



COUNTY OF MONROE  
**COMIDA**  
 INDUSTRIAL DEVELOPMENT AGENCY

**APPLICATION FOR ASSISTANCE**

Each applicant seeking assistance must complete this application and provide required supplemental forms/documentation.

Please answer all questions. Use "None" or "Not Applicable" where necessary. Information in this application may be subject to public review under New York State Law, except for information that is considered deniable by the Freedom of Information Law. This form is available at [www.monroecountybusiness.org/application](http://www.monroecountybusiness.org/application).

Please send completed application via email to [EconomicDevelopment@monroecounty.gov](mailto:EconomicDevelopment@monroecounty.gov). A non-refundable application fee of \$350.00 is required. Please see page 12 for additional information on costs and fees.

**I. APPLICANT**

**A. Applicant Information**

Name: 759 Park Ave Partners, LLC  
 Address: 600 East Avenue, Suite 200  
 City/State/Zip: Rochester, NY 14607  
 Tax Id No.: \_\_\_\_\_  
 Contact Name: Dan Goldstein  
 Title: Member  
 Telephone: [REDACTED]  
 E-Mail: [REDACTED]

**B. Applicant's Legal Counsel**

Name: John Anderson  
 Firm: Harter Secrest  
 Address: 1600 Bausch and Lomb Place  
 City/State/Zip: Rochester, NY 14604  
 Telephone: 585-231-1169  
 Email: [REDACTED]

**C. Owners of Applicant Company (must total 100%). If an LLC, LP or similar, all members/partners must be listed**

Name	%	Corporate Title
<u>Daniel Goldstein</u>	<u>33%</u>	<u>Member</u>
<u>Rufus Judson / William Tehan 24 Cambridge Partners, LLC</u>	<u>33%</u>	<u>Member</u>
<u>Jonathan Swan / Charles Cerankosky - JAYCEE Real Estate, LLC</u>	<u>33%</u>	<u>Member</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

D. Is the business applying for assistance certified as an MWBE or service-disabled veterans' agency?  Yes  No

## II. PROJECT

### A. Address of proposed project facility

Address: 759 Park Avenue and 161 Brunswick Street

Tax Map Parcel Number: 122.45-2-19.002/122.45-2-26.002

City/Town/Village: Rochester

School District: Rochester

Zip: 14607

Current Legal Owner of Property:

Friends of Rochester Hebrew High School Education, Inc.

### B. Benefits Requested (Check all that apply)

- Sales Tax Exemption
- Mortgage Recording Tax Exemption
- Real Property Tax Abatement
- Industrial Revenue Bond Financing

### C. Description of project (check all that apply)

- New Construction
- Existing Facility
  - Acquisition
  - Expansion
- Renovation/Modernization
- Acquisition of machinery/equipment
- Other (specify) \_\_\_\_\_

### D. Proposed User(s)/Tenant(s) of the Facility

If there are multiple Users/Tenants, please attach additional pages.

Are the user and owner related entities?  Yes  No

Company Name: N/A

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

City/State/Zip: \_\_\_\_\_

Tax ID No: \_\_\_\_\_

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

Title: \_\_\_\_\_

Telephone: \_\_\_\_\_

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

% of facility to be occupied by user/tenant \_\_\_\_\_

### E. Owners of User/Tenant Company (must total 100%)

If an LLC, LP or similar, all members/partners must be listed

Name	%	Corporate Title
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

### F. Project Timeline

Proposed Date of Acquisition: June 2026

Proposed Commencement Date of Construction: June 2027

Anticipated Completion Date: July 2028

### G. Contractor(s)

Pike Construction Services, Inc.

## II. PROJECT (cont'd)

### H. DESCRIPTION OF THE PROJECT AND BACKGROUND ON USER(S) OF THE FACILITY

NAICS Code: 72110

Rochester has been recognized as an emerging anchor of upstate New York's travel economy according to national sources, yet the city's downtown area remains notably underserved by upscale, full-service hospitality products. The handful of hotels with full-service spa and dining in the Rochester market are located outside of downtown, leaving visitors without access to a hotel experiences premium amenities- things that drive longer stays. This project fills that gap directly, bringing a full-service restaurant and spa into the heart of the city and strengthening Rochester's ability to attract and retain the business and leisure travelers who generate a significant economic impact on the immediate community.

This project represents a significant private investment of approximately \$29 million in the City of Rochester's urban core. The development will transform a long-underutilized and deteriorating property into a vibrant destination that includes a full-service restaurant, spa, and related hospitality amenities, while creating approximately 70 new jobs and contributing to the continued growth of one of Rochester's most important dining and shopping corridors.

The project site currently represents a blighted and underutilized corner in an otherwise thriving commercial area. Without reinvestment, properties in this condition can pose a broader risk to surrounding neighborhoods and business districts. Rehabilitating this site will help stabilize and strengthen the corridor, ensuring that the momentum of investment in this part of the city continues rather than allowing deterioration to take hold.

[REDACTED]

Our intent in making this request is to minimize carrying costs and maintain project momentum so construction can begin as soon as practicable. Delays in the development timeline will materially increase holding and financing costs, which will impact the overall feasibility of the project.

We greatly appreciate the partnership and consideration of this request and look forward to continuing to work collaboratively to bring this important investment to fruition.

**II. PROJECT (cont'd)**

I. Would the project be undertaken without financial assistance from the Agency?  Yes  No

Please explain why financial assistance is necessary.

Given the scale of the investment and the rising costs associated with development, including construction, financing, insurance, and materials, the project requires a Special PILOT structure to ensure the development remains financially viable. The requested PILOT will help close the remaining financial gap while enabling a transformative project that delivers substantial economic and community benefits.

J. Are other facilities or related companies located within New York State?

Yes  No

Location:

---

---

Will the Project 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?  Yes  No

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

Yes  No

If Yes to either question, explain how the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Applicant or User's competitive position in its respective industry:

---

---

---

---

K. State Environmental Quality Review (SEQR) Act Compliance

COMIDA, in granting assistance to the Applicant, is required to comply with the New York State Environmental Quality Review Act (SEQR).

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

### III. PROPERTY TAX ABATEMENT/PAYMENT IN LIEU OF TAX AGREEMENT (PILOT)

Check One:

**JOBSPLUS**

Requirements:

- Applicant must commit to a 10% increase in full-time equivalent employment, measured on the existing impacted employee base, over a 3 year period. The required number of jobs is \_\_\_\_\_.

**LEASEPLUS**

Requirements:

- University and/or medical related facilities in which a 501(c)3 entity leases from a for-profit entity.
- Company must commit to a 10% increase in full-time equivalent employment, measured on the existing impacted employee base, over a 3 year period. The required number of jobs is \_\_\_\_\_.

**ENHANCED JOBSPLUS**

Requirements:

- A minimum \$15 million investment **AND**
- A minimum of 100 new jobs

**GREEN JOBSPLUS**

Requirements:

- LEED® Certification – Project must be rated as Certified, Gold, Silver or Platinum by the United States Green Building Council's Leadership in Energy and Environmental Design (LEED®) Green Building Rating System.
- Company must commit to a 10% increase in full-time equivalent employment, measured on the existing impacted employee base, over a 3 year period. The required number of jobs is \_\_\_\_\_.

**SHELTER RENT**

For student housing or affordable housing projects.

**Housing**

**Local Tax Jurisdiction Sponsored PILOT**

**NO PROPERTY TAX ABATEMENT IS SOUGHT FOR THIS PROJECT**

**IV. APPLICANT PROJECT COSTS**

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipment of the project by the APPLICANT.

**Building Construction or Renovation**

- a. Materials a. \$ 10012825
- b. Labor b. \$ 7148550

**Site Work**

- c. Materials c. \$ 1059002
- d. Labor d. \$ 732165
- e. Non-Manufacturing Equipment e. \$ \_\_\_\_\_
- f. Manufacturing Equipment f. \$ \_\_\_\_\_
- g. Equipment Furniture and Fixtures g. \$ \_\_\_\_\_
- h. Land and/or Building Purchase h. \$ 3025000
- i. Soft Costs (Legal, Architect, Engineering) i. \$ 1767551
- Other (specify) j. Developer Costs j. \$ 1450000
- k. RE Carry Taxes and Insurance k. \$ 471907
- l. Cap Int and Preopening l. \$ 965000
- m. Construction GCs and GRs m. \$ 2620000

**Total Project Costs**  
(must equal Total Sources)

\$ 29,252,000

B. Sources of Funds for Project Costs:

- a. Tax-Exempt Industrial Revenue Bond a. \$ \_\_\_\_\_
- b. Taxable Industrial Revenue Bond b. \$ \_\_\_\_\_
- c. Bank Financing c. \$ 22010000
- d. TOTAL Public Sources d. \$ 4242000

Identify below each state and federal grant/credit totaling the amount for d.)

State Tax Credits \$ 2096000  
Federal Tax Credits \$ 2146000  
 \_\_\_\_\_ \$ \_\_\_\_\_  
 \_\_\_\_\_ \$ \_\_\_\_\_

- e. Equity e. \$ 3000000
- TOTAL SOURCES**  
(must equal Total Project Costs) \$ 29252000

C. Has the applicant made any arrangements for the financing of this project

Yes  No

If yes, please specify bank, underwriter, etc.

Yes, term sheets are under review and negotiation.  
 \_\_\_\_\_  
 \_\_\_\_\_

**V. COMPLETE FOR EACH USER/TENANT THAT IS SEEKING SALES TAX EXEMPTIONS USER(S)/TENANT(S) PROJECT COSTS**

Use additional sheets as necessary

Company Name \_\_\_\_\_

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement, and/or equipping of the project by the user(s)/tenant(s) for which a sales tax exemption is requested.

**Estimated Costs Eligible for Sales Tax Exemption Benefit**

- a. Materials a. \$ \_\_\_\_\_
- b. Labor b. \$ \_\_\_\_\_
- c. Non-Manufacturing Equipment c. \$ \_\_\_\_\_
- d. Manufacturing Equipment d. \$ \_\_\_\_\_
- e. Furniture and Fixtures e. \$ \_\_\_\_\_
- Other (specify): f. \_\_\_\_\_ f. \$ \_\_\_\_\_
- g. \_\_\_\_\_ g. \$ \_\_\_\_\_
- h. \_\_\_\_\_ h. \$ \_\_\_\_\_
- i. \_\_\_\_\_ i. \$ \_\_\_\_\_

**Total Project Costs** \$ \_\_\_\_\_

Value of Incentives  
759 Park Ave Partners, LLC

<b>A. IDA PILOT Benefits:</b>	
Current Assessment	\$813,100
Value of New Construction & Renovation Costs	\$11,071,827
Estimated New Assessed Value Subject to IDA	\$11,884,927
Current Taxes	\$26,279
Current Taxes Escalator	3%
PILOT Terms - Years	19
County Tax rate/\$1,000	8.45000
Local Tax Rate* Tax Rate/\$1,000	
School Tax Rate /\$1,000	23.87000
Total Tax Rate	32.32000
<b>B. Sales Tax Exemption Benefit:</b>	
Estimated value of Sales Tax exemption:	\$885,746
Estimated duration of ST exemption:	12/31/2027
<b>C. Mortgage Recording Tax Exemption (MRTE) Benefit:</b>	
Estimated Value of MRTE:	\$165,075
<b>D. Industrial Revenue Bond Benefit</b>	
IRB inducement amount:	\$0
<b>E. Percentage of Project Costs financed from Public Sector sources:</b>	
Total Value of Incentives:	\$4,911,498
Project Construction Costs:	\$29,252,000
	16.79%

**PILOT Schedule**

PILOT Year	% Abatement	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT Amount	Full Tax Payment w/o PILOT***	Net Exemption**
<b>Total</b>		<b>\$1,340,491</b>	<b>\$0</b>	<b>\$3,786,689</b>	<b>\$5,127,180</b>	<b>\$8,987,857</b>	<b>\$3,860,677</b>
1	90%	\$9,356	\$0	\$26,428	\$35,784	\$357,841	\$322,057
2	90%	\$9,636	\$0	\$27,221	\$36,858	\$368,577	\$331,719
3	80%	\$19,851	\$0	\$56,076	\$75,927	\$379,634	\$303,707
4	80%	\$20,446	\$0	\$57,758	\$78,205	\$391,023	\$312,818
5	70%	\$31,590	\$0	\$89,236	\$120,826	\$402,754	\$281,928
6	70%	\$32,537	\$0	\$91,913	\$124,451	\$414,836	\$290,385
7	60%	\$44,685	\$0	\$126,228	\$170,913	\$427,281	\$256,369
8	60%	\$46,025	\$0	\$130,015	\$176,040	\$440,100	\$264,060
9	50%	\$59,258	\$0	\$167,394	\$226,651	\$453,303	\$226,651
10	50%	\$61,035	\$0	\$172,416	\$233,451	\$466,902	\$233,451
11	40%	\$75,440	\$0	\$213,106	\$288,545	\$480,909	\$192,364
12	40%	\$77,703	\$0	\$219,499	\$297,202	\$495,336	\$198,135
13	30%	\$93,373	\$0	\$263,765	\$357,137	\$510,196	\$153,059
14	30%	\$96,174	\$0	\$271,677	\$367,852	\$525,502	\$157,651
15	20%	\$113,211	\$0	\$319,803	\$433,014	\$541,267	\$108,253
16	20%	\$116,607	\$0	\$329,397	\$446,004	\$557,505	\$111,501
17	10%	\$135,118	\$0	\$381,689	\$516,807	\$574,230	\$57,423
18	10%	\$139,172	\$0	\$393,140	\$532,312	\$591,457	\$59,146
19	0%	\$159,274	\$0	\$449,927	\$609,201	\$609,201	\$0

**VII. PROJECTED EMPLOYMENT**

Complete for each Applicant or User/Tenant

Company Name: 759 Park Ave Partners, LLC

Applicant:  or User/Tenant:

Applicant/Tenant creating jobs must submit most recent NYS-45 or equivalent.

	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be CREATED upon THREE Years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PTE jobs to be created upon THREE Years after Project Completion **
Full time (FTE)	0	0	45	45
Part Time (PTE)	0	0	25	25
Total	0	0	57.5	57.5

\*\* For purposes of this question, please estimate the number of FTE and PTE jobs that will be filled, as indicated in the third column, by residents of the Labor Marker Area, in the fourth column. The Labor Marker Area includes: Monroe County, Orleans County, Genesee County, Wyoming County, Livingston County, Ontario County, Wayne County, Yates County, and Seneca County chosen at the Agency's discretion.

[Remainder of this Page Intentionally Left Blank]

## VIII. LOCAL LABOR

To be completed by all Applicants and Users/Tenants of Projects which include the construction of new, expanded or renovated facilities:

Company Name 759 Park Ave Partners, LLC

Applicant:  and/or User/Tenant:

The County of Monroe Industrial Development Agency (IDA) was established for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of the residents of Monroe County. The IDA offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in Monroe County. When the IDA approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

Construction jobs are vital to the overall employment opportunities and economic growth in Monroe County. The IDA believes that companies benefiting from its incentive programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices ("construction workers"), during the construction phase of projects.

### 100% Local Labor

Applicants receiving IDA benefits *must* ensure that the it and/or its contractor/developer hire **100% of its construction workers from the local labor market.**

### Local Labor Market

For the purpose of this policy, the local labor market is defined as construction workers residing in the following counties in New York State: Monroe, Genesee, Livingston, Orleans, Ontario, Seneca, Steuben, Wayne, Wyoming and Yates.

### Bid Processing

Local participation in qualified projects receiving IDA economic incentives and benefits is vital to the economic growth of Monroe County. As such, all applicants/contractors/developers of a qualified project with a minimum \$5,000,000 investment must place any and all invitations to bid in the Builders Exchange of Rochester Plan Room (<https://robex.com/planroom/>) two weeks before the bids are due.

### Monitoring

A third-party auditing firm ("Project Monitor") will be engaged to monitor construction work commencing on the date benefits are granted by resolution of the IDA Board.

Once approved for IDA benefits, all applicants will be required to provide to the Project Monitor and the Exemption Processor (as hereinafter defined) the following information:

1. Contact information for the applicant's representative who will be responsible and accountable for providing information about the bidding and awarding of construction contracts relative to the applicant's project; and
2. Description of the nature of construction jobs created by the project, including in as much detail as possible, the number, type and duration of construction positions.

All Monroe County IDA projects are subject to local monitoring by the IDA and the Project Monitor. Proof of residency or copy of drivers' license shall be checked by the Project Monitor during the Project Monitor's periodic inspection of the project.

The Project Monitor shall issue a report to the IDA staff immediately when an applicant or applicant's contractor is not in compliance with this labor policy. IDA staff shall advise the IDA Board of non-compliance by email or at the next scheduled meeting. If a violation of policy has occurred, the Project Monitor shall notify the applicant and contractor of such non-compliance and give applicant a warning of violation and 72 hours in which to correct such violation. Upon evidence of continued non-compliance or additional violations, the IDA and/or the Project Monitor shall notify the applicant that the project is in violation of the Monroe County IDA Labor Policy and is subject to IDA Board action which may result in the revocation, termination and/or recapture of any or all benefits conferred by the IDA.

M

**Signage**

The applicant/contractor/developer of an IDA approved project shall be required to maintain a sign, provided by the Project Monitor, on the project site at all times during construction. This sign shall be located in an area that is accessible to onsite workers and visitors, which should be clear and legible.

M

**Exemption Process**

In some instances, use of 100% local labor may not be possible for any of the following reasons:

- o Warranty issues related to installation of specialized equipment whereby the manufacturer requires installation by only approved installers (a copy of the equipment warranty confirming the use of specific installers must be provided). The granting of an exemption for the use of non-local labor on warranty related grounds is expressly conditioned on either (i) said non-local sub-contractors being enrolled in a New York State certified apprenticeship program (proof of such enrollment shall be provided to the IDA upon request) or (ii) the hiring of an apprentice/apprentices or local construction laborer(s) to assist in the installation.
- o Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work (proof of communication with local contractors, or details of the specialized construction must be provided);
- o Significant cost differentials in bids whereby use of local labor significantly increases the cost of the project. Three (3) bids are required and a cost differential of 25% is deemed significant. Where there is a significant cost differential, that if the local labor contractor agrees to reduce the bid to the average of the two bids, no waiver will be granted. However, if the average is still 25% or more, a waiver will be granted (copies of all bids/proposals received, including pricing, must be provided to confirm cost differential).
- o No local labor available for the project (if local bids were solicited with no response, please provide a copy of the bid, explain how it was advertised, and list who the bids were requested from).

*The request to secure an exemption for the use of non-local labor must be received from the applicant on the exemption form provided by the IDA or the 3rd party exemption monitor (the "Exemption Processor") and received by the Exemption Process forty-five (45) days in advance of work commencing. The request will be reviewed by the Exemption Processor and forwarded to the IDA, at which time the IDA's Executive Director shall have the authority to approve or disapprove the exemption. The Exemption Processor shall report each authorized exemption to the Board of Directors at its monthly meeting.*

The applicant has read the Labor Policy and agrees to adhere to it without changes and shall require its construction manager, general contractor and sub-contractors who are not exempt to acknowledge the same.

The foregoing terms have been read, reviewed and understood by the Applicant or User/Tenant and all appropriate personnel. Furthermore, the undersigned agrees and understands that the information contained herein must be transmitted and conveyed in a timely fashion to all applicable subcontractors, suppliers and materialman. Furthermore, the undersigned agrees to post and maintain a sign, provided by COMIDA, in a prominent, easily accessible location, identifying the project as a recipient of COMIDA assistance and the local labor requirements associated with this assistance.

Furthermore, the undersigned realizes that failure to abide by the terms herein could result in COMIDA revoking all or any portion of benefits it deems reasonable in its sole discretion for any violation hereof.

759 Park Ave Partners  
LLC

(APPLICANT COMPANY)

(TENANT COMPANY)

*[Handwritten Signature]*

m r m r a 3/20/24

Signature

, Title

Date

Signature

, Title

Date

**IX. FEES**

Transaction Type	Fees
Real Property Tax Abatement (PILOT Agreement) including Sales Tax Exemption* and/or partial Mortgage Recording Tax Exemption.	<b>Application Fee:</b> Non-refundable \$350.00 <b>IDA Fee:</b> 0.75% of the total project cost <b>Legal Fee:</b> 33% of the IDA fee. Minimum fee of \$4,000.
Sales Tax Exemption* and/or partial Mortgage Recording Tax Exemption	<b>Application Fee:</b> Non-refundable \$350.00 <b>IDA Fee:</b> 0.50% of the total project cost <b>Legal Fee:</b> 33% of the IDA fee. Minimum fee of \$4,000 if transaction includes mortgage recording tax exemption. Minimum fee of \$750 if transaction is sales tax exemption only.
Small Business Sales Tax Exemption (Non-retail projects with total project costs under \$500,000)	<b>Application Fee:</b> Non-refundable \$350.00 <b>IDA Fee:</b> Flat fee of \$750 (\$500 for certified M/WBE or certified service disabled Veterans) <b>Legal Fee:</b> Flat fee of \$750
Bond: Taxable or Tax-Exempt Including any/all of the following: 1. PILOT Agreement 2. Sales Tax Exemption 3. Partial Mortgage Recording Tax Exemption	<b>Application Fee:</b> Non-refundable \$350.00 <b>IDA Fee:</b> 1.25% of the total project cost <b>Legal Fee:</b> 33% of the IDA fee. Designated Bond Counsel fee is based on the complexity and amount of the transaction.
Bond: Taxable or Tax-Exempt	<b>Application Fee:</b> Non-refundable \$350.00 <b>IDA Fee:</b> 1.00% of the total project cost <b>Legal Fee:</b> 33% of the IDA fee. Designated Bond Counsel fee is based on the complexity and amount of the transaction.

\*If the sales tax benefits are required prior to closing, a non-refundable twenty-five percent (25%) of the IDA fee and Legal fees are payable at that time. This amount will be applied towards the IDA fee and Legal fee.

*759 Park Ave Partners LLC*

(APPLICANT COMPANY)			(TENANT COMPANY)		
Signature	, Title	Date	Signature	, Title	Date

**X. CERTIFICATION**

The undersigned company officer and/or user/tenant officer each hereby certifies, on behalf of the company and/or user/tenant, respectively (each singularly and together, the "Applicant"), as follows:

- A. The information contained in this Application, including employment information, is true and correct. The Applicant is aware that any material misrepresentation made in this Application constitutes an act of fraud, resulting in revocation of COMIDA benefits.
- B. The undersigned, on behalf of the Applicant, hereby certifies that the Applicant, and all parties which have ownership of the Applicant are current and will remain current on all real property, federal, state, sales, income and withholding taxes throughout the term of any agreements made in connection with this Application.
- C. Absence of Conflicts of Interest – The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officers or employees of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein described: \_\_\_\_\_

D. Compliance with N.Y. GML Sec. 862(1): Applicant understands and agrees that the provisions of Section 862(1) of the New York 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.

E. Compliance with Applicable Laws: 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.

F. False and Misleading Information: 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 the Project.

G. Recapture: Should the Applicant not expend as projected or hire as presented, the Agency may view such information/status as failing to meet the established standards of economic performance. In such events, some or all of the benefits taken by the Applicant will be subject to recapture.

H. Pay Equity: The Applicant and/or user/tenant officer certifies on behalf of the company and/or user/tenant (the Applicant) has not been the subject of an adverse finding under the equal pay laws within the previous five years, has disclosed any pending equal pay claims against the company at time of application, and shall disclose to COMIDA any pending claims or adverse findings under the equal pay laws during the term of COMIDA financial assistance agreement.

I. Applicant hereby releases the COMIDA ("Agency") 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, this Application, regardless of whether or not this Application or the Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (B) the Agency's acquisition, construction, renovation and/or equipping of the Project described herein; and (C) any further action taken by the Agency with respect to the Project; including, without limiting 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. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law, that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency in connection with the Project may be subject to recapture by the Agency under such terms and conditions as will be set forth in the Agent Agreement to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation, information regarding the amount of New York State and local sales and use tax exemption benefits, is true, accurate and complete.

**APPLICANT COMPANY**  
759 Park Ave Partners, LLC

**TENANT COMPANY**

\_\_\_\_\_  
Signature, Title, Date

\_\_\_\_\_  
Signature, Title, Date



December 9, 2025

Mr. Bill Tehan  
President  
Pike Development  
1 Circle Street  
Rochester, NY 14607

Email: [tehab@pikecs.com](mailto:tehab@pikecs.com)  
cc: [inglj@pikecs.com](mailto:inglj@pikecs.com)

*Re: Proposed Hotel, Rochester, NY*

Dear Mr. Tehan:

In accordance with Component 1 of our proposal, the following letter summarizes our findings and conclusions relative to the proposed redevelopment of the historic *Park Avenue Hospital* into an upper-upscale hotel located just east of the Central Business District (CBD) of Rochester, New York.

Our findings and conclusions are based upon our present knowledge and information with respect to economic and demographic data, room night demand sources, and the status of the competitive hotel market at the completion of our fieldwork in November 2025 and subsequent analysis in November and December 2025.

## **Preliminary Conclusions**

Based on our review and analysis of the competitive trade area, as well as current and prospective hotel supply and demand trends in the greater Rochester market, we are of the opinion that there is *sufficient market support* for the conversion of the historic hospital into a 42-unit upper-upscale independent boutique hotel in Rochester's Park Avenue neighborhood. For purposes of this analysis, we assumed an estimated opening date of 2<sup>nd</sup> quarter 2029 (Fiscal Year 2030) and used *Park Avenue Hotel* as a temporary reference for its name in this letter.

Based on our conversations and the latest architectural drawings, the 42-unit upper-upscale hotel will occupy the four-story section on the building's north wing and the attached three-story west wing. The four-story building will include a 1,030-square foot fitness center in the basement and 24 guestrooms across levels one through four. The three-story building will include 18 guestrooms on levels two and three; the hotel's elevators; a ±3,200-square foot 3<sup>rd</sup> party managed spa (1,940 square feet in treatment space) in the basement; and, on the first floor, the lobby/registration area, a 2,800-square foot restaurant/kitchen area, and a ~1,850-square foot patio; plus a small rooftop area. While these planned amenities should appeal to both visitors and local residents, we suggest adding either a ±350-square foot boardroom in place of some of the fitness area or a small private dining room within the restaurant to attract smaller corporate and social groups. Additionally, if permitted, outdoor tented events could be held on the west-side lawn, in the designated parking area, or in the existing basketball/recreation area behind the building.

Although you plan to operate the hotel as an independent, we recommend that the design and plans adopt key upper-upscale brand standards, especially as it relates to fire/life safety and guestroom/bathroom specifications, so the hotel can easily pursue a brand affiliation in the future if desired.

It is our understanding that the spa and all food and beverage operations, including the restaurant, bar, and any event space, will be leased to a local spa/wellness operator and a local well-known 3<sup>rd</sup> party restaurateur. We included the rental income for these two spaces as non-operating income under fixed charges. At the time of our fieldwork, the *Swan Family of Restaurants*, a local group that operates several popular Park



1020 N. Fairfax Street  
Suite 320  
Alexandria, VA 22314  
Phone: (703) 838-9707

Avenue restaurants near the site, was the leading candidate to lease the food and beverage space. A spa operator had not been identified.

With the foregoing in mind and as summarized in the table to the right, we estimate that a 42-unit upper-upscale independent boutique hotel located on the subject site can achieve a 72 percent annual occupancy at a \$285 ADR in a representative year of operation, assumed to be the 3<sup>rd</sup> full year of operation after opening, or FY 2032, shown in 2025 dollars. This equates to total revenues of \$3.3 million and \$1.1 million of EBITDA After Reserve in a stabilized year. Details of the hotel’s projected operating performance are provided in the *Projected Operating Performance* section of this letter, with supporting cash flows contained in the *Addenda*. We suggest that you review these estimated financial metrics against the cost of development to verify that they will meet your market-based return on investment requirements.

Project Summary & Projected Stabilized Operating Results (in Current Value \$)	
Subject Property	Park Avenue Hotel (Independent)
Address	769 Park Avenue, Rochester, NY
No. of Units	42
Estimated Opening Date	2 <sup>nd</sup> Quarter 2029
Occupancy	72%
ADR	\$285.00
RevPAR	\$205.20
Total Revenue	\$3,314,000
EBITDA After Reserve	\$1,098,000

Source: REVPAR International, Inc.

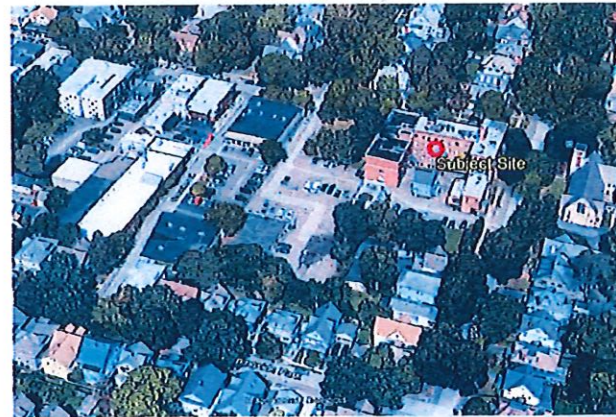
development to verify that they will meet your market-based return on investment requirements.

### Overview of Site

The subject site is located at 769 Park Avenue in within the Park Avenue neighborhood in Rochester. The existing building on the site was constructed as the *Park Avenue Hospital* in 1894. The building has been through two iterations as a medical institution and is on its second iteration as a boys’ school while currently serving as the site for the *Yeshiva of Rochester*. The building has three sections: the eastern wing which will remain market-rate multi-family housing, while the northern and western wings will be redeveloped into hotel use. A historic photo of the property and an aerial showing the site’s location along Park Avenue are shown to the right.



The Park Avenue community is predominantly a residential neighborhood characterized by historic homes, tree-lined streets, and low-rise commercial buildings just east of the downtown core. Known locally as “Park Ave,” it offers boutique shops, cafés, salons, spas, and several of Rochester’s most popular restaurants, most within a short walk of the site. Although less than two miles southeast of the Rochester CBD, the neighborhood contrasts sharply with downtown’s high density mix of historic high-rises and old industrial buildings. The site is also walkable to cultural attractions and a short drive from the *University of Rochester*





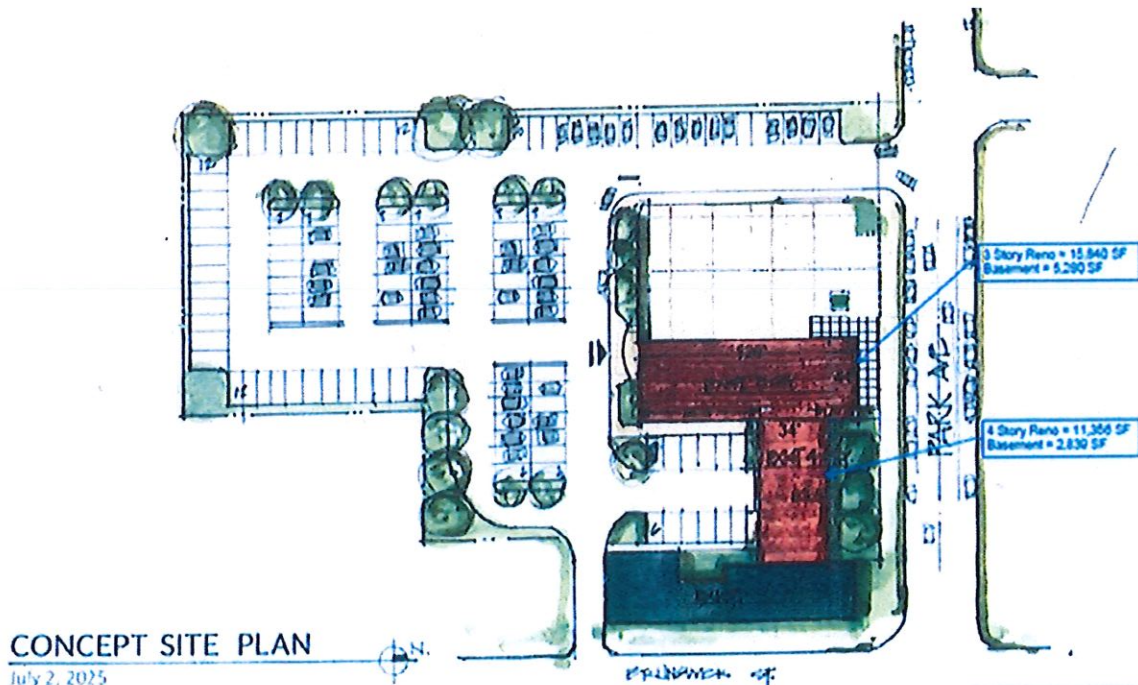
initially compared to if it were in the CBD. To that end, we recommend that the hotel operator make use of more traditional advertising such as local print media along with contemporary digital methods, to increase awareness of the hotel locally to build its market presence.

The subject site is less than half a mile from Interstate 490 (I-490), offering direct access to Interstate 90 (I-90), the major corridor linking Rochester with cities such as Cleveland and Buffalo to the west and cities to the east as far as Boston. Without going through side streets, I-490 also provides convenient access to various sections of downtown Rochester.

In terms of air travel, *Frederick Douglass Greater Rochester International Airport* (ROC), located about 7.5 miles southwest of the site, served 2.65 million passengers in 2024 and saw 371,775 enplanements in summer 2025, the busiest since 2007, reflecting strong regional growth. The airport offers 15+ nonstop destinations and is served by both legacy and low-cost carriers, with *Breeze Airways* and *Avelo Airways* expanding service in recent years. ROC also recently completed a \$38 million modernization, upgrading public areas with new elevators, security enhancements, improved entry and ticketing zones, HVAC modernization, jet bridge replacements, and freight and baggage-handling improvements.

Overall, we rate the subject site as excellent specific to a small boutique independent property as its location will support and complement the hotel. Specifically, the characteristics of the Park Avenue neighborhood including its walkability, solid mix of upscale amenities, tree-lined streets, charming historic homes, and proximity to cultural attractions will offer high-end guests with a unique experience not currently offered in the downtown Rochester area. The hotel site is also centrally located to draw demand from downtown businesses, event venues, universities, and hospitals.

The following image shows the building layout of the three-story and four-story wings, which the hotel will occupy.



CONCEPT SITE PLAN  
July 2, 2025

## Overview of Market Area

Rochester is a mid-sized city in western New York, about 75 miles northeast of Buffalo and 90 miles northwest of Syracuse. Originally built around the Erie Canal, it grew as a transportation and industrial hub—first in flour milling, then in clothing and footwear, and later nursery products. The city evolved into a major center of innovation in the 19<sup>th</sup> and 20<sup>th</sup> centuries, led by *Eastman Kodak*, *Xerox*, and *Bausch + Lomb*, which together employed 74,000 people at their peak in 1980. As these legacy manufacturers downsized in the late 20<sup>th</sup> century, Rochester shifted toward a diversified, knowledge-based economy centered on higher education, healthcare, research, optics/photonics, advanced manufacturing, and business services. Today, these sectors drive steady year-round lodging demand, with higher education and healthcare—along with related research—serving as the region’s strongest sources of hotel room nights.

The Greater Rochester area is home to 18 colleges and universities with over 71,000 students. Of most relevance to hotel demand for the subject site are *URochester* (~17,000 students; ~3.5 miles southwest of site), *Rochester Institute of Technology (RIT)* (~11,000 students; ~8.0 miles southwest of site), and *St. John Fisher University* (~2,900 students; ~5.5 miles southeast of site). *URochester*, a major research institution, has 60+ research centers and has secured over \$2.25 billion in federally sponsored initiatives since 2020 in biomedical and health sciences, optics/photonics, cognitive science, and data/AI. Its *Eastman School of Music* is also globally renowned. Meanwhile, RIT is a top-ranked technology university, specializing in computer science, cybersecurity, game design, imaging science, sustainable engineering, and biotechnology/microsystems. Both institutions generate year-round travel from research partners and sponsors, and attendees of major academic and athletic events—including commencements, move-in weekends, alumni/family weekends, and tournaments—contributing significantly to area hotel demand.

Healthcare is another major driver of hotel demand in Rochester. The two largest regional employers, the *University of Rochester Medical Center (URMC)* and *Rochester Regional Health*, generate substantial economic activity through clinical care, research, education, and biotechnology. URMC’s *Strong Memorial Hospital* is located less than four miles of the site with nearly 900 beds and is nationally recognized in neurology, oncology, pediatrics, and transplant care. Hotel demand from regional health care facilities stems from families visiting patients, traveling nurses and doctors, pharmaceutical sales representatives, and researchers. Additionally, board meetings and conference events from these medical and academic institutions drive high-end group demand, often filling top-tier hotel properties in the area such as *The Strathallan Rochester Hotel & Spa* and *The Del Monte Lodge*.

Beyond higher education and healthcare, advanced manufacturing and the photonics/optics industry are major economic drivers in the region. While Rochester’s legacy companies have scaled down from their historic peaks, they helped establish a skilled local workforce that has supported numerous spin-offs, including specialized suppliers, design firms, academic labs, and manufacturers. Today, the industry employs over 19,000 people in the Rochester region across 150+ companies, generating more than \$3.5 billion in economic impact annually. Key firms such as *G&H | GS Optics*, *Carestream Health*, and *L3 Harris* have offices in Rochester and contribute to hotel demand through corporate transient stays, group bookings, and extended-stay lodging for project-related business. Notably, the *U.S. Department of Defense* has contracts in imaging systems, photonic packaging, night vision, laser/energy systems, and precision optics with several of Rochester’s photonics/optics firms.

Retail and technology sectors are also growing in Rochester, which demonstrates the region’s continued economic diversification. Grocer *Wegmans* has its corporate headquarters near the airport (ROC) and employs over 13,000 people in the greater region. Headquarters for HR/payroll technology firm *Paychex* is located 5.5 miles east of the site and has nearly 4,600 employees. In June 2024, *Constellation Brands* moved to its new 170,000-square foot global headquarters in the historic *Aqueduct Building* downtown, which brought 300 jobs and is expected to add more than 80 new positions. The presence of this *Fortune*

500 headquarters strengthens Rochester's urban revitalization efforts and will be a catalyst to draw employers back to the CBD.

In recent years, adaptive-reuse projects, including *Constellation Brands'* new headquarters, have started to transform the CBD from an underutilized urban area with vacant office and industrial spaces into a more vibrant, safe, amenitized, and walkable downtown. These efforts have been supported by grants from New York State's *Downtown Revitalization Initiative* (DRI) program. Key projects include *Harper's Corner*, *St. Joseph's Park/Alta Vista*, *Sibley Square*, the *Gateway Building*, *Clinton Square*, *The Metropolitan* (former *Chase Tower*), *Rochester Riverside Hotel*, and *Innovation Square* (former *Xerox Tower*), to name a few. Aligned with this activity, Rochester's *ROC the Riverway* program aims to revitalize the Genesee River waterfront—most notably through a new 40-acre *High Falls State Park*—creating lively public spaces and supporting broader economic and community development efforts in downtown.

According to *CoStar*, the Greater Rochester Office submarket has 10.3 million square feet of rentable building area as of November 2024, with a vacancy rate of 18.5 percent. There is roughly 106,000 square feet of office space under construction in the market. Meanwhile, the Greater Rochester Industrial submarket offered 37.0 million square feet of rentable building area as of November 2024, with a vacancy rate of 6.6 percent. No new industrial space is currently scheduled for delivery in the submarket over the next eight quarters.

The *Rochester Convention Center* provides about 100,000 square feet of event space and 25 meeting rooms. In May 2025, the city secured \$59.6 million in state funding for the facility's first modernization and major renovation since 1985, which the convention center plans on starting late next year. Major recurring events held at the center include New York DECA (*Distributive Education Clubs of America*), NYSUT (*New York State United Teachers*), NYSSMA (*New York School of Music Association*), and SPIE Optifab (optical fabrication), all drawing between 1,500 and 2,400 attendees. However, our market interviews indicated that the center has begun losing large events—such as DECA starting in 2028—because downtown Rochester now lacks sufficient hotel rooms for larger groups. Specifically, the 2020 closure of the 460-room *Rochester Riverside Hotel* significantly reduced inventory, forcing large groups such as DECA to split into as many as 17 hotels in the Rochester area.

Weddings, reunions, and other SMERF events drive significant hotel demand in downtown Rochester. While current plans for the subject hotel exclude meeting space, it could host smaller gatherings, like rehearsal dinners and showers in its restaurant. Outdoor event options on property would allow for slightly larger events as well. Even without meeting facilities, the hotel can capture group room nights from area SMERF events, leveraging its position as an upper-upscale boutique property; a gap in the current market. Notable non-hotel event venues in downtown include *Arbor Midtown*, *The Wintergarden by Monroe's*, *Event 180*, *The Penthouse at One east Avenue*, *The Arbor Loft*, and *The Wilder Room*, to name a few.

In 2024, overnight visitors to Rochester generated nearly 78,600 hotel nights for meetings, conventions, and sporting events booked through *Visit Rochester*; spent close to \$1.5 billion; and supported roughly 18,200 tourism jobs in Monroe County. Most leisure travelers come to the Rochester region for cultural attractions, family visits, wineries sporting events, and outdoor recreation in the Finger Lakes including fall foliage. Key downtown cultural sites include the *George Eastman Museum*—the first photography museum in the U.S., *RMSC (Rochester Museum and Science Center)*, and *The Strong National Museum of Play*, the region's most visited attraction, which welcomed nearly 700,000 visitors in 2024 following its \$75 million, 90,000-square foot expansion in 2023. In addition, concerts and theatrical shows generate leisure demand from popular venues including the historic *Eastman Theater*, *Blue Cross Arena*, *Main Street Armory*, and *West Herr Auditorium Theatre*, to name a few.

The Rochester region is a premier sports destination that holds numerous annual events and tournaments from youth through collegiate and professional levels. Hockey, soccer, track and field, golf, and lacrosse generate significant levels of hotel demand in the region. For instance, the nation's largest girls' hockey tournament is held over two weekends in 10 different venues and generates more than 4,100 room nights each weekend. In 2023, the *PGA Championship (Professional Golfers' Association)* took place at *Oak Hill Country Club* in Pittsford and generated \$190 million for the region. The *U.S. Amateur Championships* in 2027 and the *Junior PGA Championships* in 2028 are the next two major golf tournaments planned for the region. Lastly, Rochester's professional teams—the *Rochester Red Wings* (baseball), *Rochester Knighthawks* (lacrosse), and *Rochester Americans* (hockey) also generate varying levels of hotel demand. Meanwhile, there are more than 140 festivals that take place in the Greater Rochester Region annually, which celebrate the area's rich music, food, and arts and culture scene. Most of these events are held May through October, which is known as "festival season" in Rochester and the strongest period for hotel demand. The largest annual event, the *Rochester Lilac Festival*, attracts half a million attendees and is held in May at *Highlands Park* (2.1 miles southwest of the subject site). The *Rochester International Jazz Festival* is the region's next largest event, drawing 210,000 attendees over nine days in June. Other popular area events include the *Corn Hill Arts Festival*, *Rochester Fringe Festival*, *Rochester Pride Parade & Festival*, and *Roc Holiday Village*, to name a few.

According to the *U.S. Department of Housing & Urban Development*, Monroe County issued 487 residential building permits in 2024, more than double the 223 units in 2014. Overall growth in the area has continually been driven by the growth at nearby colleges and universities, the healthcare sector, and startup companies in downtown Rochester and surrounding areas.

Overall, the modern Rochester economy is more balanced and less dependent on any single employer than in previous decades, creating a stable foundation for hotel demand driven by institutional, medical, and business-related travel as well as museums, festivals, and regional leisure and sports activity. Key institutions—including the *URochester*, *Strong Memorial Hospital*, and *RIT*—serve as year-round generators of business, academic, medical, and event-related travel. Rochester's variety of established neighborhoods, cultural attractions, and improving infrastructure further contribute to its appeal for both business and leisure travelers.

### Economic/Demographic Indicators

A table with the pertinent economic and demographic trends for the county, MSA, state, and the United States is provided in the *Addenda*. According to *Woods & Poole Economics*, the population of Monroe County, the Rochester MSA, and the state has remained essentially flat and is slightly trailing the nation. Growth in the region is projected to be moderate going forward, with downtown Rochester likely able to buck those trends if the redevelopment projects highlighted in the Area Review section continue to occur. During the last decade, employment in the county was marginally above the MSA but below the state and nation overall, with similar trends expected going forward. The unemployment rate for the area decreased significantly from 2014 to 2024 and was below state and national levels in 2024 but the rate has increased as of August 2025 year to date and is now pacing similar to the state and national levels. Retail sales were positive from 2014 to 2024 but below state and national levels with similar trends expected in the future.

Based on our review of the area economic indicators for the Rochester region, as well as discussions with individuals familiar with the local economy, the area is expected to continue to grow at a moderate rate. The creation of the *High Falls State Park*, the modernization of the *Rochester Convention Center*, and the robust annual festival and sports events calendar will drive new sources of demand and visitation to downtown by all types of visitors, a portion of which will seek lodging accommodations. These catalysts for growth, as they develop and come on line, are positive and should lead to continued growth of the commercial and tourism sector into the foreseeable future, with the hotel sector paralleling these trends.

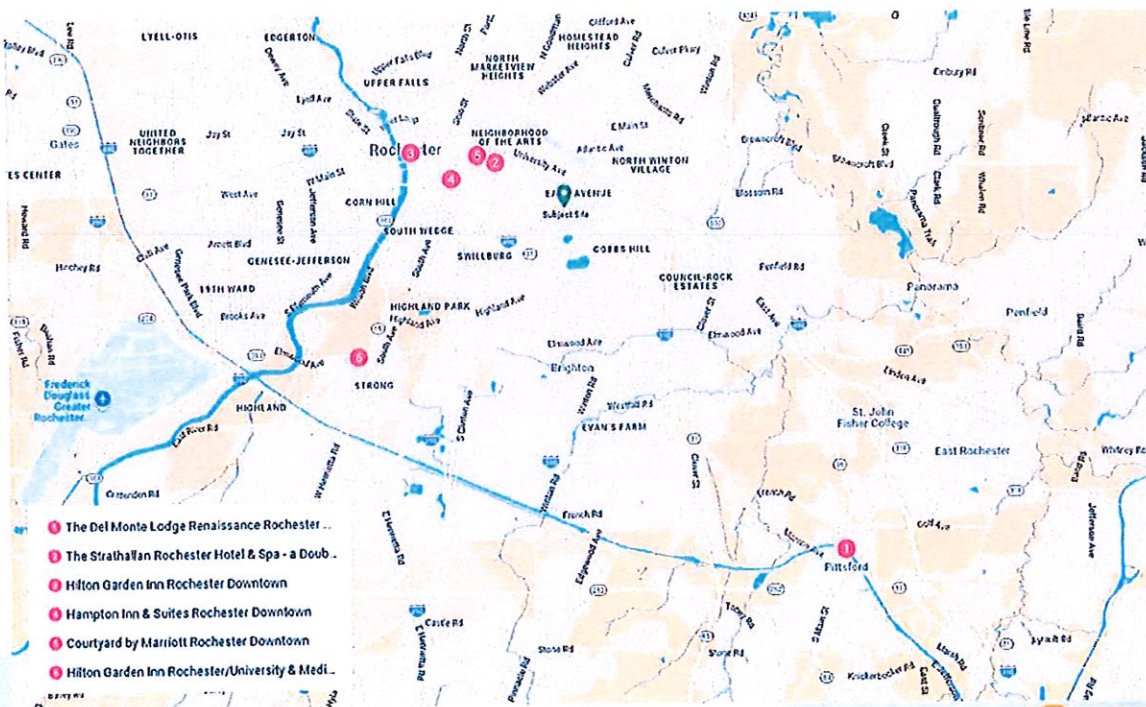
## Competitive Lodging Market and Historical Performance

Based on our research and interviews in the market area, we identified six hotels that will best represent competition to the proposed subject hotel. In all likelihood, given the higher quality level planned for the subject, it will compete mostly with the two upper-upscale full-service hotels in the competitive set, *The Del Monte Lodge* and *The Strathallan*. *The Strathallan* is currently branded as a *DoubleTree* but is undergoing a full renovation and will be converting to a *Tapestry by Hilton* in 2026. Separately and of note, *The Del Monte Lodge* is located outside of Rochester in the town of Pittsford, just over six miles southeast of the subject. It was included because it was repeatedly identified during market interviews as one of the best upper-upscale lodging options in the market in terms of quality and service level and is being used by demand generators throughout the area. Historically, *The Del Monte* has been the highest performing hotel in the Rochester market area and regularly achieves ADR levels \$40 to \$50 above the *Strathallan*, the second highest price performer in the market. That said, compared to *The Del Monte*, the subject hotel's location will have a competitive advantage for high-end guests looking to be more proximate to the CBD, *URochester*, and *Strong Memorial Hospital*.

Competitive Supply		
Competitive Hotels	Room Count	Opening Year
<b>Full-Service Market Set</b>		
The Del Monte Lodge Renaissance Rochester Hotel & Spa	99	2000
The Strathallan Rochester Hotel & Spa – DoubleTree	157	1979
<b>Subtotal</b>	<b>256</b>	<b>--</b>
<b>Select/Limited-Service Market Set</b>		
Hilton Garden Inn Rochester Downtown	106	2015
Hampton Inn & Suites Rochester Downtown	126	2023
Courtyard Rochester Downtown	126	2021
Hilton Garden Inn Rochester/University & Medical Center	136	2015
<b>Subtotal</b>	<b>494</b>	<b>--</b>
<b>Total</b>	<b>750</b>	<b>--</b>

Source: REVPAR International, Inc.

Following is a map illustrating the location of the competitive set relative to the subject.



The remaining hotels in the competitive set are select or limited-service oriented and will represent some limited level of competition to the subject as they are the best options presently in the competitive trade area outside of the two full-service properties. They are all located within downtown Rochester apart from the *Hilton Garden Inn Rochester/University & Medical Center*, which is 3.5 miles southwest of the subject site but was included due to its proximity to the *URochester* and *Strong Memorial Hospital*.

Several other lodging facilities were reviewed but excluded from the competitive set due to distance, market orientation, quality, or rate positioning. Notable examples include the 336-room *Hyatt Regency Rochester*, excluded for its size, conference focus, low ADR, and condition; and the 25-room *Inn on Broadway*, which, despite being a boutique hotel, has been mismanaged and undersold according to our market interviews and requires significant renovation and modernization in its guestrooms. The *Inn on Broadway* changed ownership and management in 2025 and is currently updating its event and dining spaces and expanded by adding a basement speakeasy. If guestroom quality is improved significantly, the hotel may be considered a competitor to the subject hotel in the future. We also considered the 222-room *Woodcliff Hotel & Spa*, but excluded it due to its size, distance (11.5 miles), and orientation as a conference resort with a golf course.

### Historical Market Performance

A summary of the historical performance of the local competitive set is included in the following table.

Historical Operating Performance of the Competitive Market					
Year	Available Room Nights	Occupied Room Nights	Annual Occupancy	Average Daily Rate	RevPAR
2019	181,770	131,530	72.4%	\$179.53	\$129.91
2020	181,770	71,694	39.4%	\$146.35	\$57.72
2021	204,765	118,103	57.7%	\$166.53	\$96.05
2022	227,760	161,167	70.8%	\$184.31	\$130.42
2023	250,755	174,845	69.7%	\$206.16	\$143.75
2024	273,750	186,707	68.2%	\$200.21	\$136.55
2025 <sup>(1)</sup>	273,750	188,289	68.8%	\$203.42	\$139.91
CAGR <sup>(2)</sup>	7.1%	6.2%	--	2.1%	1.2%

Notes: <sup>(1)</sup> Projected year-end based on year-to-date information through September.

<sup>(2)</sup> Compound Annual Growth Rate.

Source: REVPAR International, Inc.

Overall, during the analysis period, supply in the subject's competitive set has risen substantially at a rate of 7.1 percent compounded annually. Growth is attributable to the openings of the *Courtyard Rochester Downtown* and *Hampton Inn & Suites Rochester Downtown* in June 2021 and June 2023, respectively. Occupancy for the competitive set reached a peak of 72.4 percent in 2019, prior to the COVID-19 pandemic but has not surpassed 71.0 percent since then due partially to the two hotel openings during the period. Of note, as the State of New York had stricter and more prolonged COVID-19 restrictions, the hotel market's recovery from the pandemic was delayed and occurred much later than other parts of the country with more relaxed regulations such as Texas and Florida. The competitive set has stabilized just below 70.0 percent as Rochester continues to absorb the two new hotel supply additions.

Meanwhile, from 2019 to 2024, ADR increased 2.1 percent compounded annually (well below the ADR growth witnessed for the nation overall). ADR was on an upward trajectory until the *Hampton Inn & Suites Rochester Downtown* opened, which temporarily suppressed ADR growth along with the re-stabilization of hotel rates after Rochester's late rebound from the COVID-19 pandemic. As the *Hampton Inn & Suites*

*Rochester Downtown* continues to be absorbed into the market, we expect ADR will stabilize and reach moderate annual growth levels in line with historical averages.

Due to the minimal increases in occupancy and ADR over the historical period, RevPAR increased by 1.2 percent annually. Again, it is important to note that we do not expect the subject hotel to compete directly with the majority of these select and limited-service hotels in the competitive set. Due to its unique positioning as a small upper-upscale boutique hotel, the subject will mainly but not always directly compete with *The Strathallan* or *The Del Monte Lodge* depending on the experience and amenities that the guest or small group are seeking.

### Historical Market Segmentation

The historical market segmentation for the defined competitive set is provided in the following table.

As the table illustrates, the market segmentation of the competitive set is a mix of corporate/government, leisure, group, and extended-stay demand. Since 2019, all segments have experienced moderate growth with extended-stay demand leading the way as redevelopment construction and project-related business from startups brought longer-term business into the area along with visiting doctors and nurses.

Historical Market Mix for the Competitive Supply					
Market Segment	2019		2025 <sup>(1)</sup>		Compound Annual Growth
	Total Occupied Rooms	% of Total	Total Occupied Rooms	% of Total	
Corp/Govt	44,698	34%	72,714	39%	8.4%
Leisure	39,936	30%	58,270	31%	6.5%
Group	43,751	33%	52,187	28%	3.0%
Extended-Stay	3,144	2%	5,118	3%	8.5%
<b>Total <sup>(2)</sup></b>	<b>131,530</b>	<b>100%</b>	<b>188,289</b>	<b>100%</b>	<b>6.2%</b>

Notes: <sup>(1)</sup> Projected year-end based on year-to-date information through September.

<sup>(2)</sup> Columns may not add to 100 percent due to rounding.

Source: REVPAR International, Inc.

Corporate/government also grew at a higher level during the analysis period as startup companies became more prevalent downtown along with *Fortune 500* company *Constellation*. In addition, the opening of the *Courtyard Rochester Downtown* also supported growth of the corporate/government segment as it provided a *Marriott*-branded hotel option in the CBD, which brought *Marriott*-loyal corporate guests into the CBD from surrounding areas. Meanwhile, Rochester benefited from increased leisure demand, as well as pent-up group demand from SMERF events, especially weddings that supported the market's recovery post-pandemic.

### Seasonality

Room night demand for this region is seasonal with occupancies typically declining from November through April due to a drop in commercial and leisure business during the colder winter months. By comparison, May through October—Rochester's 'festival season'—is the strongest period, driven by higher weekday commercial demand and robust weekend leisure demand, as major festivals or events occur nearly every weekend during the warmer months. The many colleges and universities in the area also hold large events such as commencement, move-in, and family weekends during this period, which help push room rates well above typical levels, sometimes reaching \$400 to \$550 per night. With such a robust downtown and regional events calendar, weekend occupancies for area hotels are generally stronger than weekday occupancy on an overall annual basis. Leisure demand in the area is also driven by travelers stopping in the area on their way to or from the popular recreational sites in the Finger Lakes region.

## Future Additions to Supply

At the time of our fieldwork, and based on discussions with brand representatives, local planning officials, and local economic development and tourism officials, we identified four other hotel projects in the local market area that are under construction, planned, or proposed for the competitive trade area as summarized in the following table.

Additions to Area Hotel Supply					
Proposed Hotel	Developer	Location	Status	Number of Rooms	Projected Opening
Supply Additions Included in Analysis					
Subject Park Avenue Hotel	Pike Construction Services	769 Park Ave	Subject	42	Q2 2029
CityGate - AC Hotel by Marriott/ Element by Westin	DelMonte Hotel Group	SEQ E Henrietta Rd & S City Gate Dr	Under Construction	189	Q2 2027
<b>Total</b>				<b>231</b>	
Speculative Additions to Supply					
Tribute Portfolio	Maya Development	84-86 S Union St	Speculative	90	--
Former Rochester Riverside Hotel	Angelo Ingrassia & Ellicott Development	120 E Main St	Speculative	133	--
Kresge Building	Dutton Properties	176 E Main St	Speculative	28	--

Sources: *Visit Rochester*, various developers, franchise representatives, and municipal planning and zoning officials; compiled by: REVPAR International, Inc.

Currently, only the dual-branded *AC Hotel by Marriott* and *Element by Westin* at the *City Gate* development in south Rochester is under construction. Although this project is located more than four miles southeast of the subject site, it is considered a likely competitor because it will introduce a new, *Marriott*-branded upscale hotel near downtown Rochester—currently a gap in this part of the market served only by the *Courtyard Rochester Downtown*.

Meanwhile, the remaining three proposed hotels identified have been planned/proposed for several years but have not broken ground for one reason or another and thus remain speculative. The most notable hotel project, which also has the highest potential of opening, is the redevelopment of the vacant *Rochester Riverside Hotel*. This hotel, in the heart of downtown, is connected by a skywalk bridge to the *Rochester Convention Center*. The once *Radisson*-branded hotel was previously the largest downtown property with 466 guestrooms but closed in 2020. Frustrations have grown with residents and city officials as the hotel has been an eyesore for many years and has been the site for vandalism, arson, squatters, and illicit drug use. In late 2024, the developer submitted plans to reuse the space as a mixed-use building with 133 hotel rooms, retail, and 161 apartments, including affordable housing units. No further progress has been announced on the project since late 2024.

Given the status of all these speculative projects, to bridge the gap between what we know today regarding the potential new supply listed in the table above and what will actually come to fruition during the projection period, we assumed one new hotel of 100 rooms will open within the defined competitive trade area by the 3<sup>rd</sup> quarter of 2029.

Overall, we assumed a total of 331 hotel rooms (inclusive of the subject hotel) will open in the market between now and 2029. Apart from that, should additional hotels be developed during the projection period, it could potentially impact the subject hotel's estimated performance.

## Supply and Demand Projections

Future growth in room night demand for the competitive set is based on historical trends, coupled with future local economic growth prospects. We expect new growth to be driven by activity from under construction and planned mixed-use developments located in downtown Rochester, which we anticipate will continue over the next decade. At the same time, a portion of the anticipated growth in room night demand is a result of latent demand associated with the opening of new hotel supply in the market, inclusive of the subject. Overall, the local market appears poised for steady growth into the future.

With the foregoing in mind, a summary of the future supply and demand growth for the competitive set is provided in the following table.

Summary of Future Supply and Demand Growth Competitive Market Area					
Year	Supply		Demand		Market Occupancy
	Room Nights	% Change	Room Nights	% Change	
2025 <sup>(1)</sup>	273,800	--	188,300	0.9%	69%
FY 2027	273,800	--	191,500	1.7%	70%
FY 2028	342,700	25.2%	220,600	15.2%	64%
FY 2029	342,700	--	224,200	1.6%	65%
FY 2030	385,400	12.5%	245,400	9.5%	64%
FY 2031	394,600	2.4%	254,000	3.5%	64%
FY 2032	394,600	--	259,500	2.2%	66%
FY 2033	394,600	--	263,800	1.7%	67%
CAGR <sup>(2)</sup>	5.4%	--	4.9%	--	--

Notes: <sup>(1)</sup> Calendar Year

<sup>(2)</sup> Compound Annual Growth Rate.

Source: REVPAR International, Inc.

## Comparable Analysis

To better understand the potential operating performance of small, boutique hotels, we undertook a comparable analysis to identify existing properties of similar positioning to establish top-line operating performance ranges. To be specific, as the subject will operate with a unique upper-upscale market position unique to the area, we sought out other comparable hotels with a similar orientation, i.e., fewer than 125 rooms, located in or proximate to a downtown area. Per your request and based on its proximity to Rochester and its quality level, we also reviewed *The Lake House on Canandaigua*. The following details our findings from this research and interviews. Please note that some of these hotels were nationally branded as *Tapestry by Hilton*, *Tribute Portfolio by Marriott*, and *Autograph Collection by Marriott* while others were independent hotels. The ultimate goal of this research was to understand the following:

- Their overall operating performance;
- How long the hotels took to ramp up and stabilize;
- What were the critical key attributes to success;
- What would they have done differently or avoid; and
- Any pitfalls to be aware of.

The following table summarizes the comparable properties we reviewed/interviewed.

Comparable Hotels					
Branding	Hotel	Location	No. of Rooms	F&B	Meeting Space (sf)
Tapestry	The Wilbur Hotel	Lititz, PA	74	3-meal + Bar, Small Market + Café	900
	Hotel Skyler	Syracuse, NY	58	2-meal	---
Tribute	The Wick	Hudson, NY	55	3-meal + Bar	1,800
	The Sessions Hotel	Bristol, VA	70	3-meal + Bar, Rooftop Bar	11,000
	Visitation Hotel Frederick	Frederick, MD	65	2-meal café, 1-meal restaurant	12,400
Autograph Collection	The Edwin Hotel	Chattanooga, TN	90	3-meal + Bar, Café, Rooftop Bar	1,800
	Fenway Hotel	Dunedin, FL	83	2-meal, 2 Bars, Market Café, Rooftop Bar	9,600
Independent	The Gibson Inn	Apalachicola, FL	45	3-meal + Bar	4,200
	Roundhouse Hotel	Beacon, NY	51	2-meal + Bar	2,800
	Eddy Taproom & Hotel	Golden, CO	49	Continental breakfast + lounge	2,200
	The Lake House on Canandaigua	Canandaigua, NY	124	3-meal, Lounge, Pool Bar	12,200
Average			69	---	5,355

Source: Respective Hotels; compiled by REVPAR International, Inc.

The comparable properties range in size from 45 to 124 rooms. Given that each hotel and the market in which it operates is both consistently unique, the performance of these properties varied according to several local/regional market and facility factors. Our interviews and data analysis revealed that these properties operate at an annual occupancy level between 55 and 78 percent, of which approximately 60 to 80 percent of the room night demand is transient. The range of ADR was roughly \$185 to \$350 and also reflective of the local market, its quality level/market positioning, proximity to major city, and segmentation.

Estimated Performance of Comparable Hotels			
	Minimum	Maximum	Average
Occupancy	55%	78%	68%
ADR <sup>(1)</sup>	\$185	\$352	\$274
RevPAR <sup>(1)</sup>	\$118	\$238	\$186

Note: <sup>(1)</sup> In 2025 dollars.

Source: REVPAR International, Inc.

Occupancy and ADR are typically stronger on the weekends than on weekdays in most locations. All of the hotels offer a restaurant that typically is geared toward hotel guests and local patrons, and more than half offered rooftop bar/lounge/event space experience. Most have meeting space that is used by groups at the hotel and the local community and helps to drive occupancy, particularly mid-week. Several hotels rely heavily on SMERF and wedding demand, and a few have developed successful partnerships and packages with local theaters. Relative to their local competitive sets of franchised, independent, and/or select/full-service hotels, many of these hotels typically outperformed them in terms of ADR (sometimes in terms of occupancy), and their market segmentation was typically more leisure oriented than the local market. The soft-branded hotels indicated that the affiliation with national brands allowed them to attract more weekday/corporate business, and was the primary method of marketing the hotel. It should be noted that in most cases, independent hotels achieved similar occupancy levels as their branded counterparts.

A common challenge we heard from the comparable properties was creating and attracting weekday demand, especially those that are independent and located outside the city center, placing direct pressure on their occupancy performance during that time period. That said, the subject hotel will have less of an

issue to attract mid-week travel due to its proximity to the Rochester CBD and area demand generators. However, its independent status will likely require more of a marketing and sales effort in the initial years to ramp up midweek performance as quickly as possible given the absence of a national brand affiliation and offering a loyalty program. Key issues that must be addressed based on our research of these comparables include seamlessly delivering a variety of activities/amenities, providing a unique/original facility design (with interesting suites and meeting spaces), and successfully implementing an effective marketing program (especially for the independent hotels), to name a few. Overriding all of this was consistent courteous personal service to the guests.

Our estimates of occupancy and ADR took into account the foregoing factors.

## Facility Recommendations

The project as proposed includes the redevelopment of the historic *Park Avenue Hospital* (presently being utilized as the *Yeshiva of Rochester*) as a 42-room boutique hotel with a historical designation and warm, modern upper-upscale interior design. The building should be designed to provide an experience that is completely unique to the area and should be developed with the goal of creating a four-star/diamond experience. Due to its prominent location and smaller size of less than 50 rooms, we concur that an independent hotel can be successful at the subject site assuming competent and efficient management. We believe that its location amongst Park Avenue's diverse amenity base will be able to sell itself and that a strong design element with a high performing restaurant and top spa and salon experience will drive additional awareness to the property.

We considered the merits of a "soft branded" *Marriott* or *Hilton* product such as *Tapestry by Hilton* and *Tribute Portfolio by Marriott* due to the strength of their nationally branded platform inclusive of a reservation system, guest loyalty program, national advertising exposure, and superior service standards. However, in this instance we conducted several financial comparisons of *Tribute/Tapestry* branded hotels in similar markets against independent hotels and found that in many instances the independent hotels generated similar if not higher RevPARs, lower expense margins, and higher GOP and EBITDA percentages due to both similar top line metrics and the lack of franchise fees, which can run as much as 10 to 12 percent of rooms revenue. As a result, we are of the opinion that proceeding as an independent, boutique hotel at this location, and operated by a qualified 3<sup>rd</sup> party that understands the challenges of independent hotels is an acceptable approach financially as well.

The current facility plan shows a mix of 48 percent standard rooms and 52 percent unique suites. If there is opportunity to increase the number of standard guest rooms by reducing the number of suites, we would recommend this based on a higher return on investment potential from the lower incremental construction expense and the higher room count that will ensue. Regardless, we recommend that 60 percent of the units be king-bedded rooms and 40 percent be double queen bedded rooms. Typical in-room amenities for a four-star/diamond hotel should be offered. Other facilities should include:

- A two-meal restaurant/lobby bar/lounge experience (breakfast and dinner only) offering happy hour and evening services, as well as room service to be operated by a qualified 3<sup>rd</sup> party local restaurant group such as the *Swan Family of Restaurants*. The architectural plans include a 2,800-square foot restaurant/kitchen, which will seat roughly 100 to 120 guests in a full-service dining capacity. We estimate that the restaurant will attract both hotel guests, as well as local residents, creating a marketing tool for the hotel in general and the guest rooms in particular. The restaurant and bar will both be located on the ground floor of the hotel facilitating access for outside diners on the ~1,850-square foot patio, if possible. A flexible private dining area should be added for small functions, if space permits;
- A ~3,200-square foot 3<sup>rd</sup> party managed spa offering hair and nail stations, in addition to treatment rooms, one of which should be for couples;

- If space permits, a small 500-square foot boardroom. This will allow the property to infill with a base of small group demand (weekday corporate, weddings, and SMERF demand) and, ideally, provide it with the ability to drive occupancy and rate in the transient segments, while also realizing additional food, beverage, and room rental income;
- A 1,030-square foot fitness center with state-of-the-art equipment;
- Grab and go area (located next to or as part of front desk);
- 24/7 sundry/market shop; and
- Adequate gated self-parking.

We believe that the foregoing facilities and amenities will position the proposed *Park Avenue Hotel* to effectively compete in the subject market.

### Projected Operating Performance

Based on the foregoing assumptions, REVPAR International prepared estimates of future operating performance for the proposed 42-unit *Park Avenue Hotel* as summarized in the following table. For the purpose of this analysis, REVPAR International assumed that the hotel would open in the 2<sup>nd</sup> quarter of 2029 (FY 2030).

Proposed 42-Room Park Avenue Hotel, Rochester, NY Projected Operating Results							
Fiscal Year (April to March)	Occupancy	ADR <sup>(1)</sup>	RevPAR	Market Occupancy	Total Revenue	EBITDA After Reserve	
						\$ Amount	%
Stabilized Year <sup>(2)</sup>	72%	\$285.00	\$205.20	--	\$3,314,000	\$1,098,000	33.1%
2030	64%	\$305.00	\$195.20	64%	\$3,164,000	\$870,000	27.5%
2031	68%	\$330.00	\$224.40	64%	\$3,626,000	\$1,158,000	31.9%
2032	72%	\$340.00	\$244.80	66%	\$3,954,000	\$1,309,000	33.1%
2033	72%	\$351.00	\$252.72	67%	\$4,081,000	\$1,355,000	33.2%
2034	72%	\$361.00	\$259.92	67%	\$4,199,000	\$1,391,000	33.1%
2035	72%	\$372.00	\$267.84	67%	\$4,326,000	\$1,435,000	33.2%
CAGR <sup>(3)(4)</sup>	2.4%	4.1%	6.5%	--	6.5%	10.5%	--

Notes: <sup>(1)</sup> Average daily rate has been rounded to the nearest dollar.

<sup>(2)</sup> Presented in 2025 dollars.

<sup>(3)</sup> Compound Annual Growth Rate.

<sup>(4)</sup> Compound annual growth for occupancy based on occupied room nights.

Source: REVPAR International, Inc.

Included in the *Addenda* is a copy of the market penetration analysis from which our occupancy estimates were derived, as well as complete financial pro formas for the hotel, and the associated comparable data. We have also included a valuation analysis of the going concern using the discounted cash flow analysis. This valuation does not constitute an appraisal and should not be construed as such.

All projections and calculations are based on the financial operating data for comparable hotels and industry statistics for similar properties. Data for six comparable properties is presented in the *Addenda*. To provide a common basis for comparison, the comparable properties' statements have been adjusted by the *Consumer Price Index* to reflect 2025 value dollars. We also reviewed *The Trends Report*, prepared by CBRE, and several custom *Benchmark Reports*, prepared by CBRE, which reports the revenues and expenditures of comparable hotels. The *Uniform System of Accounts for the Lodging Industry*, recommended by the *American Hotel and Lodging Association* and used throughout the industry, has been used in the classification of revenues and expenses in this report. To portray price level changes, we assumed a three

percent annual inflation rate based on the *Congressional Budget Office (CBO)* forecasts of future inflation through the use of the *Consumer Price Index for All Urban Consumers (CPI-U)*.

The following summarizes several notable assumptions for our estimates, presented in 2025 value dollars:

- The hotel will be operated in a competent and efficient manner by a professional management firm that has experience in operating upper-upscale independent boutique hotels. To reflect that, we have deducted a base management fee of 4.0 percent of total revenues.
- An aggressive sales and marketing program would commence at least six months prior to opening.
- We have excluded all F&B and spa revenues and expenses from our analysis as we understand those outlets will be leased to two separate 3<sup>rd</sup> party operators. Based on our research, retail and restaurants in downtown Rochester lease between \$15 and \$30 per square foot per year, triple net. As such, we assumed the two spaces would be leased for ~\$21 per square foot equating to Total Lease Income of \$125,000 in a stabilized year. This amount was increased by 3.0 percent annually thereafter.
- Other Operated department annual revenue is estimated at \$143,000 which is primarily comprised of guest laundry, the market/sundry shop, and revenue from gated self-parking. We estimate this department will have a 47 percent expense ratio. Specific to the parking revenues, we assumed \$10 per night for the cost of parking by hotel, restaurant/bar and spa guests using the parking spaces behind the building. Based on what we experienced, street parking is very limited along Park Avenue, and it is especially difficult to find a space in the evening during the dinner rush period. Overall, we have assumed \$5.00 per occupied room night to account for the hotel, restaurant, and spa parking revenue.
- Rentals and Other Revenue is estimated at \$25,000 and includes pet fees, damage fees, attrition/cancellation, and other minor revenues.
- As the hotel will offer an independent designation, no franchise fees have been included; however, we recommend that consideration be given to participating in certain “soft brand” marketing organizations during the initial two years of operation such as *Preferred Hotels and Resorts*.
- Property operations and maintenance expenses are market rate based on similar hotel comparables. Of note, we did not include any common area maintenance (CAM) charges (or income) related to the subject being attached to the market-rate apartments at 775 Park Avenue. Once programming for the project is more fully developed, these expenses may need to be adjusted to account for any common area costs.
- Real estate taxes have been based on market comparables. Many of the market comparables we reviewed are part of a PILOT (Payment In Lieu Of Tax) incentive program through the *County of Monroe Industrial Development Agency (COMIDA)*. The PILOT is a 10-year step-down tax abatement that offers meaningful savings to owners and developers as an incentive to stimulate economic growth in the region. However, based on a brief conversation with COMIDA’s Deputy Director, lodging has been reclassified as retail, which no longer qualifies for tax abatement through their PILOT program. That said, the Deputy Director noted that the COMIDA committee can review all aspects of the development to determine whether any exemption opportunities exist. As it is still unclear whether the redevelopment of the existing building will qualify for an exemption—and, if so, what the size and scope of any tax abatement might be—we have chosen not to incorporate it into our assumptions at this time.
- A 4.0 percent reserve for replacement has been assumed, which is considered standard and necessary for the long-term maintenance of the hotel.

Please note that there are other significant assumptions underlying these estimates.

## Next Steps

Now that the market study has been completed, you may require further assistance in bringing the project to fruition. REVPAR International stands ready to act as an advisor on your behalf on any pertinent activities. Examples of these services include:

- Estimating development costs;
- Preparing ROI analysis based on financing structure and cost of construction;
- Assistance in negotiating hotel management and franchise agreements;
- Identification of and negotiation with potential hotel operator or brand;
- Assistance in management/ownership structure;
- Project management; and
- Asset management/Owner's representative services.

These services can be defined and explained at the appropriate time. Once the scope of work is defined, we can provide our professional fees, which can be fixed, hourly, or a combination thereof, depending upon the nature of the work.

Please note that the estimates provided in this letter report are considered preliminary in nature, and subject to change based on additional or new information. This letter report has been prepared primarily to provide you with an opinion as to the subject's future operating performance under certain assumptions. The document was prepared *primarily for your internal use*, as it is an abbreviated letter report presenting limited information associated with the due diligence undertaken by our firm. As such, we caution you as to its distribution to 3<sup>rd</sup> parties, particularly any potential sources of financing. If you have any questions or comments, please let us know.

Regards,  
**REVPAR International, Inc.**

*REVPAR International, Inc.*

March 19, 2026

Monroe County Industrial Development Agency (COMIDA)  
City of Rochester

*Submitted Electronically*

***Re: 759 Park Ave Partners, LLC Application for a Special PILOT***

Dear Members of the COMIDA Board and the City of Rochester PILOT Review Committee,

We appreciate your continued engagement and partnership as we advance the proposed redevelopment of the former Park Avenue Hospital into a 42-room upper-upscale boutique hotel in the Park Avenue neighborhood.

This project represents a \$29 million private investment in one of Rochester's most important corridors, transforming a long-underutilized historic property into a high-quality destination that will contribute meaningfully to the City and County's economic vitality. Beyond the physical redevelopment, we believe this project addresses a broader and increasingly urgent need: expanding Rochester's ability to accommodate visitors, support tourism, and compete for meetings, conferences, and events.

As part of our due diligence, we commissioned an independent market analysis by REVPAR International, which confirmed what many in the community have been experiencing firsthand: that Rochester's hotel market is constrained, particularly when it comes to high-quality, upper-upscale accommodations in close proximity to key demand drivers. The analysis found that there is sufficient market support for this project and that the proposed hotel is well-positioned to succeed given its location, design, and alignment with current and projected demand trends.

Rochester's tourism and visitor economy continues to grow, driven by world-class cultural institutions, higher education, healthcare, and a robust calendar of festivals, sporting events, and conventions. Attractions like the Strong National Museum of Play, the Rochester Museum and Science Center, The National Susan B. Anthony Museum & House, the George Eastman Museum, the Lilac Festival, the International Jazz Fest, Rochester Cocktail Revival, Clothesline, and various PGA events, draw hundreds of thousands of visitors annually, while the convention center and regional event venues bring consistent meeting and group activity into the market. At the same time, the University of Rochester, Rochester Institute of Technology, and the region's major healthcare systems generate year-round demand from academic, medical, and business travelers.

Despite this strong and diversified demand base, the supply of hotel rooms, particularly those that meet the expectations of today's travelers, has not kept pace. The closure of the Rochester Riverside Hotel removed a significant number of rooms from the downtown inventory, and as a result, the City is increasingly challenged in its ability to host larger conferences and events. Groups are often forced to disperse across multiple properties, which

diminishes the overall experience and makes Rochester less competitive relative to peer cities. In some cases, events have been lost altogether due to the lack of available and appropriately located rooms.

The proposed Park Avenue hotel directly addresses this gap. Its location offers a unique advantage: close enough to downtown, the convention center, and major institutions, while also providing a walkable, neighborhood-oriented experience that today's travelers increasingly seek. Park Avenue is one of Rochester's most vibrant corridors, with a concentration of restaurants, shops, and cultural amenities that will enhance the visitor experience and encourage longer stays and repeat visits.

This project is not intended to compete with existing limited-service hotels, but rather to complement the market by introducing a product type that is currently underrepresented: a small, high-quality boutique hotel that appeals to both leisure and business travelers. By doing so, it expands the overall market rather than simply redistributing existing demand. It also supports the broader ecosystem of tourism by providing accommodations that align with the expectations of visitors coming for conferences, cultural attractions, university events, and regional tourism throughout Monroe County and the Finger Lakes.

In addition to its tourism impact, the project will activate a prominent and currently underutilized property, strengthen a key neighborhood, and generate new economic activity through job creation, increased visitor spending, and the introduction of new amenities including a full-service restaurant and spa. It builds on the momentum of recent public and private investments across the City and contributes to a more complete and competitive hospitality offering.

We recognize that projects of this scale require thoughtful partnership, and we are committed to working collaboratively with both COMIDA and the City to ensure that this investment delivers long-term value to the community. The requested support is essential to allowing the project to move forward in a financially viable manner, particularly given the current cost environment and the unique challenges associated with adaptive reuse of a historic structure.

We appreciate your consideration and the opportunity to continue this dialogue. We are confident that this project aligns with shared goals around economic development, tourism growth, and neighborhood revitalization, and we look forward to working together to bring it to fruition.

Sincerely,

Dan Goldstein  
Rufus Judson  
Jon Swan  
Chuck Cerankosky  
Bill Tehan



April 17, 2026

Dan Goldstein  
759 Park Ave Partners, LLC  
600 East Avenue, Suite 200  
Rochester, NY 14607

Via Email to: [dgoldstein@royaloakrealtytrust.com](mailto:dgoldstein@royaloakrealtytrust.com)

RE: 759 Park Avenue Hotel – Special PILOT

Dear Mr. Goldstein:

The City of Rochester has received your request to support an application to COMIDA for a Special PILOT for the proposed conversion of 759 Park Avenue and 161 Brunswick Street into a hotel (the “Project”). The proposed project includes the renovation of the former Park Avenue Hospital and Yeshiva Talmudic School into an approximately 40,000 square foot 42-45 room boutique hotel, with a restaurant, outdoor dining, and a day spa. The project will utilize the site’s existing building, parking lot, and curb cuts, and make improvements to lighting, pavement surface, and landscaping to improve the property’s appearance from the street, while buffering it from adjacent properties. The total investment is estimated to be \$29,252,000. You have estimated that the project will create 45 permanent full-time jobs, 25 permanent part-time jobs, and 75 temporary construction jobs.

The City of Rochester’s PILOT Review Committee has approved support of a special PILOT for the Project that would provide exemption on the increase in real estate taxes for an annual in-lieu of payment based on the following schedule:

Year	% Exempt	Year	% Exempt
1	90%	11	40%
2	90%	12	40%
3	80%	13	30%
4	80%	14	30%
5	70%	15	20%
6	70%	16	20%
7	60%	17	10%
8	60%	18	10%
9	50%	19	Return to Full Taxes
10	50%		

The approval of this special PILOT will oblige you to adhere to Minority and Women-Owned Business Enterprise (MWBE) and workforce goals. Thirty percent (30%) of the project’s estimated tax savings will be filled by MWBE. Using \$813,100 as the current base assessment, the estimated tax savings over eighteen years is \$3,849,760, thus, 30% of this project’s tax savings will be \$1,154,928. The workforce goals are as follows: minority workforce goal of 20%, women workforce goal of 6.9%, and city of Rochester resident workforce goal of 25%. The developer, prime contractor, or an independent compliance monitor will track, verify, and report the efforts made by the developer/prime contractor in achieving the MWBE and workforce goals.




Dan Goldstein  
April 17, 2026  
Page Two

---

On behalf of the City, I am pleased to support your Application for Assistance to COMIDA. If you have any questions please contact Lindsay Nabozny by email at [lindsay.nabozny@cityofrochester.gov](mailto:lindsay.nabozny@cityofrochester.gov) or by phone at (585) 428-1113.

Sincerely,



Erik Frisch  
Commissioner

EF/ln

cc: Ana J. Liss, Executive Director, County of Monroe Industrial Development Agency  
Anne DaSilva Tella, Manager of Development

# County of Monroe Industrial Development Agency

## MRB Cost Benefit Calculator



Date: May 19, 2026  
 Project Title: 759 Park Ave Partners, LLC  
 Project Location: 759 Park Avenue & 161 Brunswick Street, City of Rochester

### Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

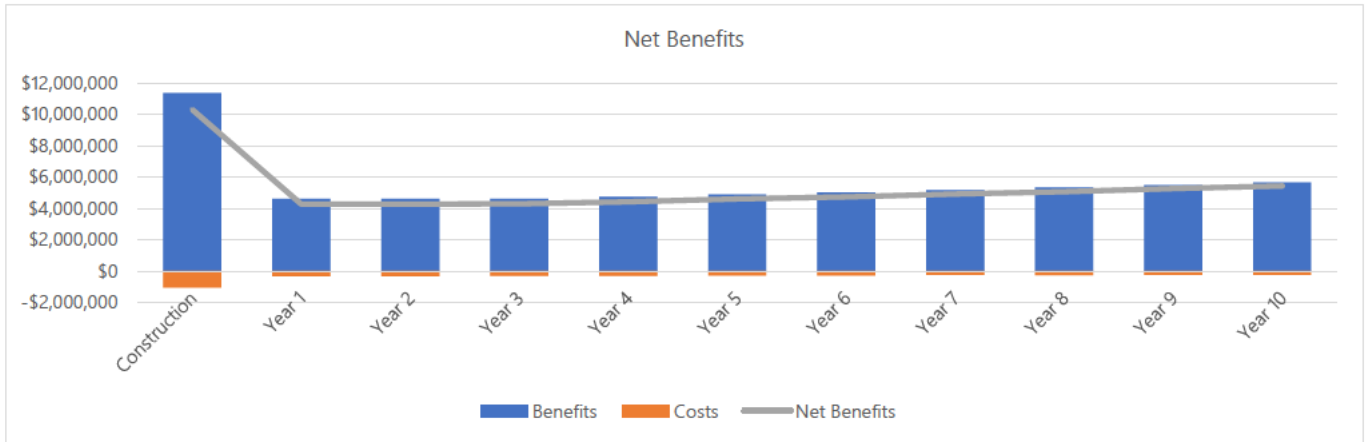
Project Total Investment  
 \$29,252,000

	Temporary (Construction)		
	Direct	Indirect	Total
Jobs	147	33	181
Earnings	\$9,018,455	\$1,711,173	\$10,729,628
Local Spend	\$23,401,600	\$5,825,101	\$29,226,701

	Ongoing (Operations)		
	Direct	Indirect	Total
Jobs	58	0	58
Earnings	\$103,362,907	\$0	\$103,362,907

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

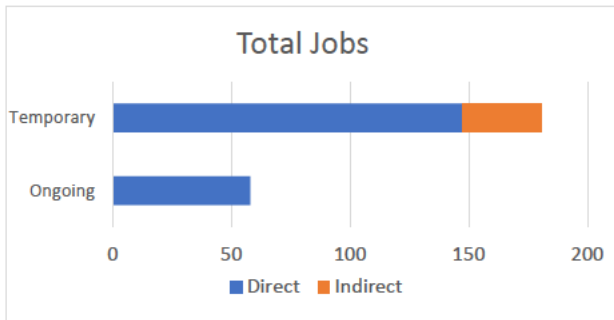
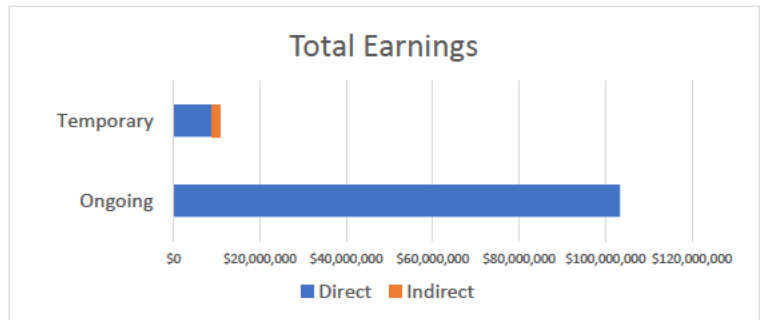


Figure 3



# Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

## Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$3,860,677	\$3,345,506
Sales Tax Exemption	\$885,746	\$885,746
Local Sales Tax Exemption	\$442,873	\$442,873
State Sales Tax Exemption	\$442,873	\$442,873
Mortgage Recording Tax Exemption	\$165,075	\$165,075
Local Mortgage Recording Tax Exemption	\$55,025	\$55,025
State Mortgage Recording Tax Exemption	\$110,050	\$110,050
<b>Total Costs</b>	<b>\$4,911,498</b>	<b>\$4,396,327</b>

## State and Local Benefits

	Nominal Value	Discounted Value*
<b>Local Benefits</b>	<b>\$120,018,362</b>	<b>\$99,207,504</b>
<b>To Private Individuals</b>	<b>\$114,092,535</b>	<b>\$94,602,972</b>
Temporary Payroll	\$10,729,628	\$10,729,628
Ongoing Payroll	\$103,362,907	\$83,873,344
Other Payments to Private Individuals	\$0	\$0
<b>To the Public</b>	<b>\$5,925,827</b>	<b>\$4,604,532</b>
Increase in Property Tax Revenue	\$5,127,180	\$3,942,311
Temporary Jobs - Sales Tax Revenue	\$75,107	\$75,107
Ongoing Jobs - Sales Tax Revenue	\$723,540	\$587,113
Other Local Municipal Revenue	\$0	\$0
<b>State Benefits</b>	<b>\$5,932,812</b>	<b>\$4,919,355</b>
<b>To the Public</b>	<b>\$5,932,812</b>	<b>\$4,919,355</b>
Temporary Income Tax Revenue	\$482,833	\$482,833
Ongoing Income Tax Revenue	\$4,651,331	\$3,774,300
Temporary Jobs - Sales Tax Revenue	\$75,107	\$75,107
Ongoing Jobs - Sales Tax Revenue	\$723,540	\$587,113
<b>Total Benefits to State &amp; Region</b>	<b>\$125,951,174</b>	<b>\$104,126,858</b>

## Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$99,207,504	\$3,843,404	26:1
State	\$4,919,355	\$552,923	9:1
<b>Grand Total</b>	<b>\$104,126,858</b>	<b>\$4,396,327</b>	<b>24:1</b>

\*Discounted at 2%

### Additional Comments from IDA

This property is currently exempt from property taxes because it is owned by a not-for-profit organization. Because of this project, the property will return to the tax rolls and begin generating property tax revenue again.

Does the IDA believe that the project can be accomplished in a timely fashion?  Yes