

## APPLICATION SUMMARY

**DATE:** January 28, 2016

**APPLICANT:** 125 EMS Hotel LLC  
1080 Pittsford-Victor Road  
Pittsford, New York 14534

**TENANT:** Hyatt Regency Rochester  
125 E. Main Street  
Rochester, New York 14604

**PROJECT SUMMARY:**



125 EMS Hotel LLC, a local real estate development entity owned by Robert Morgan and David Christa, is proposing a \$31.8 Million project to include acquisition and renovation of the Hyatt Hotel in the City of Rochester. The 25 story, 274,000 square foot hotel was built in 1992 and includes 338 guest rooms, 20,000 square feet of meeting and event space and related amenities. The project includes a \$15.6 Million Property Improvement Plan which Hyatt is requiring in order to retain the Hyatt flag. The project will impact 80 FTEs and is projected to create 20 new FTEs over the next three years. The applicant is seeking approval of a custom property tax abatement to be approved by the City of Rochester. The job creation requirement is 10 FTEs. The Benefit/Incentive ratio is 1.6:1.

**PROJECT AMOUNT:** \$31,817,600– Lease/Leaseback with Custom Abatement

<b>JOBS: EXISTING:</b>	80	FTEs
<b>NEW:</b>	20	FTEs
<b>REQUIREMENT:</b>	10	FTEs

<b>REAL PROPERTY TAXES:</b>	
<b>EXISTING:</b>	\$9,589,376
<b>WITH IMPROVEMENTS:</b>	\$8,084,033

**PUBLIC HEARING DATE:** January 27, 2016

**BENEFIT TO INCENTIVE RATIO:** 1.6: 1

**SEQR:** INTERNAL RENOVATIONS ONLY; EXEMPT FROM SEQR.

**ELIGIBILITY:** LOCAL TAX JURISDICTION SPONSORED PILOT

**APPROVED PURPOSE:** COMMUNITY DEVELOPMENT

**RECOMMEND APPROVAL:** \_\_\_\_\_  
Acting Executive Director



## Board Report

Table 1: Basic Information

Project Applicant	125 EMS Hotel LLC
Project Name	Hyatt Hotel
Project Industry	Accommodation
Municipality	Rochester
School District	Rochester
Type of Transaction	Lease/Leaseback
Project Cost	\$31,817,600
Mortgage Amount	\$22,000,000
Employment at Application (Annual FTEs)	80
Direct Employment Expected to Result from Project (Annual FTEs)	20
Direct Employment Required for PILOT (Annual FTEs)	10

Table 2: Estimated State & Regional Benefits / Estimated Project Incentives Analysis (Discounted Present Value<sup>\*</sup>)

<b>Total State &amp; Regional Benefits</b>	<b>\$3,254,393</b>	
<b>Total Project Incentives</b>	<b>\$2,070,408</b>	
<b>State &amp; Regional Benefits to Incentives Ratio</b>	<b>1.6:1</b>	
<b>Projected Employment</b>	<b>State</b>	<b>Region</b>
<b>Total Employment</b>	<b>209</b>	<b>209</b>
Direct**	20	20
Indirect***	5	5
Induced****	7	7
Temporary Construction (Direct and Indirect)	177	177

Table 3: Estimated State & Regional Benefits (Discounted Present Value<sup>\*</sup>)

<b>Total State &amp; Regional Benefits</b>	<b>\$3,254,393</b>
Income Tax Revenue	\$634,641
Property Tax Revenue	(\$1,505,343)
Sales Tax Revenue	\$3,886,113
IDA Fee	\$238,982

Table 4: Estimated Project Incentives (Discounted Present Value<sup>\*</sup>)

<b>Total Project Incentives</b>	<b>\$2,070,408</b>
Mortgage Tax	\$220,000
Property Tax Incentive over 485b	\$1,318,453
Sales Tax	\$531,955

\* Figures over 20 years and discounted by 2%

\*\* **Direct** – The recipient of COMIDA assistance adds jobs new to the regional economy or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector projects) do not fall under this definition.

\*\*\* **Indirect** – The recipient of COMIDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

\*\*\*\* **Induced** – The recipient of COMIDA assistance, by adding to payroll – either through new jobs or retention of jobs at risk – stimulates household spending that is new to the regional economy or saved from being lost to competitors outside the region.