



## Project Summary/Recommendation

<b>Applicant:</b>	56 Liftbridge West LLC 15 Fairhaven Road Rochester, New York 14610
<b>Date of Application:</b>	March 19, 2018
<b>Project Location:</b>	52-56 West Avenue 17 Roselawn Avenue Fairport, New York 14450
<b>Project Summary:</b>	56 Liftbridge West LLC, a local real estate company owned by Gary Muisus (55%) and Joel Barrett (25%), is proposing the renovation and expansion of the former telephone company building, Generations day care building, the multi-tenant office building and a residence. Current state of the properties is partially vacant and neglected. 56 Liftbridge West LLC acquired the properties for \$840,000 The applicant is proposing to redevelop the property into 19 23 market rate residential rental units <del>and a small café</del> . The Applicant is requesting sales and mortgage tax exemptions and a PILOT agreement.
<b>Project Amount:</b>	<del>\$4,025,058</del> \$5,221,813
<b>Recommendation:</b>	<p><b>UTEP Eligibility/Qualifications:</b></p> <ul style="list-style-type: none"> <li>• The Project addresses the Agency’s strategic focus areas, specifically downtown revitalization and adaptive reuse.</li> <li>• Project represents a significant capital investment which will create a significant increase to the existing tax base upon completion.</li> <li>• Project has a benefit/incentive ratio of <del>1.04:1</del>, 1.02:1 before accounting for incremental spending impact by new residents.</li> </ul> <p><b>Recommend Approval of proposed PILOT and Tax Exemptions</b></p> <p>Mr. Barrett first approached the IDA in February 2017 regarding his plans for redevelopment of this underutilized canal-side property. This property had been marketed for several years without success. In September 2017, Mr. Barrett was successful in acquiring the property with a purchase price of \$840,000. Total projected investment in the project is <del>over \$4 Million</del> approximately \$5.7 Million.</p> <p>This project is in keeping with the Village of Fairport Mission to support desirable, viable and innovative development initiatives. Infill and adaptive reuse projects that create incremental residential units are highly desirable. The project is proposed by a qualified developer with experience in development and restoration of existing structures, adaptive reuse projects and residential conversion. Small adaptive reuse projects such as this operate on tight margins. The tax exemptions and PILOT agreement are instrumental in the project moving forward successfully.</p>



VILLAGE OF FAIRPORT  
INDUSTRIAL DEVELOPMENT AGENCY  
31 South Main Street  
Fairport, New York 14450  
fairportoced.org

Contact: Martha M. Malone  
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Phone: 585-421-3240

## APPLICATION FOR ASSISTANCE

### I. APPLICANT

A. Company Name: 56 LIFTBRIDGE WEST, LLC  
Address: 15 FAIRHAVEN ROAD  
City: ROCHESTER State NY Zip 14610  
Tax ID Number: 82-1904534  
Contact: JOEL BARRETT  
Title: MANAGING MEMBER  
Telephone: 585-305-4488  
Email: joel.barrett1@gmail.com

### B. Type of Entity:

- Sole Proprietorship
- Partnership
- Privately Held Corporation
- Public Corporation
- LLC

### C. Principal Stockholders (Owners of 15% or more of company)

<u>GARY MUISIS</u>	% Owned	<u>55</u>
<u>JOEL BARRETT</u>	% Owned	<u>25</u>
_____	% Owned	_____
_____	% Owned	_____

D. Applicant's Legal Counsel

Firm: HARRIS BEACH  
Address: 99 GARNSET ROAD PITTSFORD, NY 14534  
Telephone: 585-419-8800  
Attorney's Name: ANTHONY ADINTORI  
Email: AADINTORI@HARRISBEACH.COM

- E. Is the Company, or are the owners of the Company, involved in any lawsuits which could have a financial impact on the Company?  Yes  No (If yes, furnish details on a separate sheet)
- F. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or other operating practices?  Yes  No (If yes, furnish details on a separate sheet)
- G. Has the Applicant (or any related company) been involved in any prior assistance by this Agency, or by another Industrial Development Agency, in the county in which this project is located?  Yes  No (If yes, furnish details on a separate sheet)

II. PROJECT INFORMATION

- A. Project Name: ROSELANN NEST CONVERSION
- B. Address of Proposed Project: 52-56 NEST AVENUE & 17 ROSELANN AVE
- C. Tax Map Parcel Number: 153.09-1-54 & 153.09-1-61
- D. Attach copies of preliminary plans or sketches of project along with photo of site, existing facility, etc.
- E. Legal owner of the site 56 HFTBRIDGE NEST, LLC
- F. If not currently owned by the Applicant, is there a purchase option or proposed lease for the project?  
 Yes  No

**G. Description of the project:** (check all that apply and Attach a Narrative on a separate sheet)

- |  |  |
|--|--|
| <input type="checkbox"/> New Construction  | <input type="checkbox"/> Addition to an existing facility    |
| <input checked="" type="checkbox"/> Renovation and modernization of an existing facility | <input type="checkbox"/> Acquisition of an existing facility |
| <input type="checkbox"/> Purchase of new machinery and equipment                         | <input type="checkbox"/> Refinancing of an existing project  |
| <input type="checkbox"/> Other _____   | <input type="checkbox"/> Other _____                         |

**H. Project Type for all end users at project site:** (check all that apply)

- |   |  |
|---|--|
| <input type="checkbox"/> Industrial           | <input type="checkbox"/> Back Office                         |
| <input type="checkbox"/> Retail               | <input type="checkbox"/> Acquisition of an existing facility |
| <input checked="" type="checkbox"/> Mixed Use | <input type="checkbox"/> Housing                             |
| <input type="checkbox"/> Facility for Aging   | <input type="checkbox"/> Multi-Tenant                        |
| <input type="checkbox"/> Equipment Purchase   | <input type="checkbox"/> Civic facility (not for profit)     |
| <input type="checkbox"/> Commercial           | <input type="checkbox"/> Other _____                         |

**I. Does the Applicant intend to lease or sublease more than 10% (by area or full market value) of the Project?**

Yes  No

Proposed Occupant(s) of the Facility:

Company Name: N/A RESIDENTIAL COMPLEX w/ RETAIL

Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

% of Facility to be occupied by User/Tenant 100 %

**J. Does the Project include facilities or property that is primarily used in making retail sales of goods or services to customers who personally visit such facilities?**  Yes  No (if yes, complete shaded box below)

**If the answer to the previous question is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project?** 10 %

**If more than 33.33%, indicate whether any of the following apply to the Project:**

- Will the project be operated by a not-for-profit corporation?  Yes  No
- Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located?  Yes  No. (If yes, furnish details on a separate sheet)
- Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the Project and related jobs outside of New York State?  Yes  No. (If yes, furnish details on a separate sheet)
- Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City, Town or Village within which the Project will be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?  Yes  No. (If yes, furnish details on a separate sheet)

K. Does the applicant have other facilities or related companies located in New York State, outside of the Village of Fairport?

If yes, will this other facility or company be closed or have operations reduced as a result of this proposed project?  Yes  No (If yes, furnish details on a separate sheet)

Are there any current occupants of this proposed site that will have their operations affected (including reduced or discontinued) as a result of this proposed project?  
 Yes  No (If yes, furnish details on a separate sheet)

If the answer to either of the previous two questions is yes, indicate whether any of the following apply to the Project:

Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry?  
 Yes  No (If yes, furnish details on a separate sheet)

Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York?  
 Yes  No (If yes, furnish details on a separate sheet)

L. Is there a likelihood that the Project would not be undertaken but for the financial assistance provided by the Agency?  Yes  No

If the Project could be undertaken without financial assistance provided by the agency, then provide a statement below indicating why the Project should be undertaken by the Agency:

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### III. PROJECT CONSTRUCTION SCHEDULE *(SEE ATTACHED)*

A. What is the proposed commencement date of construction or acquisition of the project? \_\_\_\_\_

B. Outline the timetable for the project, indicating when the project will be in full use.

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### IV. PROJECT COSTS

Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement, and/or equipping of the project.

<u>Item</u>	<u>Amount</u>
Land/Building Purchase	\$ _____
Construction/Renovation	\$ _____
Machinery and Equipment	\$ _____
Architect/Engineering Fees	\$ _____
Site Work	\$ _____
Cost of Financing (Legal, Financial)	\$ _____
Construction Loan Fees/Interest	\$ _____
Other (specify) _____	\$ _____
Total Project Cost	\$ _____

### V. SOURCES OF FUNDS

<input type="checkbox"/> Tax Exempt Industrial Revenue Bond	\$ _____
<input type="checkbox"/> Taxable Industrial Revenue Bond	\$ _____
<input type="checkbox"/> Bank Financing	\$ _____
<input type="checkbox"/> Other Term Financing	\$ _____
<input type="checkbox"/> Public Sources (grants, tax credits, etc.)	\$ _____
<input type="checkbox"/> Equity	\$ _____
Total Sources	\$ _____

Phase 1  
52 & 54 West Avenue - 16 Units

IV.

Project Costs	Gross
Land/Building	576,723
Construction / Renovation	2,500,000
Machinery & Equipment	-
Architect / Engineering Fees	135,000
Site Work	289,250
Cost of Financing (Legal / Interest)	87,000
Construction Loan Fees / Interest	84,708
Other	-
<b>Project Total</b>	<b>3,672,682</b>

Sources of Funds	
Tax Exempt Industrial Revenue Bond	
Taxable Industrial Revenue Bond	
Bank Financing	3,000,000
Public Sources (URA/LDC)	-
Equity & Cash	672,682
<b>Total Sources</b>	<b>3,672,682</b>

Phase 2  
17 Roselawn - Single Family

Project Costs	Gross
Land/Building	96,881
Construction / Renovation	125,000
Machinery & Equipment	-
Architect / Engineering Fees	-
Site Work	10,000
Cost of Financing (Legal / Interest)	15,000
Construction Loan Fees / Interest	-
Other	-
	<b>246,881</b>

Sources of Funds	
Tax Exempt Industrial Revenue Bond	
Taxable Industrial Revenue Bond	
Bank Financing	1,239,305
Public Sources (URA/LDC)	-
Equity & Cash	309,826
<b>Total Sources</b>	<b>1,549,131</b>

56 West Avenue - 6 Units

Project Costs	Gross
Land/Building	166,396
Construction / Renovation	1,050,000
Machinery & Equipment	-
Architect / Engineering Fees	-
Site Work	-
Cost of Financing (Legal / Interest)	43,500.00
Construction Loan Fees / Interest	42,354.17
Other	-
	<b>1,302,250</b>

Total Project Costs - All Residential      5,221,813

VIII Employment Information

	Current (3/1/18)	Year One	Year Two	Residents of FLED Region
A Full Time	0	1	1	100%
Part Time	0	1	1	
Seasonal	0			
Total	0	2	2	

	Total Payroll
B Annual payroll currently	-
First year after completion	65,000
Second year after completion	75,000

C Annual Salary and Fringe Benefits

	Average Salary or Range	Average Fringe Benefits or Range
Salary Wage Earners	35,000-40,000	2,500-3,500
Commission Wage Earners		
Hourly Wage Earners	25,000-30,000	
1099 and Contract Workers		



**VI. BENEFITS REQUESTED**

- Sales and Use Tax Exemption
- Mortgage Recording Tax Exemption
- Real Property Tax Abatement/PILOT
- Industrial Revenue Bond Financing

**VII. State Environmental Quality Review (SEQR) Act Compliance**

Fairport Industrial Development Agency, in granting assistance to the Applicant, is required to comply with the New York State Environmental Quality Review Act (SEQR). This is applicable to projects that require the state or local municipality to issue a discretionary permit, license or other type of Approval for that project.

Does the proposed project require discretionary permit, license or other type of approval by the state or local municipality?

- YES – Include a copy of any SEQR documents related to this Project including Environmental Assessment Form, Final Determination, Local Municipality Negative Declaration, etc.
- NO

**VIII. EMPLOYMENT INFORMATION (SEE ATTACHED)**

A. Estimate number of employees at the proposed project location at the end of year one and year two following the completion of the project. Estimate the number of residents of the Finger Lakes Economic Development Region Labor Market Area\* that will fill the FTE and PTE jobs to be created upon TWO Years after Project Completion.

	Current as of: _____	Year One	Year Two	Residents of the Finger Lakes ED Region Labor Market Area*
Full time	_____	_____	_____	_____
Part time	_____	_____	_____	_____
Seasonal	_____	_____	_____	_____
Totals	_____	_____	_____	_____

\*Finger Lakes ED Region Labor Market Area includes: Monroe, Genesee, Livingston, Ontario, Orleans, Seneca, Wayne, Wyoming, and Yates, Counties.

- B. Annual payroll currently: \$ \_\_\_\_\_
- First year after completion: \$ \_\_\_\_\_
- Second year after completion: \$ \_\_\_\_\_

**C. Annual Salary and Fringe Benefits**

Category of Jobs to Be Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Salary Wage Earners		
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers		

IX.	VALUE OF INCENTIVES To be completed by FIDA Staff									
A.	<b>PILOT BENEFIT:</b>									
Agency staff will estimate the amount of PILOT, sales and mortgage recording tax benefits (the PILOT benefit) based on estimated Project Costs and other information contained herein and anticipated tax rates and assessed valuation, including the estimated PILOT Benefit abatement amount for each year of the PILOT and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted below.										
<b>PILOT ESTIMATE TABLE WORKSHEET</b>							<b>Current Tax Rates</b>			
Current AV		\$ 758,500					Town	\$1.7129		
		\$ 758,500					County	\$9.1546		
Est. Final AV		\$ 2,072,000					County Services	\$0.6682		
Incremental AV		\$ 1,313,500	Subject to Abatement				School	\$23.0297		
							Library	\$0.7946		
New Construction & Renovation Costs		\$	3,675,000				Village	\$6.9202		
Furniture Fixtures & Equipment		\$	-				Total	\$42.2639		
	<b>TOWN</b>	<b>PILOT YEAR</b>	<b>% Payment</b>	<b>Baseline Assessment</b>	<b>Town Tax Rate</b>	<b>Taxes</b>	<b>Incremental AV</b>	<b>Incremental Taxes without Pilot</b>	<b>PILOT</b>	<b>PILOT SAVINGS</b>
		1	10%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 225	\$ 2,025
		2	20%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 450	\$ 1,800
		3	30%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 675	\$ 1,575
		4	40%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 900	\$ 1,350
		5	50%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 1,125	\$ 1,125
		6	60%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 1,350	\$ 900
		7	70%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 1,575	\$ 675
		8	80%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 1,800	\$ 450
		9	90%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 2,025	\$ 225
		10	100%	\$ 758,500	\$ 1.7129	\$ 1,299	\$ 1,313,500	\$ 2,250	\$ 2,250	\$ -
						\$ 12,992		\$ 22,499	\$ 12,374	\$ 10,125
	<b>COUNTY</b>	<b>PILOT YEAR</b>	<b>% Payment</b>	<b>Baseline Assessment</b>	<b>County Tax Rate</b>	<b>Taxes</b>	<b>Incremental AV</b>	<b>Incremental Taxes without Pilot</b>	<b>PILOT</b>	<b>PILOT SAVINGS</b>
		1	10%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 1,290	\$ 11,612
		2	20%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 2,580	\$ 10,322
		3	30%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 3,871	\$ 9,032
		4	40%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 5,161	\$ 7,741
		5	50%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 6,451	\$ 6,451
		6	60%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 7,741	\$ 5,161
		7	70%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 9,032	\$ 3,871
		8	80%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 10,322	\$ 2,580
		9	90%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 11,612	\$ 1,290
		10	100%	\$ 758,500	\$ 9.8228	\$ 7,451	\$ 1,313,500	\$ 12,902	\$ 12,902	\$ -
						\$ 74,506		\$ 129,023	\$ 70,963	\$ 58,060

Applicant Initial \_\_\_\_\_

SCHOOL	PILOT YEAR	% Payment	Baseline Assessment	County Tax Rate	Taxes	Incremental AV	Incremental Taxes without Pilot	PILOT	PILOT SAVINGS
	1	10%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 3,025	\$ 27,225
	2	20%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 6,050	\$ 24,200
	3	30%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 9,075	\$ 21,175
	4	40%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 12,100	\$ 18,150
	5	50%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 15,125	\$ 15,125
	6	60%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 18,150	\$ 12,100
	7	70%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 21,175	\$ 9,075
	8	80%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 24,200	\$ 6,050
	9	90%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 27,225	\$ 3,025
	10	100%	\$ 758,500	\$23.0297	\$ 17,468	\$ 1,313,500	\$ 30,249	\$ 30,249	\$ -
					\$ 174,680		\$ 302,495	\$ 166,372	\$ 136,123
Village	PILOT YEAR	% Payment	Baseline Assessment	County Tax Rate	Taxes	Incremental AV	Incremental Taxes without Pilot	PILOT	PILOT SAVINGS
	1	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
	2	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
	3	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
	4	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
	5	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
	6	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
	7	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
	8	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
	9	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
	10	100%	\$ 758,500	\$ 7.7148	\$ 5,852	\$ 1,313,500	\$ 10,133	\$ 10,133	\$ -
					\$ 58,517		\$ 101,334	\$ 101,334	\$ -
							Incremental Taxes without Pilot	PILOT PAYMENTS	PILOT SAVINGS
<b>TOTAL</b>							\$ 555,351	\$ 351,043	\$ 204,308
<b>B.</b>	<b>Sales Tax Exemption Benefits</b>								
	Construction & Renovation				\$ 147,000				
	Furniture, Fixtures & Equipment				\$ -				
					\$ 147,000				
	Estimated Duration of Sales Tax Exemption			March 2020					
<b>C.</b>	<b>Mortgage Recording Tax Exemption Benefit</b>								
	Mortgage		\$ 4,239,305						
	Exempted		0.0075						
			\$ 31,795						
<b>D.</b>	<b>Industrial Revenue Bond Benefit</b>								
	IRB Inducement Amount		\$ -						

Applicant Initial \_\_\_\_\_

<b>E. Percentage of Project Costs financed from Public Sector Sources</b>									
Agency staff will calculate the percentage of Project Costs financed from Public Sector sources.									
Project Costs per Section IV. B.					<b>\$5,221,813</b>		<b>PILOT</b>		
<b>PILOT BENEFIT:</b>							<b>PAYMENTS</b>		<b>IDA Fee</b>
Sales Tax Exemption Benefits					\$ 204,308				\$ 39,164
Mortgage Recording Tax Exemption Benefit					\$ 147,000				
Industrial Revenue Bond Benefit					\$ 31,795				
Other Public Incentives					\$ -				<b>Benefit /</b>
					\$ -				<b>Incentive</b>
					<b>\$ 383,102</b>		<b>\$ 351,043</b>		<b>1.02</b>
Percentage from Public Sector Sources					<u>7.3%</u>				

Applicant Initial \_\_\_\_\_

## X. REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION

The Applicant understands and agrees with the Agency as follows:

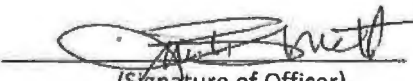
- A. Job Listings. In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the project receives any financial assistance from the Agency, except as otherwise provided by collective bargaining agreement, new employment opportunities created as a result of the project will be listed with the NYS Department of Labor, Department of Employment Services and with the administrative entity of the local workforce investment area created by the Federal Workforce Investment and Opportunity Act (WIOA) in which the project is located.
- B. First Consideration for Employment. In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the project receives any financial assistance from the Agency, except as otherwise provided by collective bargaining agreement, where practicable, the Applicant will first consider persons eligible to participate in WIOA programs who shall be referred by those WIOA entities for new employment opportunities created as a result of said project.
- C. Annual Sales Tax Filings. In accordance with Section 874(8) of New York General Municipal Law, the Applicant understands and agrees that, if the project receives any financial assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant, and to provide a copy of such filing to the Agency.
- D. Employment Reports. The Applicant understands and agrees that, if the project receives any financial assistance from the Agency, the Applicant agrees to file, or cause to be filed with the Agency reports regarding the number of people employed at the project site.
- E. Hold Harmless. The Applicant hereby releases the Agency and its members, officers, servants, agents and employees thereof from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (a) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project, including without limitation the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing.
- F. Affirmation. The Applicant understands and agrees that the provisions of Section 862(1) of the New York State General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed project:

862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- G. OFAC. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with whom United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

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- H. Fees. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Appendix B and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the project.
- I. Recapture. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture and Termination Policy, AS DESCRIBED IN Appendix A.
- J. FOIL. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). Applicant understands that all Project Information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.
- K. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax worker protection and environmental laws, rules and regulations.
- L. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement with the Project.
- M. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
- N. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as the information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said Corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that the applicant shall be and is responsible for all costs incurred by the Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the attached whether or not the application, the project it describes, the attendant negotiations and ultimately the necessary issue of bonds are ever carried to a successful conclusion. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application or if the Agency or Applicant are unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not necessarily limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Cost incurred by the Agency and paid by the applicant, including bond counsel and Agency general counsel fees, and the administrative fee, may be considered as a cost of the project and included as part of the resultant bond issue.

**CERTIFICATION:**

  
(Signature of Officer)

Subscribed and affirmed to  
me under penalties of perjury  
This 8<sup>th</sup> day of MARCH, 2018.

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Preserving the past

Embracing the future

Connecting the community



**Executive Summary:**

The Roselawn West development project includes three commercial structures and one residential structure at 52-56 West Avenue and 17 Roselawn Avenue. The commercial structures at 52-56 West Avenue were most recently rented to small businesses as office and production space, and the residential structure at 17 Roselawn was most recently used as an apartment. The planned development includes the conversion of the three commercial buildings to 19 market rate apartments, and the conversion of the residential structure to a market café. Partnering with the Village of Fairport and the New York State Canal Authority – we envision canal front development to include a walking path for residents, a kayak launch, community docking for boats, and connectivity to the library and Main Street.

**Table of Contents:**

- Executive Summary
- Current State
- Future State
- Site Plan
- Canal Development
- Financials
- Economics
- Project Team





**Current State:**



**56 (top right) 52 (top left) 54 (bottom left) 17 R (bottom right)**

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*The current structures were built between 1888 for the house and 1970 for 52 & 54 West Avenue. The architectural jewel of the property is 56 West Avenue designed by J. Foster Warner in 1929. The structures have housed various businesses over the years; however, the vast majority is currently vacant.*

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**52 West Avenue – Future State**



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*Utilizing J. Foster Warner's vision from 56 West Ave – our design of 52 West Ave adopts his original principles. Focusing on bands of windows, simple lines, and flat roofing – his central themes will unify and create synergies across the development.*

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**54 West Avenue – Future State**

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*Desiring to utilize the brick fascia of 54 West Avenue and keeping in mind Fairport is a historic village led us to design a structure that was quaintly residential. Each unit of the building has a separate entry, private outdoor space, exterior storage space, and view of the canal. All garden level units have small green patios.*

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**Future: (56 West Avenue)**



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*J. Foster Warner, the building's architect, designed the structure as a central office for Rochester Telephone in the commercial Prairie Style. Warner hired, Gorsline & Swan, who were Rochester's premier builders and the contractor for many significant structures in Rochester, including the E. E. Boynton House, designed by Frank Lloyd Wright.*

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*Our current project architect, Chris Costanza of 9x30 Design, imagines the structure returning to its original form – with a two-car garage, 2<sup>nd</sup> floor terrace, and with the addition of a 3<sup>rd</sup> floor master suite, bath, and office.*

*The existing 2<sup>nd</sup> floor is designed with a large open floor plan, bedroom, full bathroom, and open deck. The ground floor will be converted into two studio apartments that can be rented or utilized as a home office, in-law apartment, or teen suite.*

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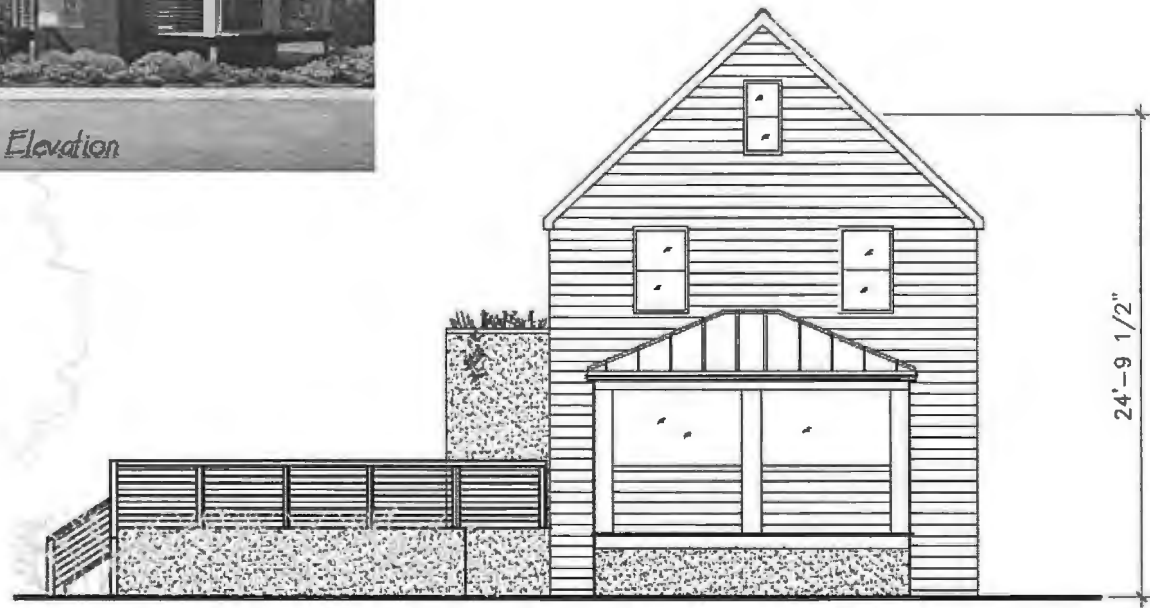
**Future: (17 Roselawn)**



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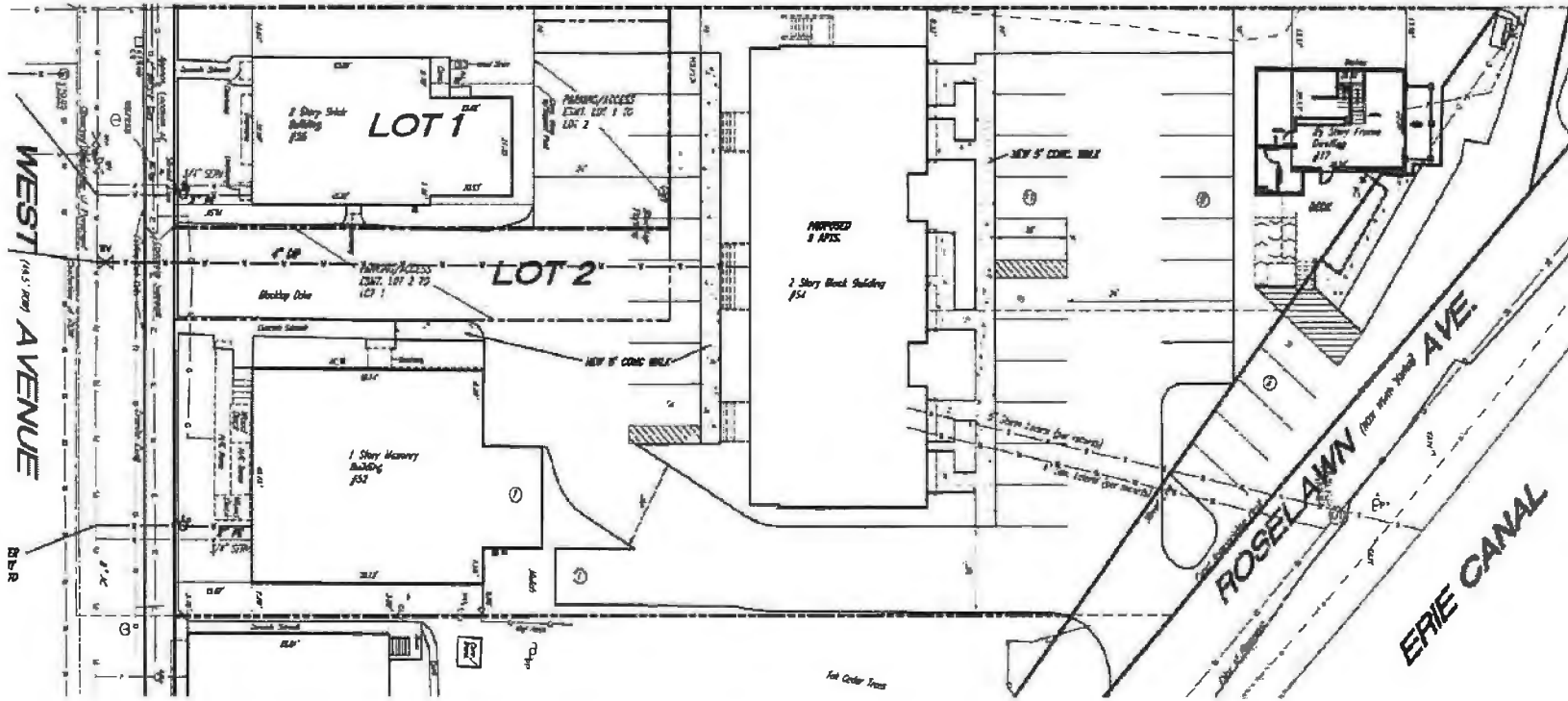
*Providing village and property residents with a canal side social establishment the parcel's only current residential structure will be converted to a café for coffee, light fare, and drink.*

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NORTH ELEVATION

**Future Site Plan:**

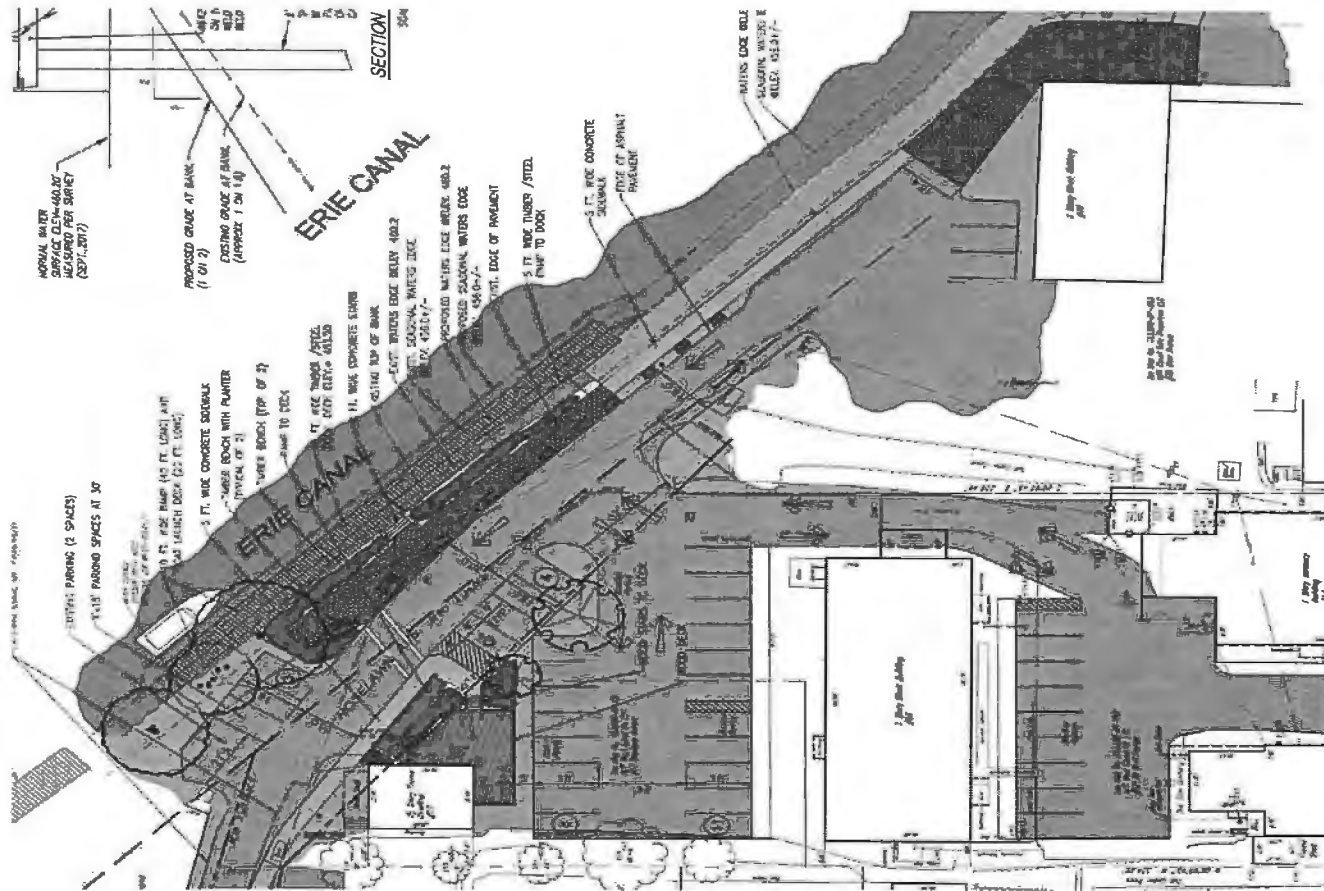


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*The future site plan provides for the complete restoration and conversion of the four-building parcel; including upgrading Roselawn Avenue and the adjacent Canal Front.*

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**Canal Front:**



*In partnership with the Village of Fairport and the New York State Canal Authority – we aim to develop a boat dock, a paved sitting area with benches, and walkway connecting the West side of the Village to Main Street’s commercial district.*

**Proposed Pilot:**

	Address	Current SQFT	Current AV	Final SQFT	Final AV	Land AV
<b>Future State Assessment</b>	54 West Avenue	4,000	279,158	12,000	1,078,652	107,865
	56 West Avenue	3,000	174,474	4,000	359,551	35,955
	52 West Avenue	4,000	209,368	4,500	404,494	40,449
	17 Roselawn Ave	1,500	95,500	1,750	157,303	15,730
		11,000	758,500	22,250	2,000,000	200,000

PROJECT YEAR	PILOT YEAR	Baseline Assessment	Total Tax Rate Except Village & Library	Total Taxes	Incremental AV	Total Tax Rate	Incremental Taxes Paid	Taxes on Incremental AV	Total before Village & Library	Village	Library	Total
1	-	\$ 758,500	\$ 34.55	\$ 26,206	\$ -	\$ 34.55	-	\$ -	\$ 26,206	\$ 5,248.96	\$ 602.70	\$ 32,057
2	-	\$ 758,500	\$ 35.24	\$ 26,730	\$ -	\$ 35.24	-	\$ -	\$ 26,730	\$ 5,353.94	614.759	\$ 32,698
3	-	\$ 758,500	\$ 35.94	\$ 27,264	\$ -	\$ 35.94	-	\$ -	\$ 27,264	\$ 5,461.02	627.0541	\$ 33,352
4	1	\$ 758,500	\$ 36.66	\$ 27,810	\$ 1,241,500	\$ 36.66	10%	\$ 4,552	\$ 32,361	\$ 5,570.24	639.5952	\$ 38,571
5	2	\$ 758,500	\$ 37.40	\$ 28,366	\$ 1,241,500	\$ 37.40	20%	\$ 9,286	\$ 37,651	\$ 5,681.65	652.3871	\$ 43,985
6	3	\$ 758,500	\$ 38.15	\$ 28,933	\$ 1,241,500	\$ 38.15	30%	\$ 14,207	\$ 43,140	\$ 5,795.28	665.4349	\$ 49,601
7	4	\$ 758,500	\$ 38.91	\$ 29,512	\$ 1,241,500	\$ 38.91	40%	\$ 19,322	\$ 48,833	\$ 5,911.19	678.7436	\$ 55,423
8	5	\$ 758,500	\$ 39.69	\$ 30,102	\$ 1,241,500	\$ 39.69	50%	\$ 24,635	\$ 54,737	\$ 6,029.41	692.3184	\$ 61,459
9	6	\$ 758,500	\$ 40.48	\$ 30,704	\$ 1,241,500	\$ 40.48	60%	\$ 30,153	\$ 60,857	\$ 6,150.00	706.1648	\$ 67,714
10	7	\$ 758,500	\$ 41.29	\$ 31,318	\$ 1,241,500	\$ 41.29	70%	\$ 35,883	\$ 67,201	\$ 6,273.00	720.2881	\$ 74,194
11	8	\$ 758,500	\$ 42.12	\$ 31,944	\$ 1,241,500	\$ 42.12	80%	\$ 41,829	\$ 73,773	\$ 6,398.46	734.6939	\$ 80,906
12	9	\$ 758,500	\$ 42.96	\$ 32,583	\$ 1,241,500	\$ 42.96	90%	\$ 47,999	\$ 80,582	\$ 6,526.43	749.3877	\$ 87,858
13	10	\$ 758,500	\$ 43.82	\$ 33,235	\$ 1,241,500	\$ 43.82	100%	\$ 54,398	\$ 87,633	\$ 6,656.96	764.3755	\$ 95,055
14	-	\$ 758,500	\$ 44.69	\$ 33,900	\$ 1,241,500	\$ 44.69	100%	\$ 55,486	\$ 89,386	\$ 6,790.10	779.663	\$ 96,956
15	-	\$ 758,500	\$ 45.59	\$ 34,578	\$ 1,241,500	\$ 45.59	100%	\$ 56,596	\$ 91,174	\$ 6,925.90	795.2563	\$ 98,895

The baseline assessed value is the current assessed value of all properties. The increase in market value to \$2M in total reflect utilizing 36 West Avenue (built in 2015) as a comp, the current assessed value of that property is \$61 PSF. To be conservative that amount was increased to approximately \$90 PSF for the purpose of this analysis. However, final state assessed value has not been confirmed with assessor.



Project Financials: (with & without IDA)

Rent	408,800
Vacancy	8,176
	400,624
<b>Property Tax</b>	32,500
Utilities (RGE + H2O)	7,500
Management	40,880
Refuse / Plowing / Landscaping	7,500
Insurance (ARV Ins Amt)	20,000
Repairs / Maintenance	7,500
	\$ 115,880
<b>Net Operating Income</b>	284,744
Principle Repayments	99,519
Interest Expense	160,240
<b>Net Cash</b>	24,985
Cash Used Purchase	840,000
Closing Costs	102,016
Construction Interest	134,667
Renovation Costs	2,958,375
Bank Financing	(3,250,000)
<b>Total Cash</b>	785,058
IDA Program Costs	25,000
Mortgage Tax Abatement	(25,000)
Sales Tax Abatement	(150,000)
	(150,000)
<b>Total Deal Costs</b>	3,885,058
<b>Net Deal Cash</b>	635,058
CAP Rate	6.7%
Operating Return	41.8%
Cash on Cash	3.9%

Rent	408,800
Vacancy	8,176
	400,624
<b>Property Tax</b>	85,000
Utilities (RGE + H2O)	7,500
Management	40,880
Refuse / Plowing / Landscaping	7,500
Insurance (ARV Ins Amt)	20,000
Repairs / Maintenance	7,500
	\$ 168,380
<b>Net Operating Income</b>	232,244
Principle Repayments	99,519
Interest Expense	160,240
<b>Net Cash</b>	(27,515)
Cash Used Purchase	840,000
Closing Costs	102,016
Construction Interest	134,667
Renovation Costs	2,958,375
Bank Financing	(3,250,000)
<b>Total Cash</b>	785,058
IDA Program Costs	25,000
Mortgage Tax Abatement	(25,000)
Sales Tax Abatement	(150,000)
	(150,000)
<b>Total Deal Costs</b>	3,885,058
<b>Net Deal Cash</b>	635,058
CAP Rate	6.8%
Operating Return	36.8%
Cash on Cash	4.8%

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*As a smaller adaptive reuse project – the margins are more greatly impacted by the three main categories of expense – interest, taxes, and management. As all development projects go, especially smaller projects, margins are extremely tight and project success is highly contingent on long term value.*

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**Economic Impact:**

Project Costs	Gross	Allocation of Project Costs			
		Labor	Materials	Overhead	Profit
Land/Building	840,000				
Construction / Renovation	2,742,375	1,096,950	1,096,950	274,238	274,238
Machinery & Equipment	-	-	-	-	-
Architect / Engineering Fees	116,000	92,800	-	11,600	11,600
Site Work	100,000	40,000	40,000	10,000	10,000
Cost of Financing (Legal / Interest)	102,016	51,008	-	40,806	10,202
Construction Loan Fees / Interest	134,667	67,333	-	53,867	13,467
Other	-	-	-	-	-
<b>Project Total</b>	<b>4,035,058</b>	<b>1,348,091</b>	<b>1,136,950</b>	<b>390,511</b>	<b>319,506</b>
		29.96	Project FTEs		

**Project Recurring Wages**

Aspect	Title	Wages	FTEs
Café Conversion	General Manager	45,000.00	1.00
	Staff	116,000.00	3.31
Local Management	Property Admin	15,000.00	0.43
	Property Manager	35,000.00	1.00
		<b>211,000.00</b>	<b>5.74</b>

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*The following tables describe the major components of the project employment and the future state recurring employment. Project related employment is expected to last two years and is offset by materials and profit in order to determine FTEs at \$45k salary per year. Recurring wages related to property administration and management, as well as new job creation at the café – these wages will continue indefinitely.*

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**Project Team:**

**Heirloom Development Summary:**

Founded by Joel Barrett, Gary Muisus, Jared Muisus, and Matt Muisus

Heirloom Development specializes in the development and restoration of existing structures, adaptive reuse projects, residential conversion, and subdivision for passive construction.

**Joel Bio:**

Joel has spent the last 15 years in the public accounting industry primarily with Deloitte & Touché, LLP. During that time, Joel renovated a small portfolio of residential rental properties and in 2014, partnered with Gary, Jared, and Matt Muisus to restore single family homes, primarily in the North Winton Village, to residential apartments. In 2016 Joel formed Bace Build, LLC the construction arm Heirloom Development and a stand-alone custom builder of residential and commercial spaces. Heirloom is currently developing approximately 25 adaptive re-use apartments on two project sites. Joel grew up in Irondequoit, NY went to Irondequoit High School and attended St. John Fisher College.

**Gary Bio:**

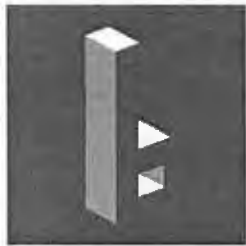
Gary has spent the vast majority of his career in the telecommunications industry, first co-founding White Knight Communications, a utility construction company with capabilities in fiber optic design, and aerial and underground construction. Later Gary was a founding member of what became Fibertech Networks, and as a Senior Vice President of Operations – he helped build fiber networks in mid-size cities supporting government, education, healthcare, finance, and large business clients. In 2015, Fibertech Networks was acquired by Lightower Fiber Networks– and after a yearlong transition Gary retired from the new organization. Gary grew up in Irondequoit, NY, went to Irondequoit High School, and attended The University of Tclede.

**Jared Bio:**

Operations Manager of Western New York & Pennsylvania for Lightower Fiber Networks with more than 20 years of experience working in the telecommunications industry. Specializing in telecommunications engineering, operations management, network engineering, and optical fiber. Jared grew up in Irondequoit, NY, went to Irondequoit High School and attended Edinboro University & Monroe Community College.

**Matt Bio:**

Experienced Director of Operations with a demonstrated history of working in the telecommunications industry. Skilled in Voice over IP (VoIP), Cross-functional Team Leadership, Fiber Optics, Data Center, and Vendor Management. Strong operations professional with a Bachelor of Arts (B.A.) focused in Communications from State University of New York College at Oswego.



**bace**  
**BUILD**

**Bace Build**

Founded by Joel Barrett, Jonathon Cahoon, & Erik Heuseveldt  
[www.bacebuild.com](http://www.bacebuild.com)

**Company Overview:**

At Bace Build we seek to create environments that join people with space in positive and inspiring ways. Drawing from our region's historic architectural landscape and employing a design-forward mindset, our team works to realize the client's vision with architecturally significant technique, custom detail and superior craftsmanship. With backgrounds in architecture, sustainability, construction, accounting and real estate – we challenge ourselves to deliver form and style through innovative and functional building.

**Jon Bio – As Leader of Construction** Jon's spent more than fifteen 15 years in residential and commercial construction – specializing in estimating, cost control, and complete project management. His background also features experience in architectural planning, project design and historic preservation.

**Erik Bio – As Operations Leader,** Erik brings over 12 years' experience and focus in areas of concept design and strategy, project management, and custom architectural feature and fixture fabrication for the boutique construction industry. His passion lies in the details of both the process and finish.

**Joel Bio – As Leader of Development,** Joel lends more than fifteen 15 years finance, accounting, and business consulting experience as well as expertise in real estate and development. His skill-set has helped forge a sound foundation for Bace Build's ongoing investment and collaboration in our great city and region.



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