Lehigh Valley Trail that begins at the Genesee River and extends to the Ontario County line. The project will begin in the fall, and is expected to be completed by the end of 2011. (9/21)

Area Hospitals – Two of three area hospitals with shelved expansion plans are getting ready to move forward. Strong Memorial is downsizing its \$250 million plan, beginning construction in October, and taking about 3 or 4 years to complete. Unity's \$144 million project constructing nursing home facilities and adding beds should wrap up next April. (9/25)

Mt. Hope Cemetery – The Gothic Revival chapel in Mt. Hope Cemetery was built in 1912 and has been shuttered since the 1970's. The city applied for \$600,000 in state grants toward the \$6 million in restorations that the chapel needs for the exterior alone. Included in a local preservation district, as well as the National Register of Historic Places, the cemetery could be eligible for additional funding opportunities if designated a National Historic Landmark. (9/28)

LaAvenida – Federal Stimulus funds of \$1.1 million, and \$300,000 in city tax money will help kick start the makeover of the corridor between Upper Falls Blvd and Avenue D. The project, LaAvenida, will begin with streetscape improvements such as lighting, sidewalks, crosswalks, benches, planters, and the creation of a small park to be completed in 2010. (9/28)

Penfield – The Town of Penfield, in partnership with the Greater Rochester Health Foundation, introduced a new mini-fitness trail on the west side of Veterans' Memorial Park. (9/30)

Rochester Armory – Built in 1916, the Rochester Armory, on Culver Rd, will go to auction at the end of the month. The bidding will open at \$500,000 for the 10.7 acre lot with 71,556 sq.ft. of finished space and 7,448 sq.ft. of unfinished storage space. (10/1)

Irondequoit – Work will soon begin to reconstruct Newport Road, the last major project in the town of Irondequoit's slope-remediation plan. There is some controversy from residents debating whether the work is necessary for the town, or if it is for the benefit of RSM Development, who plans to build a condominium project in the area. (10/6)

Highland Hospital – The Wolk Emergency Department at Highland Hospital has just completed a three year \$9.2 million expansion project. The project increased the space from 18 to 26 acute care beds, as well as enlarging the waiting areas, adding an entrance for ambulances, and increasing the number of private rooms. (9/30) After breaking ground in 2006, Highland Hospital has a new Emergency Room. It has increased in size from 7,000 sq.ft. to 16,000, and the number of acute-care beds has gone from 18 to 26. The new department has been named the Wolk Emergency Department in recognition of the foundation that donated \$1 million to the project. (10/7)

Monroe County Crime Lab – The county is preparing to break ground at the corner of South Plymouth Ave and West Broad St for a new \$30 million crime lab. The four-story 45,000 sq.ft. lab will be funded with \$4.6 million from the US Department of Justice, \$10 million from NY State, and \$1 million from the city of Rochester. Scheduled to open in May 2011, the new lab will create about 390 construction jobs and 11 new permanent positions. (10/9)

RIT – Large projects on college campuses, such as Global Village at RIT, are sustaining the construction industry in an otherwise gloomy economy. The \$55 million Global Village will provide housing for 414 students, as well as a restaurant, post office, fitness studio, bank, and various retail shops. It is scheduled to open in September 2010. Other projects are underway at University of Rochester, SUNY Genesee, and SUNY Brockport. (10/13)

Penfield – The town of Penfield purchased a 2.5 acre vacant parcel on Irondequoit Bay for \$182,000. The land will require some clean up, but could potentially be used for an expansion of LaSalle's Landing Park. (10/28)

Rochester – Local developer Fred Rainaldi won the WWI armory on Culver Road at auction for \$1,475,000. He has not yet announced his development plans, other than restoration of the nearly 80,000 sq.ft. building on 11 acres opposite Cobbs Hill Park. (10/28)

Nursing Homes – St. Ann's Community in Irondequoit and Hill Haven in Webster are included in a statewide proposal to downsize nursing homes and develop alternatives to fit current needs. (10/29)

Rochester – The city is using a \$40,000 matching grant to create a site plan and preliminary design for a vacant 2 acres bordering the Genesee River and Dinosaur Bar-B-Que. The site is two-thirds owned by Farash Corporation. There is currently no timeline for when the project would take place. (11/3)

Penfield – Financing through incentive zoning funds from the Arbor Ridge development will be used to remodel and upgrade the lodge in Harris Whalen Park. Plans include making the lodge more handicapped-friendly, energy-efficient, and modern. Work is scheduled to begin in December or January and continue into summer 2010. (11/5) An Energy Efficiency and Conservation Block Grant of \$145,000 will be used to improve energy efficiency at Penfield town facilities. (11/4)

Canandaigua – Canandaigua City Council is voting on preliminary plans for David Genecco's proposed Steamboat Landing Hotel & Conference Center. The \$20 million six-story complex would be on the south side of Lakeshore Drive on the site of the existing Steamboat Landing restaurant and conference center. Construction is expected to begin in the spring. (11/5)

Chili – Indus Companies of Pittsford presented a revised proposal for a Microtel in Chili Center. The plan was scaled back from the original 67-room three-story hotel, to a 52-room two-story hotel with a wider buffer for the surrounding residential area. The developer is hoping to begin construction in the spring. (11/10)

Strong Memorial Hospital – The University of Rochester Medical Center has revised their current renovation proposal. The revised project, in two phases, would include three floors added to the top of Wilmot Cancer Center, and an expansion of Golisano Children's Hospital. Cost of the updated project is \$45 million and will be financed through normal operations and loans. (11/13)

Brighton – Faith Temple is submitting a revised draft environmental impact statement for its proposed Faith Village. The new development would include a school, sanctuary, and senior living facility at Winton and Westfall roads. (11/16)

Greece – Monroe County Parks Department is trying to decide how to spend \$2 million in funds from the county's Capital Improvement Program on upgrades to Greece Canal Park. (11/23)

Sodus – Federal Stimulus money allowed for the repaving of the landing strip of a "reliever" airport in Wayne County. The Williamson-Sodus airport is used not only to alleviate congestion at larger area airports, but also for local businesses and a small flying club. (11/23)

Rochester Airport – The covered portion of the 2,250-space parking garage at the Greater Rochester International Airport has been expanded by an additional 780 spaces. The \$15 million project was paid for with airport revenue. (11/27)

Brooks Landing – Over the last decade, the area between Ford St and Elmwood Ave, on the west side of Genesee River, has seen \$65 million in development between Brooks Landing, Ford St & Railroad bridges, and Riverview Apartments. Over \$45 million more is planned including a \$20 million addition to Brooks Landing. Residents are a little uneasy and are requesting a more complete plan for the neighborhood. (12/1)

Pittsford – Together, the town and village of Pittsford, are looking to develop about 30 acres of land known as "The Northwest Quadrant." Located along the north bank of the canal between Grove Street and the Monroe Avenue bridge, potential development being discussed includes a trail, park, community center, or residential neighborhood. (12/9)

Perinton – The Perinton Town Board is accepting bids on a project to build a bridge across Erie Canal near Turk Hill Road. The Town has also received a \$225,000 federal grant to relocate Cobb's Lane, separating the 20-foot road from an adjacent sidewalk and canal path. (12/9)

MCC – After being dropped with the Renaissance Square project, Monroe Community College is seeking another location for a new downtown campus. The \$72 million that was pledged, half from the college and half from the state, is still available. The desired property would be between 3 and 4 acres. (12/10)

Greece – A new urgent-care facility is planned for the old Social Security Admin building on West Ridge Road. Developer, the Exigence Group, intends to significantly upgrade the 25-year-old 11,000 sq.ft. building and the work could begin before the end of winter. (12/17)

Greece – Unity Health is replacing their Park Ridge Living Center with four 20-bed "cottages" allowing residents to have more freedom and flexibility in their schedules. The new style facility will also create new full-time positions called Shahbaz, certified nursing assistants with additional responsibilities.(12/17)

General

HCR – The Brighton-based home care company, HCR, has seen a 17 percent increase in employment over the past year, and is considering expansion into other states. The for-profit company has taken over the home care agency of Genesee County, is set to take over in Orleans County, and is in the bidding process for Ontario County. (9/25)

Penfield – In 2010, Penfield taxpayers will see their tax rate drop from \$2.94 to \$2.64 per \$1,000 of assessed property value. The drop is intended to offset the impact of increased property assessments this year. (10/5)

RCS D – According to the US Environmental Protection Agency, the Rochester City School District is the third in the country in utilizing renewable energy sources. (11/4)

Geneseo – WindTamer Corp, formerly known as Future Energy Solutions, hired a new president and went public. The designer of turbines for the wind power industry hopes to open its own manufacturing plant to build turbines in the near future. (11/17)

Action for a Better Community – Action for a Better Community is receiving \$8 million in federal stimulus funding to be used as follows; \$4.9 million to improve energy efficiency in 640 housing units, \$800,000 to fund temporary cost-of-living increases for Head Start employees, and \$2.7 million for employment-related services for low-income residents. The funding will create 27 full-time and 62 part-time positions. (12/14)

Artisanworks – The monorail from Midtown Plaza will now be located at Artisanworks between Blossom Rd and University Ave. (12/16)

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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