

2017 P 4

SUMMARY OF PROJECT

Applicant: HOTEL DEVCO, LLC

Contact Person: JAMES L. SOOS

Phone Number: (315) 422 - 7000

Occupant: N/A

Project Location: 1 LEHNER RD AND PROPERTIES ABUTTING AND OPPOSITE

Approximate Size of Project Site: +/- 6.47 ACRES

Description of Project: 192 UNIT DUAL BRANDED HOTEL

Type of Project: Manufacturing Warehouse/Distribution
 Commercial Not-For-Profit
 Other-Specify

Employment Impact: Existing Jobs 0
New Jobs 55 CONSTRUCTION / 50 PERMANENT (ESTIMATE)

Project Cost: \$ 31,000,000 (INCLUDING PRIOR INVESTMENT)

Type of Financing: Tax-Exempt Taxable Straight Lease

Amount of Bonds Requested: \$ N/A

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax: \$ 800,000 (ESTIMATE)
Mortgage Recording Taxes: \$ 230,000 (ESTIMATE)
Real Property Tax Exemptions: \$ 1,385,000 (ESTIMATE)
Other (please specify): \$ N/A

Provide estimates for the following:

Number of Full Time Employees at the Project Site before IDA Status: 0
Estimate of Jobs to be Created: 55 CONST / 50 PERM. (ESTIMATE)
Estimate of Jobs to be Retained: 0
Average Estimated Annual Salary of Jobs to be Created: SEE SCHEDULE B

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"):

| Year | Existing Real Property Taxes (Without IDA involvement) | New Pilot Payments (With IDA) | Total (Difference) |
|--------------|---|----------------------------------|-----------------------|
| Current Year | 53,000 | 53,000 (LAND) | - |
| Year 1 | 152,000 | 54,000 (LAND) | (98,000) |
| Year 2 | 310,000 | 55,000 (LAND) | (255,000) |
| Year 3 | 316,000 | 56,000 (LAND) | (260,000) |
| Year 4 | 323,000 | 57,000 (LAND) | (266,000) |
| Year 5 | 329,000 | 165,000 (50%) | (164,000) |
| Year 6 | 336,000 | 201,000 (40%) | (135,000) |
| Year 7 | 342,000 | 240,000 (30%) | (102,000) |
| Year 8 | 349,000 | 279,000 (20%) | (70,000) |
| Year 9 | 356,000 | 321,000 (10%) | (35,000) |
| Year 10 | 363,000 | 363,000 | |

*** Note*** Above assumptions based on possible market assessment and estimated annual property tax increase. Applicant will pay taxes on land resubdivided for the hotel.

III. Please provide a detailed description for the impact of other economic benefits and all anticipated community benefits expected to be produced as a result of the Project (attach additional pages as needed for a complete and detailed response):

The subject site is mostly vacant land currently generating very little benefit in annual real estate taxes. The proposed project is anticipated to directly generate an additional \$230,000 in annual NYS Sales Tax as well as \$230,000 in additional Annual County Sales Tax. On an annual basis, annual County Room Occupancy Tax is projected to be in excess of \$340,000. Altogether, the proposed project is anticipated to add \$800,000 in annual Sales and Room Occupancy Tax in year one (1). In addition, it's estimated NYS Sales Tax will grow to \$637,000 in the fifth (5th) year and County Room Occupancy Tax will grow to \$472,000 by year five (5) which totals more than \$1.1 million in annual tax revenue.

With the assistance of the Guilderland IDA, based on preliminary estimates, the proposed project will be an economically productive development. Which, is in addition to creating an estimated 55 jobs during construction and another approximately 50 permanent jobs prior to and following the opening of the proposed project.

- k. suntan facility: Yes____; No____
- l. racetrack: Yes____; No____

4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. N/A

B. Tax Benefits.

1. Is the applicant requesting any real property tax exemption in connection with the Project that would not be available to a project that did not involve the Agency? Yes^x____; No____. If yes, is the real property tax exemption being sought consistent with the Agency's Uniform Tax Exemption Policy? Yes____; No^x____.

2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes^x____; No____. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 18,000,000 (EST).

3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes^x____; No____. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 10,000,000.

4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of each exemption.

- a. N.Y.S. Sales and Compensating Use Taxes: \$ 800,000 (ESTIMATE)
- b. Mortgage Recording Taxes: \$ 230,000 (ESTIMATE)
- c. Real Property Tax Exemptions: \$ 1,385,000 (ESTIMATE)
- d. Other (please specify):

| | |
|------------|----------|
| <u>N/A</u> | \$ _____ |
| _____ | \$ _____ |

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's Uniform Tax-exemption Policy? Yes^x____; No____. If yes, please explain how the request of the applicant differs from the Agency's Uniform Tax-Exemption Policy: THE REQUEST IS FOR A SLIGHTLY LONGER TERM THAN STANDARD TAX EXEMPTION POLICY

