

REAL ESTATE NEWS SUMMARY

Rochester, NY 2nd Quarter 2010 Vol. 18 Issue 2

Economic & Business

Unemployment – The Rochester metropolitan area including Monroe, Livingston, Ontario, Orleans, and Wayne counties, had an unemployment rate of 8.7 percent in February, compared with 8.2 percent a year earlier, and 8.8 in January this year. (4/2)

High-Speed Rail – Receiving \$151 million in federal stimulus money should put the high-speed rail service on track in New York state according to Rep. Louise Slaughter. (4/16)

Area Employers – A competition sponsored by the New York State Society for Human Resource Management named five Rochester area employers as Best Companies to Work for in New York for 2010. The companies, PAETEC Holding Corp., Klein Steel Service Inc., Veramark Technologies Inc., Interpretex and New Scale Technologies, were chosen based on their employee policies and procedures (25 percent) and an internal employee survey (75 percent). (4/28)

Transit Center – Rochester-Genesee Regional Transportation Authority and city officials addressed the City Council with a modified proposal for a bus terminal on Mortimer Street downtown. Presented as the city's best chance to utilize \$52 million in leftover federal and state funds from the failed Renaissance Square project, the plan would need to receive council approval in two weeks. (4/28) After the city council decided to allow plans for a Mortimer Street bus terminal to move forward, the RGRTA has chosen to forgo an environmental review on the plans. The plan that was previously approved for the failed RenSquare project has now been scaled back. (6/9)

Home Sales – The Genesee Region Real Estate Information Service, a subsidiary of the Greater Rochester Association of Realtors, showed that our area's home sales were up 9.3 percent in the first quarter, from 1,648 a year ago to 1,802. (4/30)

Downtown Revitalization – There are currently about 4,000 people living in downtown Rochester, with potentially 1,000 more coming soon. This increase is expected to drive the addition of retailers downtown, as well. Rochester Downtown Development Corp. reports 13 projects in the pipeline, with more expected to be announced in the next six months. (4/30)

Sutherland – Perinton-based Sutherland Global Services is purchasing Adventivity Global Services, an outsourcing company from NYC that focuses on the airline and transportation industry. Sutherland has 26,000 employees globally, 2,000 of which are in the Rochester area, and they are expecting to grow by 10 percent in the next six months. (5/13)

PAETEC – PAETEC Holding Corp. has stated that they require plans for the entire Midtown site to be set and funds in place before they will move forward with building their headquarters downtown. (5/27)

Main Street – One of the last four undeveloped parcels jointly owned by the city and the cultural commission, 420 E. Main St., has had planning delays for over two years. Most recently it was set to be developed by a team including Christa, DeWolff Partnership Architects LLP and Morgan Management LLC,

but the developers have decided to abandon the project. The city and cultural commission will be starting from square one to find a developer for the parcel known as Block F. (5/28)

Midtown – CEO of Empire State Development Corp. reports that everything is on track for the demolition of Midtown, despite the slight delay from the state budget. It is suggested that demolition may not begin until fall, but at that point work is expected to move quickly. (6/2)

Forbes – Rochester was ranked third best metropolitan region for raising a family by Forbes magazine out of the country's 100 largest metropolitan areas. (6/8)

Office

Rochester – Buckingham Properties is purchasing the Carestream Health Inc. headquarters building on Verona Street in a sale-leaseback deal. Carestream will occupy five floors of the six-story building under a ten-year lease. (4/1)

Rochester – Eastman Dental on Elmwood Ave. has opened the first urgent dental care clinic in the greater Rochester area, by turning its basement into seven treatment rooms. The dental office also plans to expand its general dentistry and orthodontic clinics this summer. (4/12)

Rochester – Nixon Peabody LLP is nearing completion of \$7 million in renovations to the seven floors of the Clinton Square Building. The 14-story building is owned by Broadstone Real Estate LLC, and the project is expected to be complete this fall. (6/1)

Retail

Henrietta – Beers of the World has purchased the old Wegmans building on East Henrietta Road at Calkins, with plans to open a 32,000 square foot beer store there by the end of June. (3/31)

Downtown – ESL Federal Credit Union's new \$50 million headquarters on Chestnut Street is close to completion and open for business. (4/6)

Victor – The fourth location of The Distillery is replacing Bellini's Italian Eatery across from Eastview Mall. The 7,200 square foot bar/restaurant features high-definition televisions and an outdoor patio. (4/15)

Rochester – A new proposal before the city's Planning Commission, shows the WWI-era Culver Road armory redeveloped into a mixed-use space including Class A office, retail boutiques, restaurant and possibly a small fitness club. Developer Fred Rainaldi purchased the property at auction last October for just under \$1.5 million. As well as restoring the building, developers are committed to environmental cleanup, energy-efficient construction, and an art incorporation program involving artists from around the country. Construction should begin before the end of summer. (5/18)

Park Ave – The block of Park Avenue between Arnold Park and Meigs Street is seeing a boom with the opening of 2 Chic Boutique, Bark Avenue Dog, Stacy K Floral, and Arnold Park Salon, all within a few weeks of each other. (5/27)

Penfield – The Penfield Town Board approved special-use permits for two new restaurants on Penfield Road, Le Bon Vie and Joey's Pasta House. (5/28)

Downtown – Two new businesses are opening at the location of the failed Renaissance Square project. The restaurant, Food, at the corner of E. Main St. and N. Clinton Ave. and a grocery store, Metro Market at 318 E. Main. (6/2)

Gates – Wegmans has begun renovating their former Brooks-Chili supermarket into office space. About 250 corporate employees will move into the 62,500 square foot building in early 2011. (6/4)

Canandaigua – A neighboring property owner whose land was being seized under an eminent domain action has dropped his legal challenge. The 5.4 acre parcel, adjacent from the site of Steamboat Landing will be used partly for parking for that project, and the remainder will become public space. (6/9)

Greece – Less than two years after the state DOT completed a \$34 million, four-year construction project along West Ridge Road, several new businesses are moving in such as Zebb's Deluxe Grill & Bar, Kobe Japanese Hibachi and Sushi, Five Guys Burgers and Fries, The Homewood Suites, Longhorn Steakhouse, and Walgreens, among many others. (6/15)

Industrial

Perinton – Preserve Scenic Perinton, a group of about 30 citizens, is trying to overturn permit approvals granted to Waste Management Inc. to expand the High Acres Landfill on Perinton Parkway. (4/9)

Rochester – City plans to rezone Eastman Business Park from Industrial use or parking to Planned Development District are on hold due to neighborhood residents concern that it would change the nature of the area. (4/19)

Wayne County – About half of the 140 jobs at Optimax Systems Inc. were saved through the state Department of Labor's shared work program. The program allows a company with financial struggles to cut back an employees hours, while the employee can receive partial unemployment benefits. (4/23)

Webster – Construction of a new Monroe County Water Authority treatment plant has received \$23.7 million from the state Drinking Water Revolving Fund. The \$150 million project that is currently under construction will save a projected \$1 million annually, as the water authority no longer has to transport water from Greece to the eastside. The funding will arrive in as a waiver of principal and interest on \$17.75 million of a \$35.5 million loan. (4/26)

Henrietta – A PILOT agreement from COMIDA, ensuring a steady tax rate for the next 20 years, has motivated Harris Corp. to purchase an old Xerox site on Jefferson Rd. and relocate 1,100 employees to Henrietta, instead of to their Florida headquarters.

Rochester – Brothers International Food Corp is moving from Batavia to Lexington Avenue and has been approved by COMIDA for a sales tax rebate. With new room for expansion they expect to add another 15 employees within 3 years. (5/19)

Residential

Irondequoit – The Irondequoit Planning Board has approved a \$30 million plan from RSM Development to convert the former Newport House site into 45 condos and 9 townhouses, with 165 boat slips along Irondequoit bay. Permits from the state DEC are still needed. (3/23)

CityGate – With plans dating back to 2003, when Costello & Son Development began to acquire property from Monroe County, the largest housing development in Rochester history is being submitted for approvals. The mixed-use development covering 68 acres at Westfall and East Henrietta roads across the Rochester-Brighton border, would include homes, townhouses, apartments, a hotel, office space, and retail built over the next ten years. (4/22)

Tonawanda – Waterman Estates sold the ten-unit Alden Apartment on Park St, and purchased the twelve-unit Elmwood Apartments on Elmwood Ave, Tonawanda, in a 1031 exchange. (4/27)

Penfield – The 18th Elderwood Senior Care facility is opening this month at Route 250 and Penbrooke Drive in Penfield. The assisted living facility will offer studio, one-, and two-bedroom apartments with 24-hour on-site nursing, medicine management, and personal care assistance. Rent for a studio will start at \$3,100 per month including everything from meals to laundry and activities. When complete, most likely in September, the facility will have 90 units, and 75 employees. (5/7)

Pittsford – The Village Board is reviewing an application for a special-use permit for a 185-apartment complex on the former Monoco asphalt plant site along the Erie Canal. The project, proposed by Pittsford Canalside Properties, a division of Mark IV Enterprises, would also include a restaurant, dock, and dock facilities. This application review is the first step in what will be a lengthy process. (5/14)

Brighton – The proposal for Winfield Park housing complex was accepted for review by the Brighton Town Board. The Buckingham Properties project would consist of 93 single-family homes, 362 apartments, 81 townhomes, a retail building, seven office building, senior housing, and a community center on 135 acres. The developers will need to begin several studies to move forward. (5/28)

Other

Genesee County – Darien Lake Resort, the largest employer in Genesee County, is undergoing a \$7 million renovation that will add 24 cabins, expand the water park, and create 19 new jobs. (3/31)

Naples – Hazlitt's Red Cat Cellars, an affiliate of a Schuyler County winery, is purchasing Constellation Brand's Widmer Winery in Naples for an undisclosed amount. Constellation had previously talked about donating the property to RIT. Hazlitt and RIT will collaborate to make the vineyard into a respectable winery, as well as a place of learning. (4/1)

Penfield – The County-owned Abraham Lincoln Park, formerly Irondequoit Bay Park East, is 182-acres located on the east shore of Irondequoit Bay, wholly in the town of Penfield. Undeveloped since acquired by the county in the late 1960's, phase one of development begins next month including a public entrance, two picnic shelters, 22-car parking lot, playground, nature trail, and nature play area. Cost of the project is estimated between \$150,000 and \$200,000. (4/9)

Rochester – The oldest YMCA branch in the city, Maplewood branch on Driving Park, will be closed until February 2011 for renovation. The \$5 million project will include handicap access, a fitness center, a new gym, and other improvements. (4/27)

Gates – Kinney Drugs Inc., based in Gouverneur, St. Lawrence County, has 88 retail stores in NY and VT, three of which are in the Rochester area, is preparing to open a "closed-shop" pharmacy in the Rochester Technology Park in Gates. The 5,516 square-foot pharmacy will not have retail space, but will cater to institutions such as Nursing Homes and correction facilities. (4/29)

Erie Canal – The New York State Canal Corporation, a subdivision of the New York State Thruway Authority, is beginning a new water trail project aimed at canoers and kayakers. Phase one will identify public access points along the four canals, as well as what amenities they have currently. The second phase of the project will be to identify places in the trail that do not have an access point within 15 to 20 miles. (4/30)

Gates – The town of Gates is selling the 28-room 10,800 square foot Public Safety Building to Gates Volunteer Ambulance for \$2.2 million. (5/10)

Pittsford – Town and village officials are presenting preliminary plans for the development of about 30 acres along the north bank of the Erie Canal between Grove Street and the Monroe Ave bridge for public recreation. The town, which owns almost 20 acres of the land, is receiving a \$50,000 matching grant through the Department of State's Division of Coastal Resources, provided that the plan is complete by June 30th. (5/14) The Erie Canal Area Master Plan, developed by Pittsford officials includes potential community center, amphitheater, arboretum, trail system and single family housing. The master plan would put the town and village in a position to receive future financing opportunities. (6/11)

Brockport – Lakeside Health System is making an application to the state Department of Health to eliminate their childcare center and replace with an expansion of the outpatient orthopedics services. Lakeside is also scheduled to open an urgent care center in LeRoy, Genesee County, this summer. (5/17)

Pittsford – Trinity Montessori School is building on a 7.5 acre parcel off of Nazareth College's West Campus Drive. They hope to break ground in June. (5/21)

Pittsford – Trinity Montessori School is building a new \$3.8 million facility on French Rd, adjacent to Nazareth College. The 7.5 acre campus including a playing field, pond, nature trails, playground, library and computer room, will be the first Montessori school built and designated for that purpose in Western NY. (6/4)

Downtown – The Civic Center parking garage is receiving \$4.7 in stimulus funds through the Green Innovation Grant Program toward a \$8.7 million restoration project. The project will replace the roof of the 45 year old garage with a new green roof featuring grass, trees, and lighting. Work is expected to be complete in the fall of 2011. (6/11)

Greece – A \$21.4 million capital improvement project comprising work on 20 Greece Central School district buildings is beginning with Apollo Middle School on Maiden Lane. The district offices, which currently operate out of the buildings third floor will be moved into Eastman Business Park through September, while asbestos removal is begun, as well as new entry stairs, partial roof replacement, new elevators, ventilation systems, and bathrooms are refurbished. (6/14)

General

Brockport – A group of about 20 residents, The Brockport Tax Cutters, submitted a petition with 542 Brockport voter signatures to have the village dissolved into the town of Sweden. (3/30) Meetings have revealed that there is no plan in place for the dissolution of the village of Brockport. It would be absorbed into the town of Sweden, but the effects of that decision are unknown. (6/14)

Rochester – The second phase of the Brooks Landing riverfront project will improve a 15-acre tract of Genesee Valley Park, immediately south of the Brooks Landing development parcel. The \$1.25 million phase will include benches, trail improvements, lighting, and art. The project is receiving \$344,000 in federal funds, \$360,000 in local funds, and \$500,000 in state funds. (4/2)

Canandaigua – Sonnenburg Gardens & Mansion State Historic Park is undergoing a \$1.9 million renovation project that will refurbish two verandas on the mansion and several garden structures on the grounds. The work is expected to be complete in early July. (4/27)

Xerox – In partnership with the Nature Conservancy, Xerox Corporation has pledged \$1 million over four years to promote responsible forestry. (4/15)

Perinton – White Haven Memorial Park is the second cemetery in New York State to offer a Green Burial Council-certified green burial section. (5/19)

Hickey Freeman – After struggling with its former parent companies bankruptcy in 2009, Hickey Freeman, under new ownership, plans to add 25 positions by the end of June and 50 or so more by 2012. (6/4)

Parma – The State Department of Health has given the Town of Parma orders to clean up an arsenic-contaminated football field in Parma Town Park. (6/8)

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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