



Frequently Asked Questions (FAQs) about the proposed Hyatt Place Hotel project

What is the project Iskalo is proposing?

Iskalo is seeking to redevelop the Lord Amherst Hotel property as a hospitality campus to include a comprehensively renovated and historic Lord Amherst Hotel, renovated Sonoma Grille restaurant and a new Hyatt Place Hotel. Iskalo recently filed an application with the Town of Amherst to begin the review process for the Hyatt Place Hotel project.

What is the history and present status of the Lord Amherst property?

The Lord Amherst Motor Lodge was opened in 1962 by Willard Genrich as an upscale lodging facility. Its development coincided with the completion of the extension of the Youngmann Memorial Highway (I-290) north of Main Street thereby creating the interchange we see today. Mr. Genrich had considerable land holdings in the Town of Amherst, including the residential and commercial land neighboring the Lord Amherst property as shown in the image above. The Lord Amherst Hotel had been in continuous ownership of the Genrich family until Iskalo's acquisition in 2011. The attached restaurant has had different identities over the years and has been operated as the Sonoma Grille since 2003.



The Lord Amherst Motor Lodge, as it was originally known, was designed by architect Duane Lyman, considered the Dean of WNY Architecture. Mr. Lyman passed away in 1966 but left his mark on Western New York with such notable and historically significant projects as Williamsville South High School, the Saturn Club, Buffalo Country Club and M&T Bank's downtown headquarters building where Mr. Lyman worked under lead designer Minoru Yamasaki. Though regarded as an "upscale" hotel at the time of its opening, the Lord Amherst has not been updated and lacks the features and amenities expected by today's traveler thus severely limiting its ability to attract year round business.

What makes the Lord Amherst property attractive for commercial development?

Property located in and around highway interchanges represent some of the most valuable real estate in any developed area, and a demand location for hotels and large retail centers. A quick drive along the I-290 and I-90 in our region shows this to be true. The Lord Amherst property is situated at one of Western New York's busiest and highest profile highway interchanges and has been commercially zoned for decades, yet underutilized. With the re-emergence of Main Street as the commercial center of the Town of Amherst, the Lord Amherst property had become a highly coveted parcel of real estate offering a unique opportunity to strengthen the interstate gateway into the Town. Iskalo Development is privileged to have the opportunity to realize the property's potential.



In what ways will the hospitality campus project be beneficial to Amherst?

Main Street is the traditional commercial corridor for the Town of Amherst. However, commercial centers elsewhere in the Town and in WNY threatened the health and vitality of Main Street as its commercial center. In recent years however, the Main Street corridor has begun to re-emerge as the center of commerce for the Town of Amherst, offering a dynamic boutique shopping and dining district as well as an array of medical care and professional services...in addition to great residential neighborhoods. The final ingredient to restoring the long term vitality of the Main Street corridor is hospitality. With the renovated Lord Amherst and new Hyatt Place hotel, the proposed hospitality campus will offer 230 high quality guest rooms in support of the existing shops, restaurants, medical services and businesses located on Main Street. The project will also restore a tired hotel property that has been a fixture on Main Street for more than fifty years and will positively contribute to the local tax base. In fact, our acquisition of the property has already resulted in more than a twofold increase in property tax revenues.

Tell me a little more about Iskalo Development and the projects they've done?



Iskalo Development was formed in 1988 by Paul B. Iskalo following his first property acquisition in 1986, 5166 Main Street, where Iskalo Development remains headquartered today. Iskalo Development's roots are in adaptive re-use which is the process of buying tired but well located properties and repositioning them into new and better uses. The Main Street corridor from Snyder through the Village of Williamsville to East Amherst has been a particular focus for investment by Iskalo Development over the years. We are passionate about Main Street, having renovated some of district's most tired buildings, putting them back into productive use and contributing to the overall fabric of the Main Street corridor. Some examples of revitalization projects Iskalo Development has completed on Main Street are shown on the back cover of the Information Brochure that you can download from Iskalo Development's web site page for the Hyatt Place Hotel Project (www.iskalo.com). Though not on Main Street, Iskalo Development's "flagship" project is the historic Electric Tower in downtown Buffalo, site of the New Year's Eve ball drop for the last twenty five years. Iskalo Development acquired the building in 2004 and undertook a comprehensive, award winning restoration of the now 100 year old building that is recognized as one of downtown's landmark buildings.

What alternative development plans were considered by Iskalo Development for the property?

Multiple developers sought to acquire the Lord Amherst property which had been owned by Genrich family for fifty years. Given the age and state of obsolescence of the hotel, conventional wisdom suggested a comprehensive redevelopment of the property, including demolition of the existing hotel and restaurant. Iskalo Development also considered this approach and formulated plans to replace the existing hotel and restaurant with two new hotels or one large, full service hotel. However, after careful evaluation we concluded that the property, and the community, would be best served by retaining the Lord Amherst. To do so, the hotel and restaurant would need to be renovated "top to bottom" and, since the Lord Amherst would continue to be operated as an independent hotel, it would need to be paired with a highly visible, new hotel with a well-established brand. After careful review of available hotel brands, Hyatt Place was selected. Recently, the Lord Amherst achieved the first step in becoming historically designated,

having received Part 1 approval from the National Park Service. Consideration of the Lord Amherst as historic is due to several factors. The Lord Amherst represents one of the last generation of road side motels that were popular in the mid-twentieth century and is designed by one of the region's most notable architects. The Lord Amherst has also been in continuous operation on Main Street for fifty years; a remarkable achievement. Achieving the historic designation will be important as it will enable the Lord Hotel to be listed with the Historic Hotels of America, which is anticipated to help with the marketing of the hotel to guests.

Why was the preferred plan selected?

The plan to retain the existing Lord Amherst went against conventional wisdom and the recommendations of the consultant team we retained. However, this would not be the first time that Iskalo Development went against conventional wisdom. As previously stated, Iskalo Development's roots are in adaptive re-use and, in the case of the Lord Amherst we wanted to explore every opportunity to retain the hotel and restaurant as it contributes to the authentic fabric of Main Street and would result in a less intensive redevelopment of the property.



What kind of hotel is a Hyatt Place?

The Hyatt Hotel is classified as an upscale "select service" hotel. Compared to "full service" hotels that can have multiple restaurants, large conference facilities and a large quantity of guest rooms, a select service hotel typically has limited food and beverage facilities, a modest amount of meeting space and less than 150 rooms (the Hyatt Place will have 137 rooms). This will be the first Hyatt Place Hotel in our region and will represent the latest generation of Hyatt Place Hotels. We're truly excited to be able to bring this hospitality product to the WNY market.

How tall will the Hyatt Place be?



The Hyatt Place Hotel will be six stories with a predominant height of 65 feet. The hotel will be set back nearly 500 feet from, and 8 feet below, Main Street. Viewed from Main Street, the Hyatt Place will be 22 feet higher than the Lord Amherst Hotel (See image to left and image #7 on web site page). This height is necessary to accommodate the quantity of guest rooms required to make the hotel successful as well for the hotel to have good visibility from the I-290 interchange at Main Street.

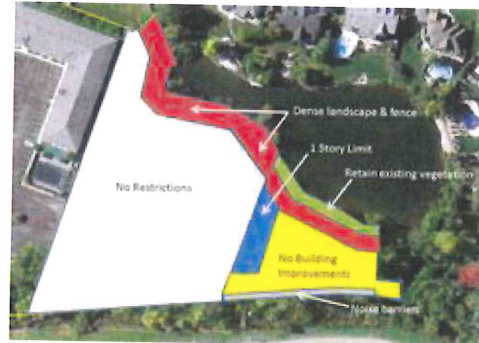
I've seen a flyer posted about Town depicting what the hotel might look like behind the houses on Livingston Parkway. Did this come from Iskalo and is it accurate?

Iskalo did not issue this flyer or the image contained on it. We don't know who produced it though the photograph was apparently taken from the driveway of a home at 35 Livingston Parkway. The image, which falsely claims to accurately depict the scale of the Hyatt Place in the neighborhood, is highly inaccurate and a gross distortion of what the project would be. The hotel is not located where the creator of the original photo-shop image assumed. In fact, homes on the west side of Livingston Parkway will only have intermittent glimpses of the hotel from between the homes located along the edge of the lake. The Hyatt Place will not be visible from neighborhoods west of Livingston Parkway, including the streets of Smallwood, Audubon, Burbank and Burroughs. Iskalo Development will present additional 3D images of the Hyatt

Place from the vantage point of Livingston Parkway at the Zoning Board of Appeals meeting on January 15th.

What consideration has been given in the planning of the Hyatt Place as it relates to the homes along the west side of the lake?

As a condition of our acquisition of the property, the prior owner required certain development restrictions be put in place to help mitigate the impact of future development of the vacant portion of the Lord Amherst property for the benefit of the six homeowners located along the west side of the lake adjacent to the Lord Amherst property. This Declaration of Restrictive Covenants governs how the vacant portion of the property could be used including where building improvements can be located, what landscaping must be placed along the edge of the lake, how site lighting is installed as well as the requirement for installation of noise barriers (See image to right and image #3 on web site). In addition to the protections contained within these restrictions, in the development of the site plan for the project, Iskalo Development positioned the Hyatt Place Hotel on the property to maximize the setback of the hotel to the lake edge. The zoning requires a minimum set back of 25 feet from the lake edge, though the proposed setback will range from 66 feet to 130 feet. By positioning the new hotel further away from the lake edge, the distance between the hotel and the six homes located along the west edge of the lake is also increased, ranging from 230 feet to 475 feet away.



Is it true that there was a deed restriction limiting the height of buildings on the Lord Amherst property?

No. There was never a deed restriction on the Lord Amherst property restricting the height of future buildings. There had been an unrecorded "condition" imposed in 1969 that limited the height of "proposed buildings" to the height of the Lord Amherst, but a condition is distinctly different than a deed restriction. The Town of Amherst Zoning Board of Appeals (ZBA) ruled that this unrecorded condition was no longer valid because (a) the condition referred to a specific plan presented by the prior owner in 1969 that was never advanced, and (b) unrecorded conditions were not carried forward when a new zoning ordinance was adopted by the Town Board in 1976 (and again in 2006). The ZBA's decision was upheld this past October by the NYS Supreme Court.

The reason why the decision of the ZBA (and the NYS Supreme Court) is correct and makes sense is that, if the opposite were true, unrecorded conditions would have a perpetual life with a property owner having little, if any, way of knowing that they exist when purchasing a property since unrecorded conditions wouldn't show up in a title search like deed restrictions do. The Town Board in 1969 knew how to impose deed restrictions and it did so at the same time it imposed the unrecorded condition. However, the limitation on height was intentionally imposed as an unrecorded condition, NOT a deed restriction.

Who knew about the existence of this condition?

We don't believe anyone knew about this 1969 condition. The Town was unaware of the condition as they had issued a zoning compliance letter to Iskalo Development prior to our acquisition stating that there were no conditions affecting the property. The prior owner of the property that controlled the property for more than fifty years was unaware of the condition. Further, since it was NOT a deed restriction, it was not discoverable in the title search completed

for the property. The existence of the condition was found in a remote file for another property controlled by the prior owner of the Lord Amherst in a search we requested. Given the preceding, it is highly, highly unlikely that Livingston Parkway residents were aware of the condition as some have claimed. Instead, the height restriction we believe these residents may be mistakenly referring to is the 35 feet height limitation applicable to the residential zoning district their homes are located within.

What other types of projects could be built on the property based upon the current zoning?

The General Business zoning classification expressly permits a wide array of large scale, commercial uses, the most common of which are retail, hospitality, office, and automobile sales. General Business or similar commercial zoning classifications are common in and around highway interchanges in most towns and is where most major commercial projects are commonly found. This is the case in WNY as well, as a drive along the I-290 and I-90 will reveal. Local examples of intensely developed highway interchanges include I-290 interchanges at Niagara Falls Boulevard, Millersport Highway and Sheridan Drive as well as the I-90 interchange at Walden Avenue where the Walden Galleria is located, along with other large scale commercial development.

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