

HARRIS BEACH PLLC
ATTORNEYS AT LAW

January 5, 2016

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RACHEL BARANELLO ENDRESS

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TO ALL ON THE ATTACHED DISTRIBUTION LIST:

Re: County of Monroe Industrial Development Agency ("COMIDA")
Louis F. Kessler, Jr.
21 North Plymouth Avenue in the City of Rochester, New York

Ladies and Gentlemen:

Enclosed herewith please find a copy of the PILOT Addendum for 21 N. Plymouth Avenue in the City of Rochester, New York (part of the residential project constructed by Plymouth Terrace, LLC), the Application for Real Property Tax Exemption and COMIDA Checklist with respect to the above-captioned matter. Also enclosed for your perusal is a copy of the original PILOT Agreement with respect to the Plymouth Terrace, LLC project.

Very truly yours,

Rachel Endress / 4

Rachel Baranello Endress

MJT/lap

Enclosures

cc: Paul A. Johnson, COMIDA
Louis F. Kessler, Jr.

DISTRIBUTION LIST

Hon. Cheryl Dinolfo, County Executive
110 County Office Building
39 West Main St.
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 1520 0002 8537 4961

Ms. Lovely Warren, Mayor
City Hall, Room 307A
30 Church Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 1520 0002 8537 4985

Mr. Thomas G. Huonker, Assessor
City Hall
30 Church Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 1520 0002 8537 5005

Mr. Kevin Tubiolo
Collector of Fees and Taxes
B-3 County Office Building
39 West Main Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 1520 0002 8537 4978

Mr. Randy Webb
City Hall, Room 106-A
30 Church Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 1520 0002 8537 4992

Daniel Lowengard, Interim Superintendent
Rochester City School District
131 West Broad Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 0640 0005 6198 4866

**PILOT ADDENDUM
(LOUIS F. KESSLER, JR.)**

The City of Rochester's Core Housing Owner Incentive Exemption program ("CHOICE"), approved by Resolution No. 2007-14 of the City Council, offers property tax exemptions for the creation of market-rate owner-occupied residential units in the Center City District. It is the intent of the Rochester City Council to increase the number of owner occupants living in the downtown area.

The County of Monroe Industrial Development Agency (the "Agency") and Plymouth Terrace, LLC (the "Company"), previously entered into a Payment-In-Lieu-Of-Tax Agreement, dated as of July 1, 2011 and an Amended and Restated Payment In Lieu Of Tax Agreement, made as of March 13, 2013 but effective as of February 1, 2012 (as amended, the "PILOT Agreement"), in connection with the Company's residential project (the "Project"), located in the City of Rochester, New York and known as Plymouth Terrace, to make provisions for payments in lieu of real property taxes by the Company to Monroe County, New York and the City of Rochester, New York (together, the "Taxing Jurisdictions").

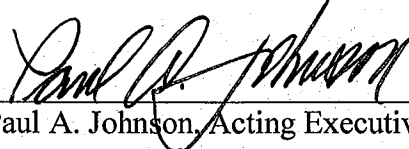
The Company has since completed the construction and equipping of its Project and is ready to sell each of the residential units. The CHOICE program allows for the continued partial real property tax abatement for each individual unit as long as that unit remains the purchaser's primary residence. The exemption applies only to the increase in assessed value resulting from the Project. The exemption applies to property tax levies of the Taxing Jurisdictions. See the attached **Schedule A** for a description of the CHOICE program and the exemption schedule.

The below named purchaser hereby certifies that the property commonly known as 21 North Plymouth Avenue, Rochester, New York [Tax Account No. 121.220-0001-055.024] is his primary residence and agrees to notify the City of Rochester's Bureau of Assessment of any change in occupancy.

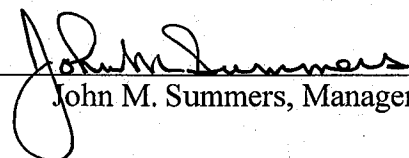
[Remainder of Page Intentionally Left Blank]

The Agency, the Company and the below named purchaser have each executed this Addendum as of the 20 day of December, 2015.

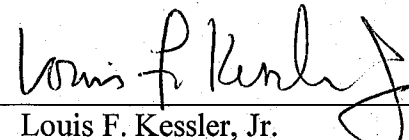
**COUNTY OF MONROE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 
Paul A. Johnson, Acting Executive Director

PLYMOUTH TERRACE, LLC

By: 
John M. Summers, Manager

**PURCHASER OF 21 NORTH PLYMOUTH
AVENUE, ROCHESTER, NEW YORK
[Tax Account No. 121.220-0001-055.024]**

By: 
Louis F. Kessler, Jr.

SCHEDULE A

Description of CHOICE Program

[See Attached]

CORE HOUSING OWNER INCENTIVE EXEMPTION – CHOICE

The Core Housing Owner Incentive Exemption (CHOICE) offers property tax exemptions for the creation of market-rate owner-occupied residential units in the Center City District. The intent of the program is to increase the number of owner occupants living in the downtown area. The program was adopted by a resolution approved by the Rochester City Council, and is implemented through the County of Monroe Industrial Development Agency (COMIDA) through a Payment in Lieu of Tax Agreement and sale leaseback arrangement. A copy of COMIDA application is attached. Additional benefits available under from COMIDA may include a sales tax exemption on construction materials and mortgage tax exemptions.

Eligible Area: Center City District

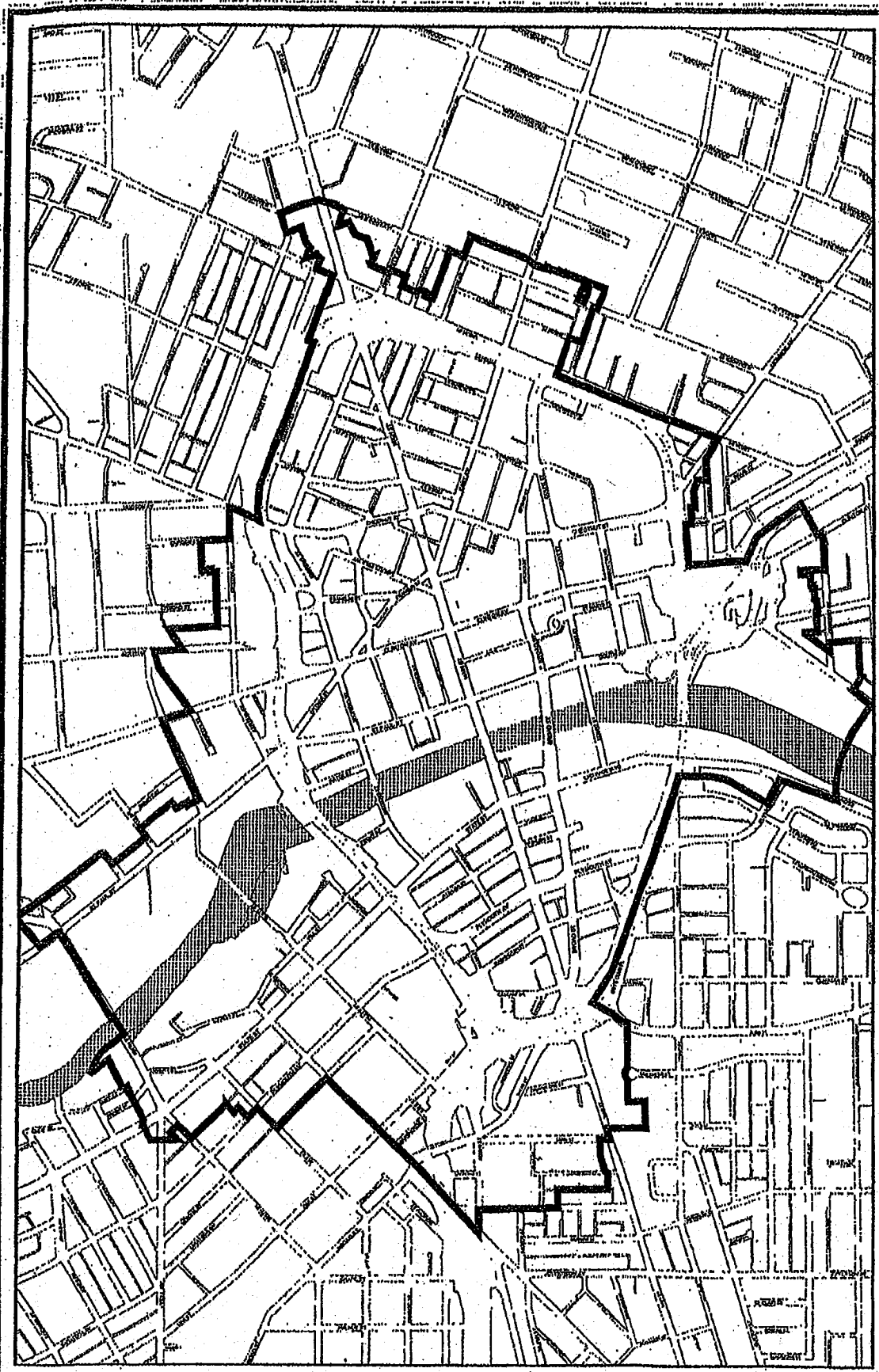
Project Qualifications: The exemption applies to any new owner occupied unit created from new construction or renovation. The exemption also applies to the conversion from existing residential rental units to owner occupied units. The exemption only applies to the increased in assessed value attributable to the project. If there is minimal or no increase in assessment resulting from the project, the exemption would not likely provide a benefit for the applicant. Every project seeking assistance under this program must use local labor for the construction of new, expanded or renovated facilities (see Appendix B of the COMIDA application).

Exemption: The exemption applies to the increase in assessed value resulting from the project. The exemption applies to City of Rochester, Rochester City School and County of Monroe property tax levies. The exemption schedule is as follows:

<u>Year of Exemption</u>	<u>Exemption</u>
1	90%
2	80%
3	70%
4	60%
5	50%
6	40%
7	30%
8	20%
9	10%
10	0%

Application: Applications must be submitted and approved by COMIDA prior to the commencement of construction. Applications for COMIDA assistance are available at: www.growmonroe.org/application.asp or at:

City Place
Suite 8100
50 West Main Street
Rochester, NY 14614



CENTER CITY DISTRICT


NOTE: Boundaries are subject to change. The City of Rochester is not responsible for any errors or omissions in this map. For more information, please contact the City of Rochester, Planning & Economic Development Department.

Eligible area for the following programs:

- Main Street Assistance
- CUE
- CHOICE



LEGEND

 CITY OF ROCHESTER
EED - ECONOMIC DEVELOPMENT



NYS BOARD OF REAL PROPERTY SERVICES

RP-412-a (1/95)

INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name County of Monroe Industrial Develop. Agency
Street 8100 CityPlace, 50 West Main Street
City Rochester
Telephone no. Day (585) 419-8656
Evening ()
Contact Michael J. Townsend
Title Agency Counsel

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name Louis F. Kessler, Jr.
Street 468 Jefferson Avenue
City Morrisville, New York 19067
Telephone no. Day ()
Evening ()
Contact
Title Buyer

3. DESCRIPTION OF PARCEL

a. Assessment roll description (tax map no./roll year)
121.220-0001-055.024
b. Street address
21 North Plymouth Avenue
c. City, Town or Village City of Rochester

d. School District Rochester
e. County Monroe
f. Current assessment
g. Deed to IDA (date recorded; liber and page)
Deed to Buyer recorded w/Monroe County Clerk
on January 4, 2016.

4. GENERAL DESCRIPTION OF PROPERTY (if necessary, attach plans or specifications)

a. Brief description (include property use) purchase of 21 North Plymouth Avenue, Rochester, NY
b. Type of construction
c. Square footage
d. Total cost
e. Date construction commenced
f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)
December 1, 2026

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

a. Formula for payment Please see attached document

b. Projected expiration date of agreement December 1, 2026

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Monroe</u>	X	
Town/City <u>Rochester</u>	X	
Village <u>N/A</u>		X
School District _____		

d. Person or entity responsible for payment

Name Louis F. Kessler
 Title Buyers
 Address 21 N. Plymouth Avenue
Rochester, New York 14614

e. Is the IDA the owner of the property? Yes/No (circle one)

If "No" identify owner and explain IDA rights or interest in an attached statement.

Telephone _____

IDA has a leasehold interest in the Plymouth Terrace, LLC residential project, and Louis F. Kessler, Jr. owns 21 N. Plymouth Avenue.

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No

If yes, list the statutory exemption reference and assessment roll year on which granted: exemption Section 874 of GML assessment roll year 2011

7. A copy of this application, including all attachments, has been mailed or delivered on 1/5/16 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

CERTIFICATION

I, Michael J. Townsend, Agency Counsel of _____

Name Title
County of Monroe Industrial Development Agency hereby certify that the information
Organization

on this application and accompanying papers constitutes a true statement of facts.

12/31/15
Date

[Signature]
Signature

FOR USE BY ASSESSOR

1. Date application filed _____
2. Applicable taxable status date _____
- 3a. Agreement (or extract) date _____
- 3b. Projected exemption expiration (year) _____
4. Assessed valuation of parcel in first year of exemption \$ _____
5. Special assessments and special as valorem levies for which the parcel is liable:

Date

Assessor's signature

MEMORANDUM

January 5, 2016

TO: Kevin Tubiolo, Monroe County Treasury
FROM: Rachel Baranello Endress
RE: COMIDA Checklist

-
1. NAME OF OCCUPANTS: Louis F. Kessler, Jr.
 2. MONTH & YEAR OPENED: January, 2016
 3. YEAR OF FIRST BILLING: 2016
 4. YEAR COMIDA ENDING: 2026
 5. SPECIAL INSTRUCTIONS: Please see attached PILOT Addendum & Agreement
 6. TAX ACCOUNT NUMBER: 121.220-0001-055.024

PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT (the "PILOT Agreement") made as of July 1, 2011, is by and between the **COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, having its offices at 8100 CityPlace, 50 West Main Street, Rochester, New York 14614 (the "Agency") and **PLYMOUTH TERRACE, LLC**, a limited liability company formed and existing under the laws of the State of New York with offices at 1001 Lexington Avenue, Rochester, New York 14606 (the "Company").

WITNESSETH:

WHEREAS, the Agency was created by Chapter 55 of the Laws of 1972 of the State of New York pursuant to Title I of Article 18A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Agency has agreed to acquire an interest in a parcel of land located at 116 West Main Street in the City of Rochester, County of Monroe and State of New York, more particularly described in Exhibit A attached hereto, and to assist in the construction and equipping of 24 attached row houses thereon (the "Facility"), a description of which is annexed hereto as Exhibit B; and related site work, for lease to certain as-yet unknown owner occupants; each owner occupant will be required to execute an addendum to this PILOT Agreement substantially in the form attached hereto as Exhibit C; and

WHEREAS, the Agency has agreed to lease the Facility to the Company; and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes and assessments imposed upon real property and improvements owned by it; and

WHEREAS, the Facility meets the criteria of the City of Rochester Choice Tax Abatement Policy pursuant to City of Rochester Resolution No. 2007-14, a copy of which is annexed hereto and made a part hereof; and

WHEREAS, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the County of Monroe, the City of Rochester and the Rochester City School District (collectively, the "Taxing Jurisdictions").

NOW, THEREFORE, in consideration of the Agency providing the Facility and in consideration of the covenants herein contained, it is mutually agreed as follows:

1. (a) City of Rochester, Choice Tax Abatement Policy. As long as the Facility is leased by the Agency and leased back to the Company, the Company agrees to pay annually to the Taxing Jurisdictions as a payment in lieu of taxes, an amount equal to 100% of the taxes, service charges, special ad valorem levies, special assessments and improvement district

charges or similar tax equivalents, less the percentages of exemption set forth on the schedule below, with respect to taxes and special ad valorem levies on that portion of the Facility within the description contained in paragraph 5 of Section 485-b (notwithstanding that the procedural steps to obtain an exemption may not have been complied with) which would be levied upon or with respect to the Facility by the Taxing Jurisdictions if the Facility were owned by the Company and not by the Agency, following next applicable tax status date:

YEARS OF EXEMPTION	PERCENTAGE OF EXEMPTION
1	90%
2	80%
3	70%
4	60%
5	50%
6	40%
7	30%
8	20%
9	10%
10	0%

provided however, that the Company need not comply with procedures to obtain such exemption as provided in the New York Real Property Tax Law, and provided further that the Company and/or the Agency, at the request of the Company, shall do all things necessary and shall make application and follow such procedures to obtain such exemption to the extent that the Company shall determine necessary.

Further, provided that:

(i) The payments required hereunder for any non-compliance shall be paid by the Company to any and all affected taxing jurisdictions whether or not billed.

(ii) The tax benefits provided for herein shall be deemed to commence in the first year in which the Company receives any tax benefits relative to the Facility, whether under this PILOT Agreement, another agreement, or any statutory exemption. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than ten (10) consecutive years. The Company agrees that it will not seek any tax exemption for the Facility which would provide benefits for more than ten (10) consecutive years.

(b) Special district charges, unless otherwise exempt, and Monroe County Pure Waters charges are to be paid in full in accordance with normal billing practices.

(c) The Company shall pay, within the applicable grace period and without penalty, the amounts set forth in Paragraphs 1(a) and 1(b) hereof applicable to taxes, special ad valorem levies, special assessments or similar tax equivalents, less the percentages of exemption on similar property subject to taxation by the Taxing Jurisdictions, as appropriate.

2. In the event that the Facility is transferred from the Agency to the Company, and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption is less than that described in Paragraph 1(a) herein, the Company agrees to pay no later than the next tax lien date, (plus any applicable grace period) to each of the Taxing Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein. Notwithstanding anything contained herein to the contrary, in the event that title to the Facility, or any portion thereof, is transferred from the Agency to the Company or any person or entity not otherwise entitled to an exemption from taxation (collectively with the Company, the "Transferee") such that the Facility, or portion thereof, is subject to immediate assessment and taxation and is taxed pro rata for the unexpired portion of any fiscal year during which said transfer of title to the Transferee occurred pursuant to the provisions of Section 520 of the New York Real Property Tax Law, any amounts payable or made, as the case may be, pursuant to this PILOT Agreement by the Company to the respective Taxing Jurisdictions shall be reduced or refunded, as the case may be, in accordance with 10 Op. Off. Real Property Services 87 (1999), by the amount of taxes required to be paid pursuant to such Section 520 with respect to the fiscal year during which said transfer of title to the Transferee occurred. The provisions of the immediately preceding sentence shall survive the termination or expiration of the leaseback agreement entered into between the Agency and Company, dated as of the date hereof (the "Leaseback Agreement").

3. The Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this PILOT Agreement.

4. The Company shall have all of the rights and remedies of a taxpayer with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Taxing Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

5. To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

6. It is understood and agreed that, should the Company be obligated to pay to any Taxing Jurisdiction any amounts in the nature of general taxes, general assessments, service charges, or governmental charges of a similar nature, with respect to the interest of the Agency or the Company, or their respective successors and assigns, in the Facility, or the occupancy of the Facility by the Company (but not including, by way of example, (i) special assessments, special ad valorem levies or governmental charges in the nature of utility charges, including, but not limited to, water, solid waste, sewage treatment, or sewer or other rents, rates and charges; (ii) sales taxes and recording taxes; (iii) income taxes of the Company) the Company's obligation to such Taxing Jurisdiction hereunder shall be reduced by the amount of such

amounts in the nature of general taxes, general assessments, service charges, or other governmental charges of a similar nature which the Company shall be so obligated to pay. The Company shall give the respective Taxing Jurisdictions thirty (30) days' prior written notice of its intention to claim any credit pursuant to the provisions of this Section 6, if practicable.

7. If the Company enters into any written agreement with any Taxing Jurisdiction providing for payments in lieu of taxes by the Company to any or all of them, so much of this PILOT Agreement as relates to the Taxing Jurisdiction with which the Company has entered into said written agreement shall be automatically modified to reflect the terms of any such written agreement, and any such written agreement shall be deemed to be incorporated herein by reference and made a part hereof as an amendment or modification hereof. Should the Company receive any exemption from any of the Taxing Jurisdictions, this PILOT Agreement shall automatically be modified to reflect the extent of such exemption.

8. If payments are not made as provided for herein, the Taxing Jurisdictions, individually or collectively, shall be entitled to pursue any and all remedies afforded them at law or in equity.

9. No portion of any interest in this PILOT Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the day and year first above written.

COUNTY OF MONROE INDUSTRIAL
DEVELOPMENT AGENCY

By: Judy A. Stoll
Name: Judy A. Stoll
Title: Executive Director

PLYMOUTH TERRACE, LLC

By: John M. Summers
Name: John M. Summers
Title: Manager

Exhibit A

Project Addresses

<u>Address</u>	<u>Tax Map Parcel #</u>
21 North Plymouth	121.220-0001-055.024
27 North Plymouth	121.220-0001-055.023
33 North Plymouth	121.220-0001-055.022
39 North Plymouth	121.220-0001-055.021
45 North Plymouth	121.220-0001-055.020
51 North Plymouth	121.220-0001-055.019
57 North Plymouth	121.220-0001-055.018
63 North Plymouth	121.220-0001-055.017
69 North Plymouth	121.220-0001-055.016
75 North Plymouth	121.220-0001-055.015
87 North Plymouth	121.220-0001-055.014
93 North Plymouth	121.220-0001-055.013
99 North Plymouth	121.220-0001-055.012
105 North Plymouth	121.220-0001-055.011
111 North Plymouth	121.220-0001-055.010
117 North Plymouth	121.220-0001-055.009
123 North Plymouth	121.220-0001-055.008
129 North Plymouth	121.220-0001-055.007
135 North Plymouth	121.220-0001-055.006
141 North Plymouth	121.220-0001-055.005
147 North Plymouth	121.220-0001-055.004
153 North Plymouth	121.220-0001-055.003
159 North Plymouth	121.220-0001-055.002
165 North Plymouth	121.220-0001-055.001

Exhibit B

Description of the Project and Facility

The "Facility" consists of: (A) the acquisition of a leasehold or other interest in a certain approximately 1.50-acre parcel of land known as 116 Main Street in the City of Rochester, New York (the "Land"); (B) the construction on the Land of 24 attached row houses, each house to be two stories high and to contain 3 bedrooms, a master suite, 2-1/2 baths, living room, dining room, kitchen, full basement together with a detached garage (the "Improvements"); (C) the acquisition and installation of various machinery and equipment (the "Equipment" and, together with the Land and the Improvements, the "Facility").

Exhibit C

**PILOT ADDENDUM
(PURCHASER'S NAME)**

The City of Rochester's Core Housing Owner Incentive Exemption program ("CHOICE"), approved by Resolution No. 2007-14 of the City Council, offers property tax exemptions for the creation of market-rate owner-occupied residential units in the Center City District. It is the intent of the Rochester City Council to increase the number of owner occupants living in the downtown area.

The County of Monroe Industrial Development Agency (the "Agency") and Plymouth Terrace, LLC (the "Company"), previously entered into a Payment-In-Lieu-Of-Tax Agreement, dated as of July 1, 2011 (the "PILOT Agreement") in connection with the Company's residential project (the "Project"), located at 116 West Main Street in the City of Rochester, New York and known as [Plymouth Terrace], to make provisions for payments in lieu of real property taxes to the Company to Monroe County, New York and the City of Rochester, New York (the "Taxing Jurisdictions").

The Company has since completed the construction and equipping of its Project and is ready to sell each of the residential units. The CHOICE program allows for the continued partial real property tax abatement for each individual condominium unit as long as that unit remains the purchaser's primary residence. The exemption applies only to the increase in assessed value resulting from the Project. The exemption applies to property tax levies of the Taxing Jurisdictions. See the attached Schedule A for a description of the CHOICE program and the exemption schedule.

The below named purchaser hereby certifies that the property commonly known as Unit # _____ [Tax Account No. _____] of [Plymouth Terrace] is his/her primary residence and agrees to notify the City of Rochester's Bureau of Assessment of any change in occupancy.

The Agency, the Company and the below named purchaser have each executed this Addendum as of the _____ day of _____, 20_____.

**COUNTY OF MONROE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Judy A. Soil, Executive Director

PLYMOUTH TERRACE, LLC

By: _____
John M. Summers, Manager

[PURCHASER]

By: _____
Purchaser of Unit # _____ having
Tax Account No. _____

PILOT Addendum