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July 5, 2016

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Hon. Cheryl Dinolfo
Monroe County Executive
39 West Main Street
County Office Building
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 0640 0005 9684 1165

Ms. Susan Buck
Monroe County Treasury
B-3 County Office Building
39 West Main Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 0640 0005 9684 1172

Ms. Lovely Warren, Mayor
City Hall
30 Church Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 0640 0005 9684 1189

Mr. Randy Webb
City Hall, Room 106-A
30 Church Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 0640 0005 9684 1196

Mr. Thomas G. Huonker, Assessor
City Hall
30 Church Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 0640 0005 9684 1202

Ms. Linda Cimusz, Interim Superintendent
Rochester City School District
131 West Broad Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
7015 1520 0003 1915 0561

Re: County of Monroe Industrial Development Agency ("COMIDA")
Annette M. Cucchiara
Unit 4E of Capron Street Lofts Condominiums in the City of Rochester, New York

Ladies and Gentlemen:

Enclosed herewith please find a copy of the PILOT Addendum for Unit 4E of the Capron Street Lofts Condominiums, 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 Riverview Lofts, LLC (Capron Street Lofts Condominiums) project.

Very truly yours,


Rachel Baranello Endress

MJT/lap

Enclosures

cc: COMIDA
Annette M. Cucchiara
Richard T. Ciaccio, Esq.

**PILOT ADDENDUM
(ANNETTE M. CUCCHIARA)**

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 Riverview Lofts, LLC (the "Company"), previously entered into a Payment-In-Lieu-Of-Tax Agreement, dated as of October 1, 2008 (the "PILOT Agreement") in connection with the Company's condominium project (the "Project"), located at 228 South Avenue in the City of Rochester, New York and known as Capron Street Lofts Condominium, 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 renovation 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.

Unit 4E [Tax Account No. 121.400-0001-019.000-0405] of the Capron Street Lofts Condominium was initially purchased by Kyesung Lee (herein, the "Seller"), by warranty deed, dated October 21, 2011 and recorded with the Monroe County Clerk on October 25, 2011 in Liber 11055 of Deeds, at page 148.

Seller is now transferring ownership of Unit 4E [Tax Account No. 121.400-0001-019.000-0405] of the Capron Street Lofts Condominium to **Annett M. Cucchiara** (the "Purchaser"). Purchaser is entitled to receive a partial real property tax abatement under the PILOT Agreement commencing with Year 5 of the Exemption Schedule set forth on Schedule A attached hereto, for the remaining term of the PILOT Agreement as long as Unit 4E [Tax Account No. 121.400-0001-019.000-0405] of the Capron Street Lofts Condominium remains Purchaser's primary residence.

The below named purchaser hereby certifies that the property commonly known as Unit 4E [Tax Account No. 121.400-0001-019.000-0405] of the Capron Street Lofts Condominium is her 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 purchasers have each executed this Addendum as of the 24th day of June, 2016.

**COUNTY OF MONROE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____

SELLER OF UNIT 4E
[Tax Account No. 121.400-0001-019.000-0405]

By: _____

Kyesung Lee
Kyesung Lee

PURCHASER OF UNIT 4E
[Tax Account No. 121.400-0001-019.000-0405]

By: _____

Annette M. Cucchiara
ANNETTE M. CUCCHIARA

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



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 Rachel Baranello Endress
Title Agency Counsel

2. OCCUPANT (IF OTHER THAN IDA)
(IF more than one occupant attach separate listing)

Name Annette M. Cucchiara
Street 1 Capron Street, Unit 4E
City Rochester, New York 14607
Telephone no. Day ()
Evening ()
Contact Annette M. Cucchiara
Title Buyer

3. DESCRIPTION OF PARCEL

a. Assessment roll description (tax map no./roll year)
121.400-0001-019.000-0405
b. Street address
1 Capron Street
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 June 30, 2016.

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

a. Brief description (include property use) purchase of Unit 4E of Capron Street Lofts Condominiums
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)
June 30, 2021

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 June 30, 2021

c. Municipal corporations to which payments will be made

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

d. Person or entity responsible for payment

Name Annette M. Cucchiara
 Title Buwer
 Address 1 Capron Street, Unit 4E
Rochester, New York 14607

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 228 South Avenue (1 Capron Street), **Annette M. Cucchiara owns Unit 4E.**

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 2008

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

CERTIFICATION

I, Rachel Baranello Endress, 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.

6/30/16
Date

Rachel Baranello Endress
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

June 30, 2016

TO: Susan Buck, Monroe County Treasury
FROM: Rachel Baranello Endress
RE: COMIDA Checklist

-
1. NAME OF OCCUPANT: Annette M. Cucchiara – 2nd owner
 2. MONTH & YEAR OPENED: June, 2016
 3. YEAR OF FIRST BILLING: 2016
 4. YEAR COMIDA ENDING: 2021
 5. SPECIAL INSTRUCTIONS: Please see attached PILOT Addendum & Agreement
 6. TAX ACCOUNT NUMBER: 121.400-0001-019.000-0405

PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT (the "Agreement") made as of October 1, 2008, 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 **RIVERVIEW LOFTS, LLC** a limited liability company duly organized and existing under the laws of the State of New York with offices at 325 Alexander Street, Suite 100, Rochester, New York 14607 (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 228 South Avenue, City of Rochester, County of Monroe and State of New York, more particularly described in Exhibit A attached hereto, and to assist in the renovation of an approximately 40,000 square foot warehouse (the "Facility"), a description of which is annexed hereto as Exhibit B; and related site work, for lease to certain owner occupants (a description of which is annexed hereto as Exhibit C) (hereinafter referred to as "Owner Occupants", as defined in the PILOT Addendum attached hereto); 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 and 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. However, if the Company has made a good faith effort to achieve the job creation standard, it may apply in writing for relief from the obligation for repayment of taxes abated, based on a showing of unforeseen economic circumstances, fiscal hardship, or other good cause. Application for relief from the repayment obligation shall be made to the Agency, which shall examine the application and make recommendations to the Legislature regarding the requested relief; the recommendations may include, but not be limited to, relief in whole or in part from the repayment obligation, or an alternate schedule for attaining the job creation standard.

(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 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 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 (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 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 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 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. Notwithstanding anything contained herein to the contrary, upon the occurrence of (i) the sale or closure of the Facility, (ii) a significant unapproved change in use of the Facility, (iii) a significant reduction in employment at the Facility or (iv) a significant Event of Default hereunder or under the Leaseback Agreement, the Agency shall have the right to recapture real property tax abatements provided hereunder pursuant to the following schedule:

Year of Recapture	Percent of Recapture, Applicable to Current and All Prior Years
1	100%
2	100%
3	50%
4	50%
5	25%
6	25%
After year 6	At Agency's Discretion, 25% or Less

Any such recapture is at the sole and exclusive discretion of the Agency. The Agency shall notify the Company in writing within ninety (90) days of such Event of Default of its intent to recapture the PILOT benefits (or any portion thereof); provided, however, that such period shall not commence to run until the Agency has been properly notified or ascertains any such Event of Default. For purposes of this Section only, a "significant reduction" shall mean more

than twenty percent (20%) of the employment as stated in the application. Any and all recaptured payments received pursuant to this provision shall be remitted to the Taxing Jurisdictions on a pro rata basis within sixty (60) days of receipt of payment.

10. No portion of any interest in this 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 Agreement as of the day and year first above written.

**COUNTY OF MONROE INDUSTRIAL
DEVELOPMENT AGENCY**

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

RIVERVIEW LOFTS, LLC

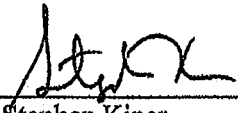
By: 
Name: Stephen Kiner
Title: Member

Exhibit A

Legal Description of the Property

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Rochester, County of Monroe and State of New York, described as follows:

Beginning at a point in the east line of South Avenue, 75.38 feet south of the southeast corner of South Avenue and Capron Street; thence northerly along the east line of South Avenue to its intersection with the south line of Capron Street; thence easterly along the south line of Capron Street, 135.00 feet; thence southerly parallel with South Avenue, 84.02 feet; thence westerly parallel with Capron Street, 20.00 feet; thence northerly parallel with South Avenue, 8.64 feet; thence westerly along a straight line to the place of beginning.

Exhibit B

Description of the Facility

The "Facility" consists of the renovation of the approximately 40,000 square foot warehouse located at 228 South Avenue, City of Rochester, County of Monroe and State of New York and applies only to the increase in assessment as a result of these renovations and/or improvements.

Exhibit C

OWNER OCCUPANTS

NAME

ADDRESS

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 through new construction, renovation, or conversion from existing residential rental 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>
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2	80%
3	70%
4	60%
5	50%
6	40%
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8	20%
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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
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