



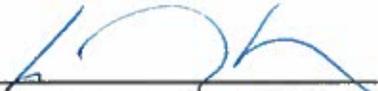
START-UP NY
Campus Plan for Designation of Tax-Free Area(s) Memorandum

Re: Rochester Institute of Technology Campus Plan for Designation of Tax-Free Area(s) ("Campus Plan")

Date: 4/11/16

For campus Office of the President:

The arrangement documented in the attached Campus Plan is aligned to the academic mission of Rochester Institute of Technology and in accordance with all policies, procedures, and guidelines.



William W. Destler, President

To: Howard Zemsky, President & CEO, Empire State Development and
Commissioner, NYS Department of Economic Development

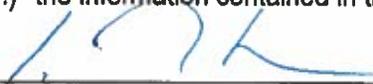
From: President William W. Destler of Rochester Institute of Technology

Re: Rochester Institute of Technology's Campus Plan for Designation of Tax-Free Area(s)

Date: April 11, 2016

I, President Destler of Rochester Institute of Technology hereby certify the following:

- a.) we have consulted with the chief executive officer of the municipality or municipalities and notified the local economic development entity representing the area that a proposed Tax-Free NY Area is locating outside the campus boundaries; and
- b.) we comply with Conflict of interest guidelines; and attached copies of the policies and/or guidelines herewith; and
- c.) we are aware of the non-governmental use limitations associated with state issued tax exempt bonds and if our proposed Tax-Free NY Area was financed with tax exempt bonds, we will: 1.) make potential businesses aware of these limitations when marketing property; and 2.) take appropriate steps to ensure that non-governmental use of property funded with tax-exempt bonds will not jeopardize the tax exempt status of state issued bonds; and
- d.) the information contained in the enclosed application is accurate and complete.



William W. Destler, President



DATE

Attachments/Enclosures:

- 1.) Tax-Free Area Plan with Polygon shapefile of campus area (if available) and/or point data of vacant space (if available), **OR** AutoCAD rendering of proposed tax-free area on a scaled campus map and/or campus map shaded to indicate building containing proposed tax-free space
- 2.) Excel spreadsheet of property to be designated
- 3.) Applicable conflict of interest policies
- 4.) Where applicable, comments received from interested parties



START-UP NY CAMPUS PLAN FOR DESIGNATION OF TAX-FREE AREA(S)

Campus Name: Rochester Institute of Technology
Campus Contact Name: Dr. Ryne Raffaele
Campus Contact Title: Vice President of Research
Campus Contact E-mail: rprsps@rit.edu
Campus Contact Phone: 585-475-2055

THE TAX-FREE NY AREA PLAN SHALL BE DEVELOPED BY THE CAMPUS TEAM AND PROVIDE THE FOLLOWING REQUIRED INFORMATION:

1) Specification or identification of space or land proposed for designation as a Tax-Free NY Area identifying the following:

i. Provide the name and address of the college/university seeking approval as a Sponsor, the address of the space or land proposed for designation as a Tax-Free NY Area, and a written description of the physical characteristics of the area for designation.

Name: Rochester Institute of Technology
Campus Address: 30 Lomb Memorial Drive, Rochester, NY 14623
Address(es) of Proposed Tax-Free NY Area(s): (1) 40 Franklin Street, Rochester NY 14604 (2) 125 Tech Park Drive, Henrietta, NY 14623 (3) 195 E. Main St., Rochester NY 14604
Description of Physical Characteristics of Proposed Tax-Free NY Area(s): (1) Free standing building in core business area of Rochester, NY (2) Free standing building in office park adjacent to campus (3) Free standing building in core business area of Rochester, NY

ii. Complete the Excel spreadsheet template provided on the START-UP NY Website. Include only properties sought to be designated. Attach the completed spreadsheet to this plan and provide in electronic form.

iii. Provide also a representation of each proposed site drawn on a scaled campus map with boundaries drawn clearly. Two versions should be created; one including an imbedded layer from Google Earth or other aerial photograph of the property. The second version should exclude the photographic imagery. Each parcel under consideration must have a unique alpha numeric identifier, clearly labeled on each plan which ties to identifiers in the Excel spreadsheet. If digital files containing Polygon shapefile that delineates area for designation are available, provide these as well. Attach these materials to this plan.

iv. Provide a campus map with each proposed building shaded. Label each building with the official building number with the building name. For each building shaded and labeled,

include floor plans of all areas under consideration. If digital files containing Point shapefiles that provide locations of area for designation are available, provide these as well. Attach these materials to this plan.

- 2) The total square footage of the space and/or acreage of land proposed for designation as a Tax-Free NY Area is:

61,911 Square Feet

- 3) Provide a description of the type of business or businesses that may locate in the area identified in #1.

RIT will seek to establish partnerships through the START-UP NY program with high-tech, high-growth potential, job-generating companies that are aligned with RIT's academic and research and economic development priorities.

RIT has core strengths in sustainability, green technology, manufacturing, sustainable manufacturing, game design and development, film and animation, software development, information technology, cybersecurity, access technologies, aerospace, and imaging, among others.

- 4) Provide a description of the campus academic mission, and explain how the businesses identified in #3 will align or further the academic mission of the university or college.

RIT's mission is to provide a broad range of career-oriented educational programs with the goal of producing innovative, creative graduates who are well-prepared for their chosen careers in a global society. RIT's cooperative education program, which requires career-related on-the-job experience as part of our degree programs, provides the university, and its students and graduates, with unique and extensive corporate partnerships. RIT has ongoing partnerships with nearly 2,000 companies across the country that employ our co-op students and graduates; each year 3,500 RIT students engage in cooperative education, more than 40 percent of these experiences are with companies in the greater Rochester region. In a typical year, one-third to one-half of greater Rochester's top 100 privately-held firms are employer partners of RIT.

- 5) Provide a description of how participation by these types of businesses in the START-UP NY Program will generate positive community and economic benefits, including but not limited to:
- Increased employment opportunities;
 - Increased opportunities for internships, vocational training and experiential learning for undergraduate and graduate study;
 - Diversification of the local economy;
 - Environmental sustainability;
 - Increased entrepreneurship opportunities;
 - Positive, non-competitive and/or synergistic links to existing businesses;
 - Effect on the local economy; and
 - Opportunities as a magnet for economic and social growth.

All of the properties proposed would be occupied by companies whose business and relationship to RIT will generate positive community and economic benefits.

40 Franklin Street

The property at 40 Franklin Street is located in an economically distressed area in the City of Rochester and will soon house the Center for Urban Entrepreneurship on the 1st floor.

The Center for Urban Entrepreneurship (CUE), located in the heart of the downtown business district at 40 Franklin Street (the historic Rochester Savings Bank), will help reshape the regional economy and build wealth within the urban community by being the hub for urban entrepreneurial programs and research. CUE provides a viable and successful vehicle to develop a new culture of entrepreneurship in the region, with a particular emphasis on the most underserved populations in the nine-county region. RIT is proposing the second, third and fourth floor of 40 Franklin Street for tax-free designation. Companies that will occupy this space will be high-tech businesses that will employ Millennial Generation young professionals dedicated to and supportive of the transformation of Rochester's urban core. RIT anticipates proposing businesses for 40 Franklin Street that have elected to grow in New York because of their immediate access to our students through our cooperative education program as well as our graduates. 21,075 SF (leasable) will be available on the designated floors.

Venture Creations

RIT's Venture Creations incubator is a place where mid-seed stage companies can advance their concepts on their way to joining the ranks of profitable, viable businesses in New York State. Located at 125 Tech Park Drive, adjacent to RIT's main campus, Venture Creations facilitates regional economic development and supports its member companies through a two-fold mission:

- To support the creation of new technology-based businesses which create well-paying jobs in the Finger Lakes region of New York State.
- To provide experiential learning in entrepreneurship to RIT's students and faculty

In furtherance of its mission, Venture Creations provides companies with:

- Experienced on-site staff who can provide assistance in evaluating business opportunities, support for developing business plans or preparing grant applications, and coaching/guidance in the development of your business
- Access to RIT's faculty and wide range of resources
- Access to our service provider network
- Connections to potential investors
- Student co-ops and interns
- A venture mentoring service

RIT's Venture Creations incubator has had a strong track record of success in graduating companies and retaining those companies and their employees in the region. At least two of the current companies located in Venture Creations are poised to "graduate" and have the potential to take advantage of the START-UP NY program. RIT will work with these companies to help them identify appropriate START-UP facilities in the

region for them to relocate. This will free up space in Venture Creations for new companies to locate and to utilize the benefits of START-UP NY in our START-UP designated space. We are proposing designation of the entire Venture Creations space as eligible for START-UP, and as new companies come to us we will work with them to develop their applications for START-UP benefits

The Metropolitan (195 E. Main St.)

Originally completed in 1973 as the Lincoln First Tower, this iconic 26-story building is a fixture in the Rochester Skyline. Distinguished by its white clad fins and outward curves at the base, The Metropolitan soars at 392 feet. Located in Rochester's emerging Downtown Innovation Zone, The Metropolitan is a short walk from RIT's Center for Urban Entrepreneurship and the planned Finger Lakes Business Accelerator Cooperative to be located in the Sibley Building.

Since purchasing the tower in March 2015, Gallina Development has been working to create a new vision in re-positioning the tower into a true mixed-use building. This ambitious initiative will entail creating a new drive-up entrance loop off Clinton Avenue, a renovated lobby and elevators, market rate apartments on floors 4-21, and soon after, condominiums on floors 22-26. Office space will continue to be offered on floors 4-13.

Our campus plan will include 11,000 square feet on the 11th floor which is currently vacant.

NOTE: The developer has indicated that they are in the process of changing the street address of The Metropolitan from 195 E. Main St. to 1 S. Clinton Avenue.

RIT expects to use the space to house companies that wish to have a presence in downtown Rochester. As with 40 Franklin, we would expect many of these companies to be started by and to employ younger professionals who wish to experience the vitality of urban life.

- 6) Provide a description of the process the Sponsor (campus) will follow to select participating businesses. The description should identify the membership of any group or committee that may make recommendations, the final decision-maker, and the criteria that will be used to make decisions. This group or committee must include representation from faculty governance. The criteria may include some or all of the following:

A. Academic and Research Alignment

1. Is the business in an industry aligned with current and/or developing University research, scholarly, and creative activity?
2. Does the business provide experiential learning and workforce opportunities (e.g., internships, fellowships, full-time jobs) for students and graduates?

3. Does the business provide areas for partnership and advancement for faculty and students?
4. Will the business provide access to research instrumentation, tools, and/or equipment necessary to advance the academic and research mission?
5. Will the business fund scholarships, campus facilities or other academic services or amenities?
6. Will the business and/or its employees contribute to instruction or provide student mentoring?
7. Does the business offer the use of company resources, intellectual property or expertise to support the academic mission?

B. Economic Benefit

1. How many net new jobs will be created?
2. Is the business viable in both the short- and long-term?
3. Will the business attract private financial investment?
4. Does the business plan to make capital investments (e.g., renovation, new construction)?
5. Are the new jobs in critical areas of the economy?
6. How will the University financially benefit from the terms of the lease?

C. Community Benefits

1. Does the business have the support of one or more municipal or community entities?
2. Is the business recruiting employees from the local workforce?
3. Does the business invest in underserved, economically distressed regions?
4. Will the business rely on suppliers within the local and regional economy?

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INSERT:

**1.) DEPARTMENT OF ECONOMIC DEVELOPMENT
EXCEL SPREADSHEET
TEMPLATE LISTING ALL DESIGNATED
PROPERTIES**

**2.) COPY OF APPLICABLE CONFLICT OF
INTEREST POLICIES OR GUIDELINES**

**3.) WRITTEN RESPONSES OR COMMENTS
RECEIVED THROUGH CONSULTATION WITH THE
CEO OF THE MUNICIPALITY(IES) AND LOCAL
ECONOMIC DEVELOPMENT ENTITY(IES)**

PROPERTY LISTING

Sponsor	Location	16V Incubator		Owner	PropertyType*	StreetAddress	City	ZipCode	ParcelID	Building	SpaceType**
		UniqueID	no								
RIT	Rochester	RIT-1	no	RIT	1	40 Franklin St.	Roch.	14604	106.80-1-30	40 Franklin	B
RIT	Henrietta	RIT-2	yes	RIT	1	125 Tech Park Dr.	Roch.	14623	161.03-1-18.1	125 Tech Park Dr.	A
RIT	Rochester	RIT-3	no	Gallina Development	2	195 E. Main St.	Roch.	14604	121.240-01-036	The Metropolitan	G

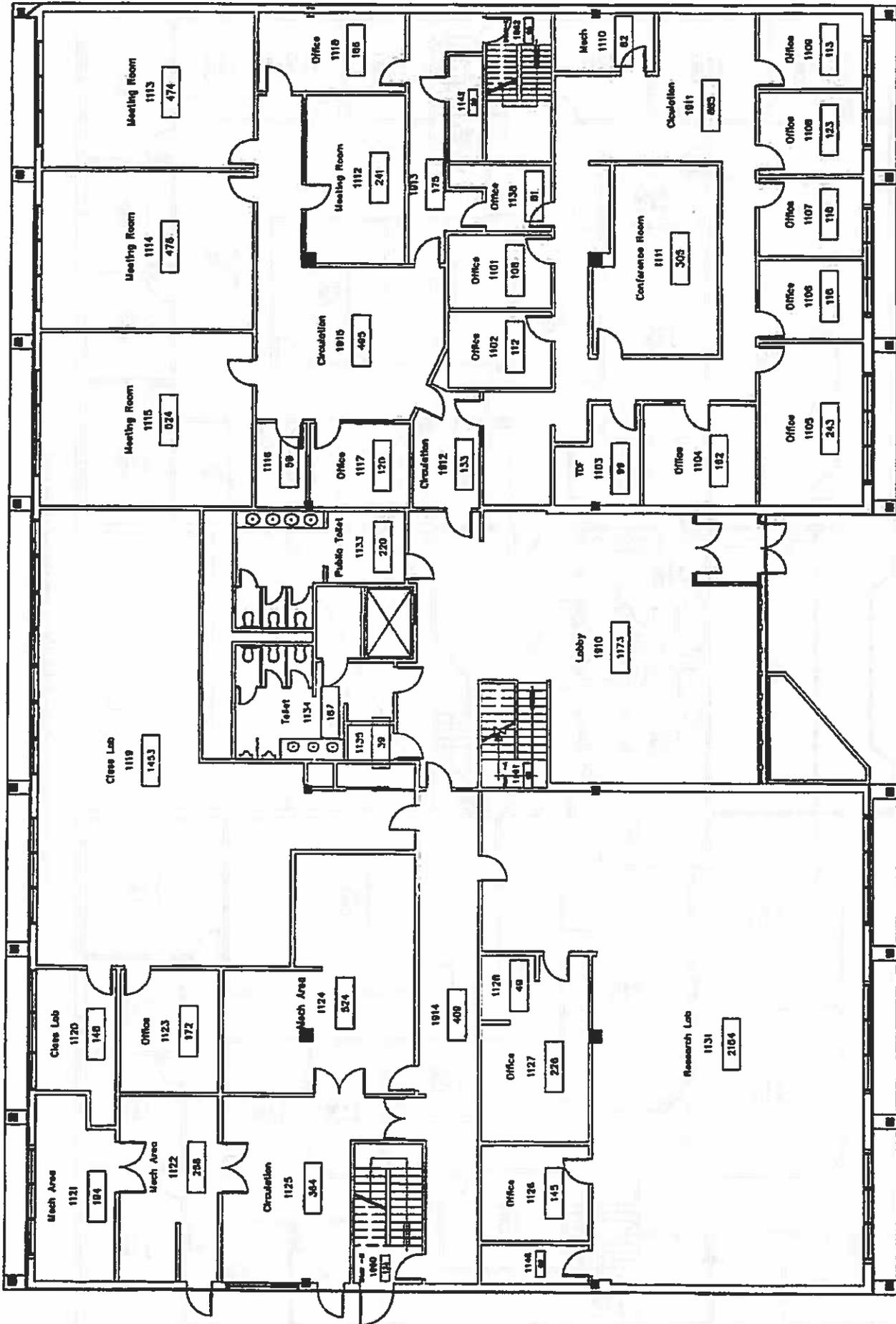
• 1= on campus
 2= 1 mile off campus
 3= State Asset
 ** A=entire building
 B=floor within building
 C=Room within building
 D=land on campus
 E= land off campus
 F=entire building off campus
 G=partial building off campus
 H=state asset

SqFt	Acres	Description	onCampus	Within1mleOfCampus	More than 1 mile off campus (requires waiver)	Latitude	Longitude	Note	County
21,075	n.a.	2nd, 3rd & 4th Floors	Yes	n.a.	n.a.	43°09'31" N	77°36'17" W		Monroe
29,836	n.a.	1st & 2nd Floors	Yes	n.a.	n.a.	43°04'27" N	77°39'47" W		Monroe
11,000	n.a.	Part of 11th Floor	No	yes		43°09'22" N	77°36'24" W		Monroe

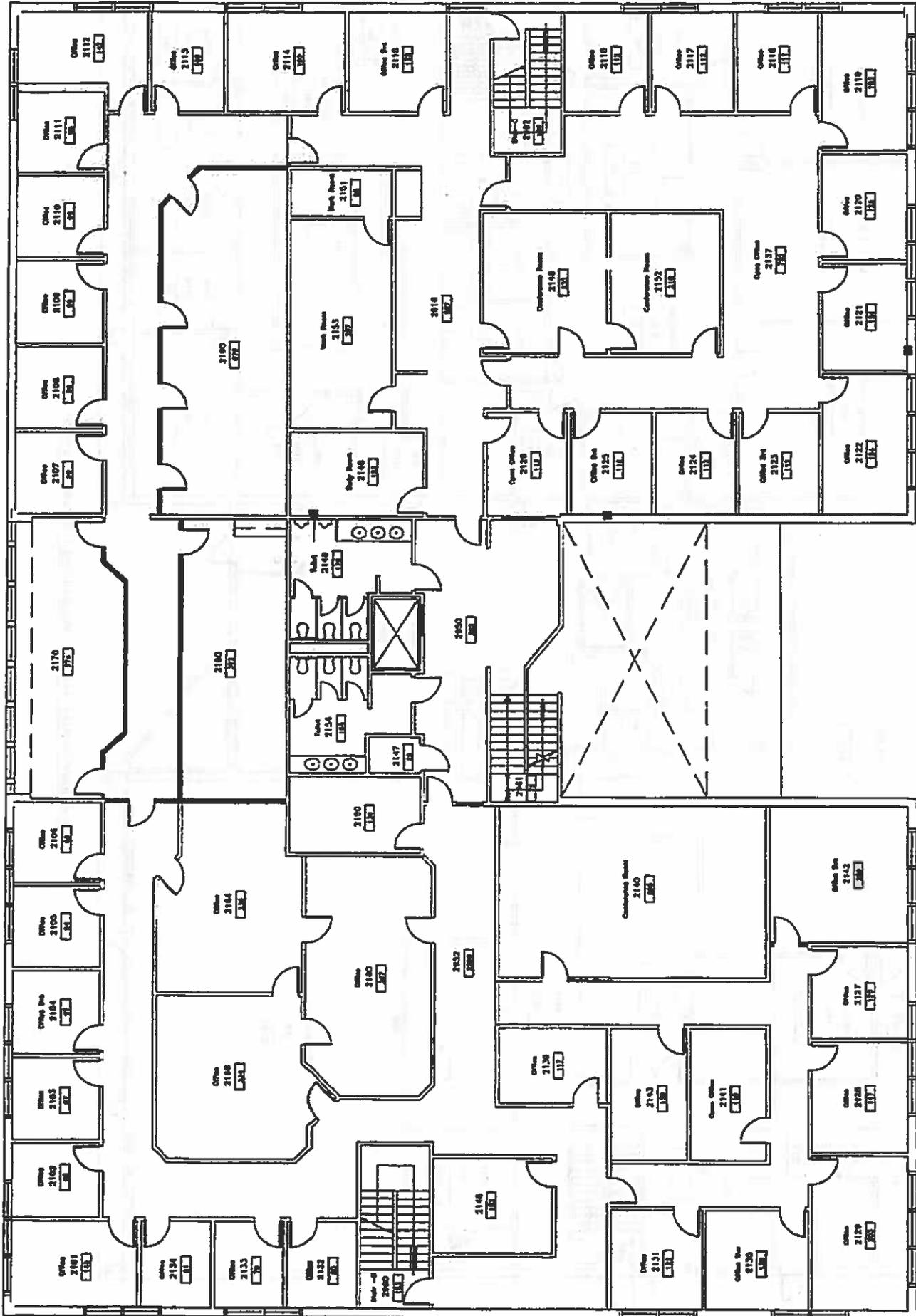


**125 Tech
Park Dr,
Rochester,
NY 14623**

Rochester Institute of Technology

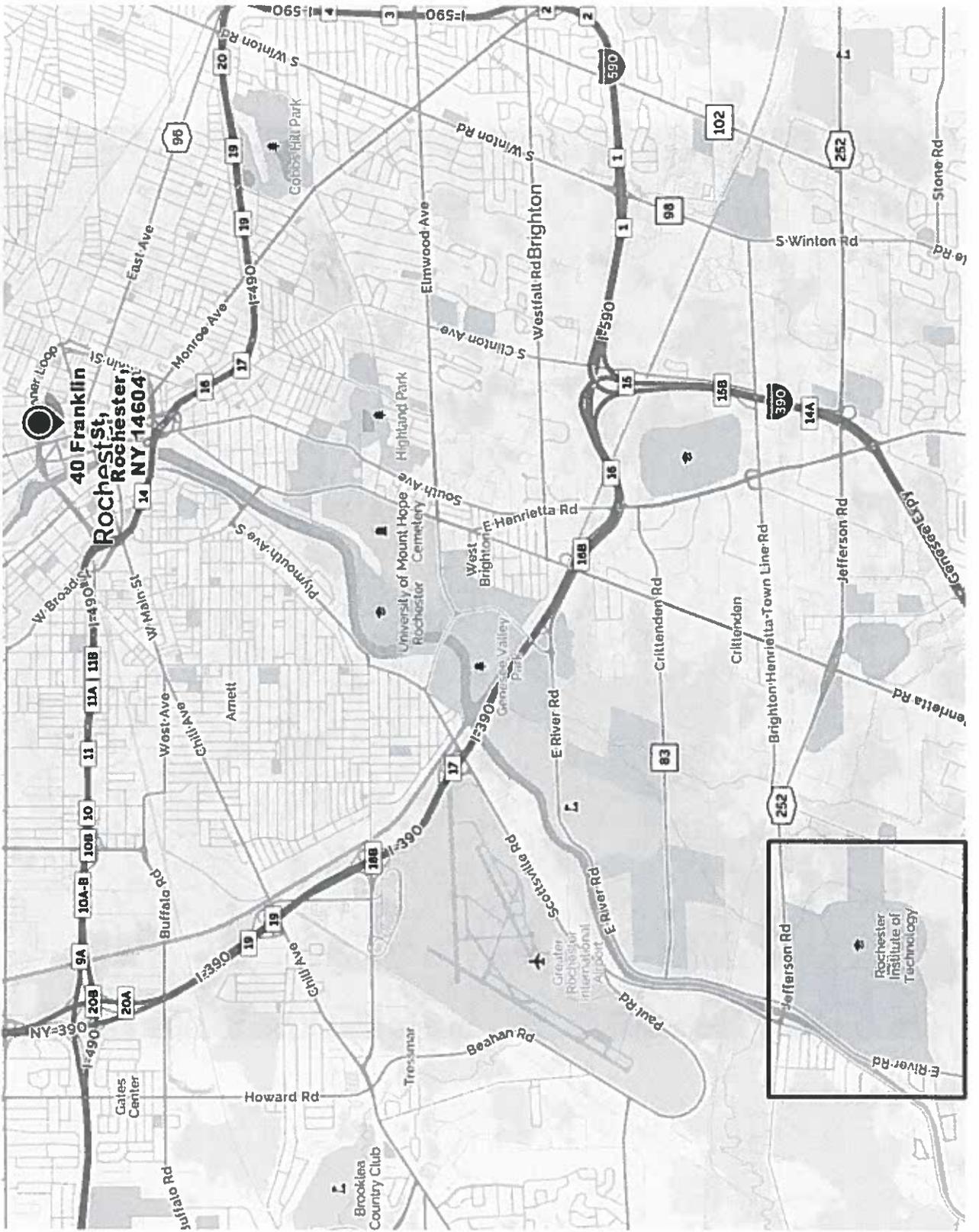


Venture Creations Incubator-VCI-Building 150-First Floor Plan

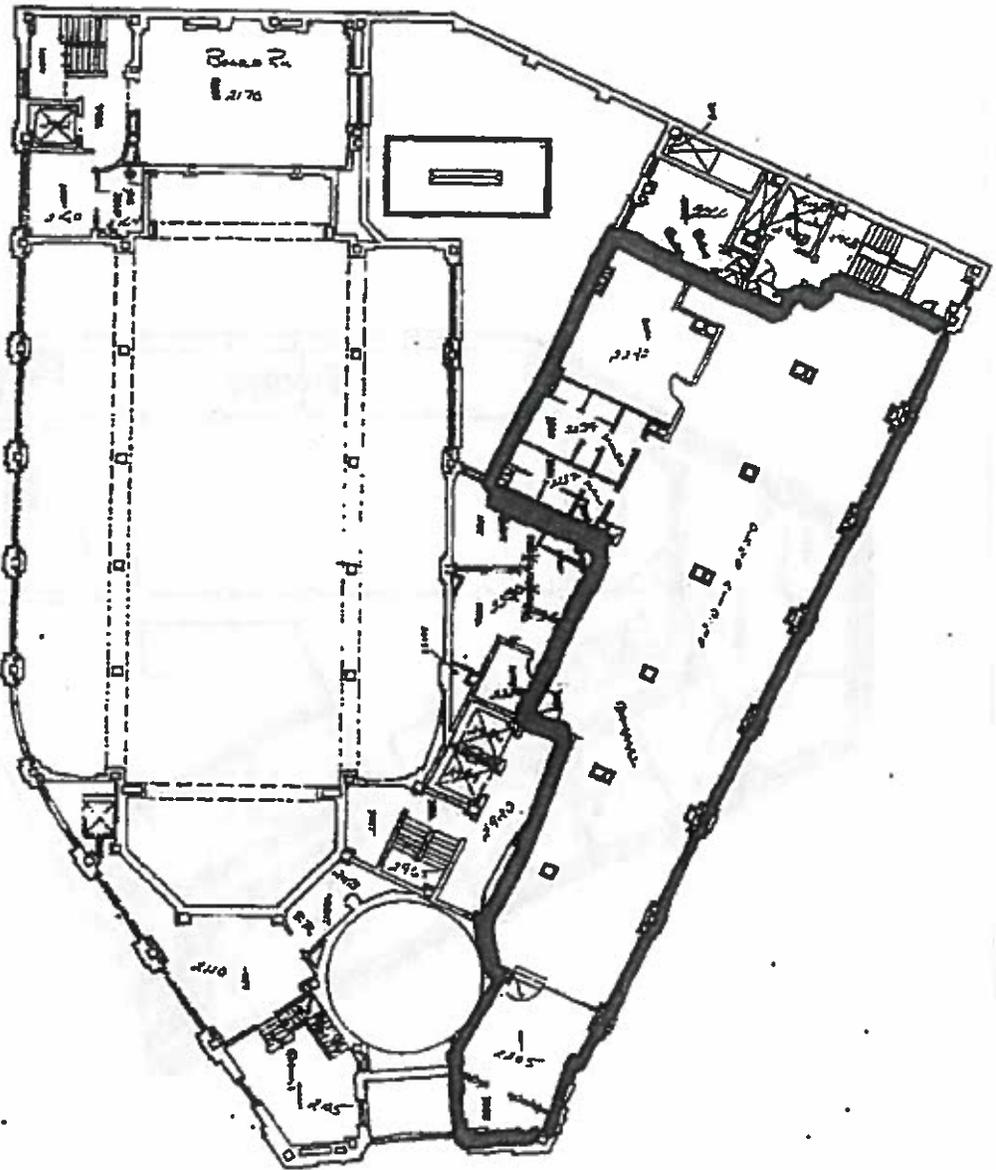


Venture Creations Incubator-VCI-Building 150-Second Floor Plan





SECOND FLOOR



Comment: None and Logo

Comment: None and Logo

Approved Project Information
Drawn by: _____ Checked by: _____
Proj. No. _____ Proj. # _____
Date _____

Drawing Name: _____

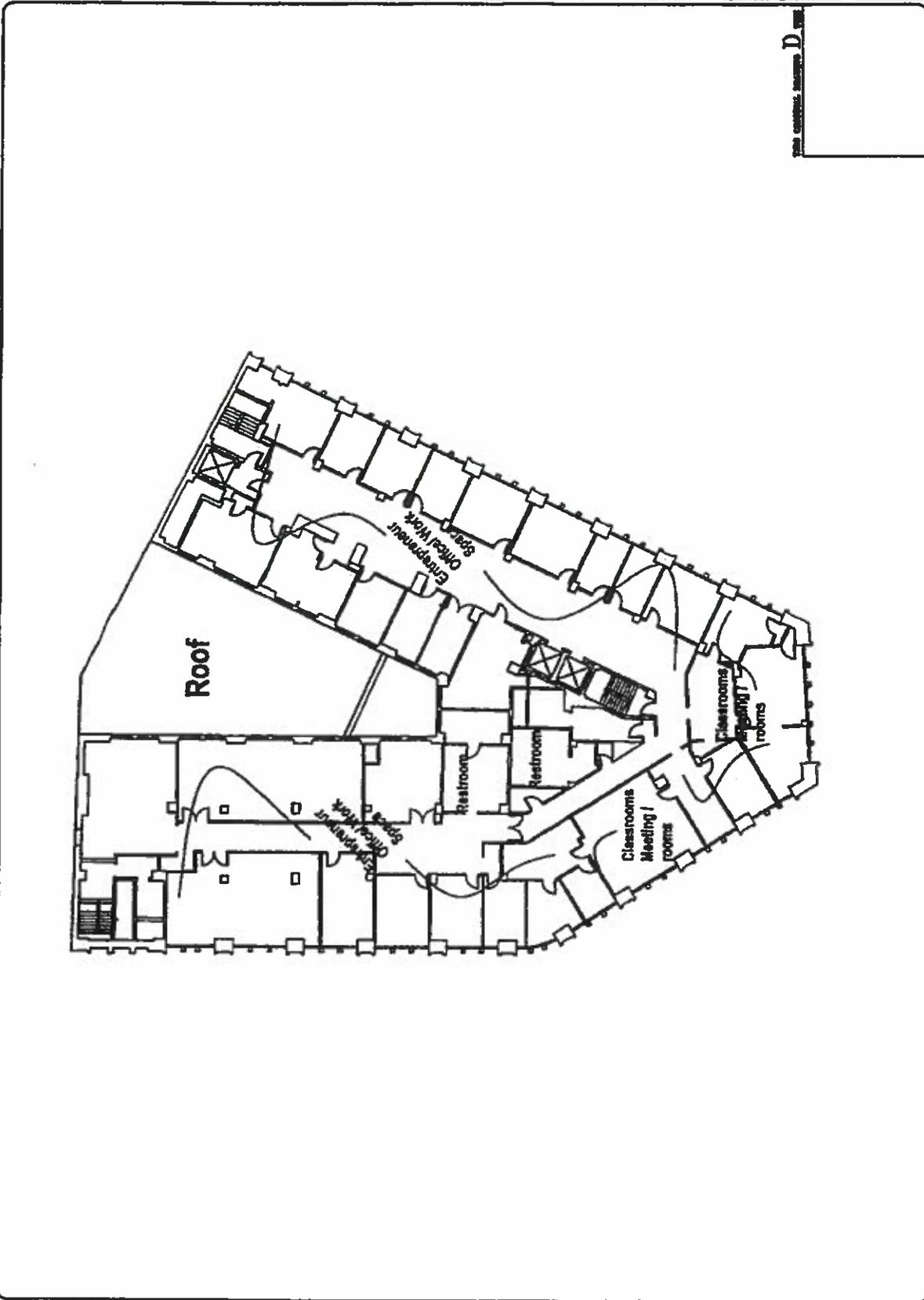
Approved Signatures & Dates
Contractor: _____ Date: _____
Owner: _____ Date: _____
Client: _____ Date: _____



R I T
RIT Building Corp.
40 Franklin St.
Rochester, NY
RIT Bldg. No. _____
RIT Project Mgr
40 Franklin St.
RIT Proj. # 00000

Issued by: _____
Description: _____

Scale: _____
40 Franklin St.
Fourth Floor



The Metropolitan
1 S. Clinton Ave.
Rochester 14604



The Metropolitan
1 S. Clinton Ave.
Rochester 14604

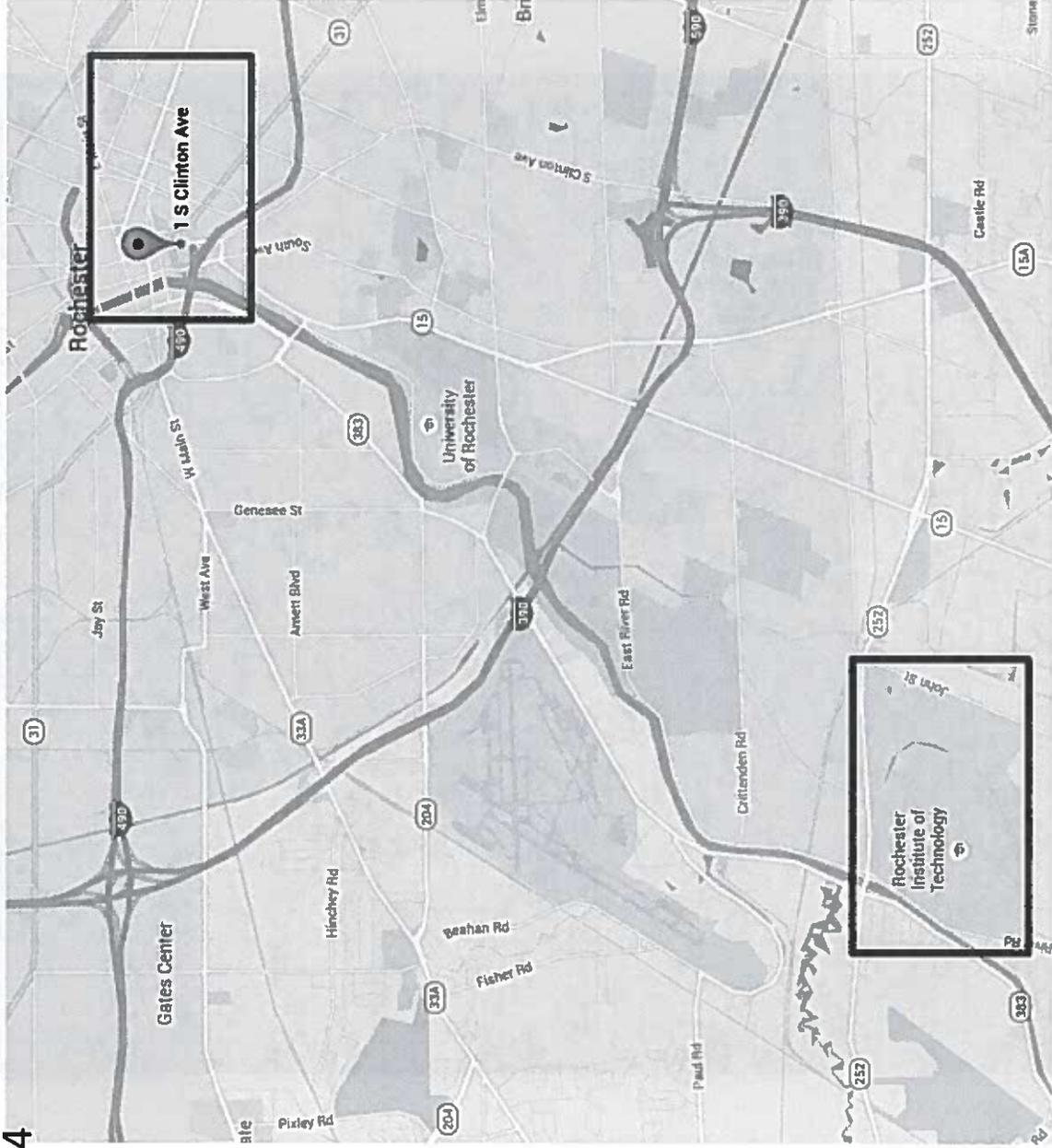
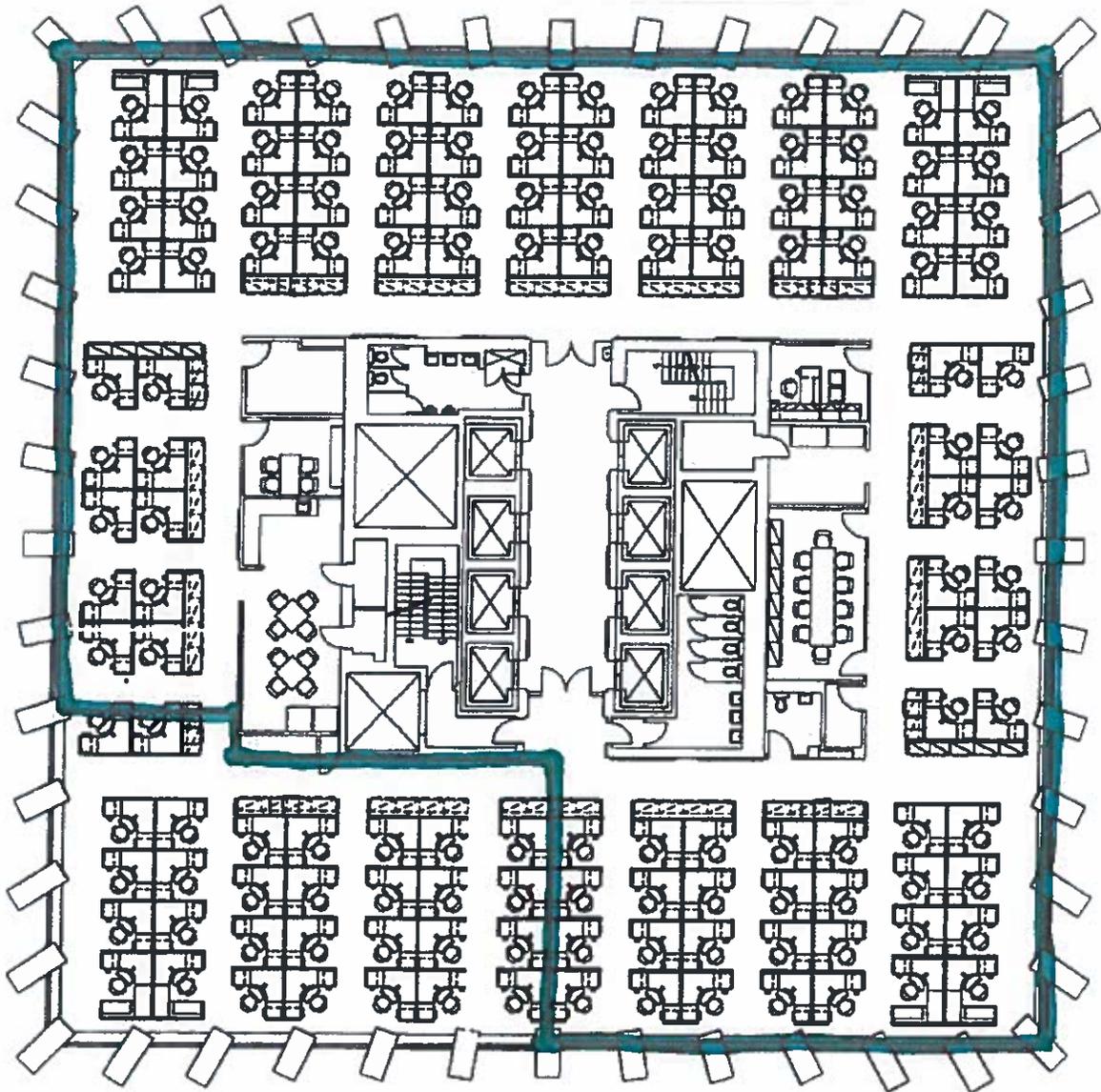


EXHIBIT A

DEMISED PREMISES (HIGHLIGHTED IN GREEN)



Conflict of Interest Policy for START-UP New York Program

I. Introduction

Rochester Institute of Technology (the "University") participates in New York State's START-UP NY program, which offers tax incentives for new and expanding businesses in New York State that are associated with a sponsoring university or college. As a sponsoring university, the University must adopt a conflict of interest policy pursuant to New York Economic Development Law § 439 and 5 NYCRR § 220.20 that (1) prohibits persons from participating in any activity related to the University's START-UP NY program that would cause those persons to experience a conflict of interest, and (2) requires the reporting of all actual or potential conflicts of interests the University becomes aware of in the course of administering the University's START-UP NY program. This policy states the University's Conflict of Interest Policy as it relates to the Start-Up New York Program and is designed to protect the integrity of the University and the Start-Up New York Program.

II. Scope of Policy

This policy applies to Officials of the University and requires that any Conflict of Interest, real or perceived, be self-disclose to the President of the University.

III. Definitions

The definitions in this policy are drawn primarily from the New York Economic Development Law § 439 and 5 NYCRR § 220.2.0. Terms not defined elsewhere in this policy are defined below:

"Conflict of Interest" means any circumstance in which the personal, professional, financial, or other interests of a University Official may potentially or actually diverge from, or may be reasonably perceived as potentially or actually diverging from, his or her obligations to the University and the interests of the University in connection with the University's START-UP NY program. It includes indirect conflicts, such as benefits provided to a Relative of a University Official. Notably, University Official does not have to actually do anything improper for a Conflict of Interest to exist; the conflict exists by virtue of a relationship that could result in an undue influence on the University Official's judgment.

"Business Interest" means that an individual (1) owns or controls 10% or more of the stock of an entity (or 1% in the case of an entity the stock of which is regularly traded on an established securities exchange); or (2) serves as an officer, director or partner of an entity.

"Relative" means any person living in the same household as another individual and any person who is a direct descendant of that individual's grandparents or the spouse of such descendant.

"START-UP NY Program" means the SUNY Tax Free Areas to Revitalize and Transform Upstate New York Program established by Article 21 of the Economic Development Law.

"University Official" means any Trustee of the University, any employee or other person involved in the administration of the University at the level of dean and above, as well as any other person with decision-making authority over the University's START-UP NY Program.

IV. Statement of Policy

The University is committed to operating in an ethical manner and in compliance with applicable legal and regulatory requirements.

No Official who is a vendor, or employee of a vendor, of goods or services to the University that is a participant in the START-UP NY Program or who has a Business Interest in such vendor, or whose Relative has a Business Interest in such vendor, may vote on, or participate in, the administration by the University of any transaction with such vendor. Service as a University Official shall not be used as a means for private benefit or inurement for the University Official, a Relative thereof, or any entity in which the University Official or Relative thereof has a Business Interest.

V. Procedures

Upon becoming aware of an actual or potential conflict of interest, a University Official shall advise the University president of his or her or a Relative's Business Interest in any such existing or proposed vendor with the University. The University president, in consultation with appropriate individuals, shall determine whether the Conflict of Interest exists, and the appropriate resolution. The existence and resolution of the Conflict of Interest must be documented by the University president or his or her designee, and reported to the Vice President of Research, and the University's auditors. The University shall forward such reports to the Commissioner of Economic Development for the State of New York annually.

VI. Record Management

The existence and resolution of the Conflict of Interest must be documented by the University president or his or her designee, and reported to the Vice President of Research and the University's auditors. The University shall forward any such reports to the Commissioner of Economic Development for the State of New York by January 31 of each year.

VII. Responsible Office

The Office of Vice President of Research, in consultation with appropriate University offices, shall may make changes to this policy from time to time, as deemed appropriate. The Vice President for Research shall oversee the implementation of this policy.



Rochester Institute of Technology

Office of the President
George Eastman Hall
2 Lomb Memorial Drive
Rochester, NY 14623-5604
585-475-2394 Fax: 585-475-7470

February 28, 2014

Mr. Kenneth Adams
President and CEO
Empire State Development Corporation
633 3rd Avenue
New York, NY 10017

Dear Kenneth:

RIT is aware that there are non-governmental use limitations on properties financed with tax exempt bonds or Build America Bonds (collectively, "Tax-Advantaged Bonds").

Upon approval of our Plan for the designation of a Tax Free New York Area, we will be permitted to market the designated property to businesses who wish to participate in the Start-UP NY Program.

We commit to ensuring that interested businesses are aware that Tax-Advantaged Bonds may have been used to finance the designated property and that non-governmental use may be limited in order to preserve the tax benefits associated with the interest on the Tax-Advantaged Bonds in accordance with applicable federal, state or local tax law and regulations ("Tax Compliance Measures").

We commit to taking all appropriate steps, including any appropriate Tax Compliance Measures, to ensure that non-governmental use of property funded with tax exempt bonds for START-UP purposes will not jeopardize the tax exempt status of any Tax-Advantaged Bonds impacting designated Tax Free New York Areas.

We confirm our understanding that approval of our Plan for designation of a Tax Free NY Area or our participation in the Start-UP NY Program does not replace or modify any existing obligations or requirements related to any Tax-Advantaged Bonds or Tax Compliance Measures.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Destler".

William W. Destler, Ph.D.
President

