



APPLICATION SUMMARY

DATE: February 19, 2019

APPLICANT: M/E Properties Rochester, LLC
150 North Chestnut Street
Rochester, NY 14604

TENANT & PROJECT LOCATION: M/E Engineering, P.C.
300 Trolley Blvd.
Rochester, NY 14606

PROJECT SUMMARY: M/E Properties Rochester, LLC, a real estate holding company, proposes to purchase and renovate 300 Trolley Blvd. in the Town of Gates for M/E Engineering, P.C. (M/E). Founded in 1991, M/E is a mechanical/electrical consulting engineering firm. The firm has outgrown their leased space in the City of Rochester. The new 22,900 sq. ft. location will allow the company to expand operations and create 11 FTEs over the next 3 years. Headquartered in Monroe County, M/E also operates in Buffalo, Albany and Syracuse with a total employment of 200 people. The Rochester location employs approximately 85 people. The project cost is \$3,100,000. The applicant seeks the JobsPlus property tax abatement, sales tax and mortgage recording tax exemptions. The tenant seeks sales tax exemptions on furniture/fixtures, computers, wiring and signage. The job creation requirement is 9. The benefit to incentive ratio is 5.9:1

PROJECT AMOUNT: \$3,100,000 Lease/Leaseback with Abatement

JOBS: EXISTING:	82	FTEs	
NEW:	11	FTEs	
REQUIREMENT:	9	FTEs	

REAL PROPERTY TAXES:

EXISTING:	\$ 625,111 (TAXED IN FULL)
WITH IMPROVEMENTS:	\$ 853,925 (ABATEMENT APPLIES TO INCREASE ONLY)

PUBLIC HEARING DATE: February 11, 2019

BENEFIT TO INCENTIVE RATIO: 5.9:1

SEQR: INTERNAL RENOVATIONS ONLY; SEQR PROCESS COMPLETE.

ELIGIBILITY: REHABILITATION OF EXISTING COMMERCIAL BUILDING VACANT FOR A LONG TIME

APPROVED PURPOSE: JOB CREATION



Board Report

Table 1: Basic Information

Project Applicant	M/E Properties Rochester, LLC
Project Name	M/E Engineering, P.C.
Project Industry	Professional, Scientific, and Technical Services
Municipality	Gates Town
School District	Gates-Chili
Type of Transaction	Lease
Project Cost	\$3,100,000
Mortgage Amount	\$2,497,500
Employment at Application (Annual FTEs)	82
Direct Employment Expected to Result from Project (Annual FTEs)	11
Direct Employment Required for PILOT (Annual FTEs)	8

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

Total State and Regional Benefits	\$989,061	
Total Project Incentives	\$167,663	
State and Regional Benefits to Incentives Ratio	5.9:1	
Projected Employment	State	Region
Total Employment	38	38
Direct**	11	11
Indirect***	4	4
Induced****	6	6
Temporary Construction (Direct and Indirect)	17	17

Table 3: Estimated State & Regional Benefits (Discounted Present Value*)

Total State and Regional Benefits	\$989,061
Income Tax Revenue	\$459,090
Property Tax/PILOT Revenue	\$228,814
Sales Tax Revenue	\$277,556
IDA Fee	\$23,600

Table 4: Estimated Project Incentives (Discounted Present Value*)

Total Project Incentives	\$167,663
Mortgage Tax	\$18,731
Property Tax Above 485-b	\$78,532
Sales Tax	\$70,400

* Figures over 10 years and discounted by 2%

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/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 industries) do not fall under this definition.

*** Indirect - The recipient of IDA 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 IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.