Exhibit 1 – Description of Proposed Redevelopment Project and Justification for Amherst IDA's Financial Assistance

EXHIBIT 1

NARRATIVE PROVIDING JUSTIFICATION FOR REQUESTED AMHERST IDA ASSITANCE FOR CONVERSION OF THE RESIDENCE INN TO MARKET RATE HOUSING - 100 MAPLE ROAD

I. <u>Description of the Proposed Mixed Use Project:</u>

The proposed project consists of the conversion of the existing outdated Residence Inn at 100 Maple Road to 112 market rate apartments (28 one-bedroom apartments and 84 studios) and related site improvements as depicted on the project plans prepared by Carmina Wood Morris DPC attached as Exhibit "3".

The Applicant has entered into a contingent contract to purchase the Residence Inn property at 100 Maple Road ("Project Site") from Rockgate Inns L.P., which has been the owner of the Residence Inn located at the Project Site since the hotel was constructed and opened in December of 1986. The Project Site consists of approximately 3.93 acres is zoned General Business District ("GB") pursuant to the Town of Amherst Zoning Code.¹

In connection with the proposed redevelopment project, it was necessary to seek a use variance to allow first floor apartments and also an area variance for less than the minimum required number of parking spaces from the Zoning Board of Appeals.² The area variance was

¹ In connection with Town's recent adoption of new mixed-use districts as set forth in Section 5A of the Zoning Code on September 3, 2019, the Project Site has been designated as a Suburban Corridor and more specifically has been designated as appropriate for the new Shallow Corridor 3 ("SC-3") zoning district. In connection with input received from the Planning Department, the Applicant will be seeking to amend the zoning classification of the Project Site from GB to SC-3 within three months of closing on the purchase of the Project Site.

² The GB zoning district allows apartments units if they are located on the upper floors of a building with first floor commercial space. It would not be feasible for the redevelopment of the Project Site to include first floor commercial space given the numerous buildings with relatively small footprints including many buildings that are not located along the Maple Road frontage. There are also not an adequate number of parking spaces to accommodate first floor commercial space within

necessary since the Zoning Code requires a minimum of 2 parking spaces per attached residential unit even though the infill redevelopment project consists exclusively of 84 studios and 28 one-bedroom apartments. The redevelopment project will provide 125 parking on-site parking spaces as depicted on the Site Plan [Drawing C-100] provided at Exhibit "3".³

The Zoning Board of Appeals held a public hearing in connection with its review of the requested use variance and area variance during its meeting on July 21, 2020. A color copy of the PowerPoint presentation given the Zoning Board of Appeals during the public hearing is attached as Exhibit "4". During its meeting on July 21, 2020, the Zoning Board of Appeals voted unanimously to issue a negative declaration pursuant to the State Environmental Quality Review Act ("SEQRA") based on its determination that the proposed infill redevelopment project will not result in any potentially significant adverse environmental impacts. The Zoning Board of Appeals also adopted a resolution by a unanimous vote granting both the requested use variance and area variance. A copy of the negative declaration issued by the Zoning Board of Appeals pursuant to

the existing buildings since commercial uses require considerably more parking per square foot than a multifamily project consisting exclusively of one-bedroom units and studios.

³ SRF Associates, a reputable traffic engineering firm, conducted a peak demand parking analysis and prepared a Parking Demand Assessment Report that was submitted to the Zoning Board of Appeals. The peak hour demand, respective of weekday and weekend demands, is projected to occur at 7:00 p.m. on a January weekend and The projected peak hour demand for the project (i.e., the busiest hour of the busiest weekday of the year) is 119 spaces.

⁴ In connection with its decision on July 21, 2020 granting the requested use variance for first floor attached residential units, the Zoning Board of Appeals issued a finding that strict application of the existing GB zoning classification would prevent the current owner of the Project Site from realizing a reasonable return. A copy of the Affidavit of Lawrence Gates, the President of Rockgate Inns, Inc., the sole member of Rockgate Inns, L.P., which was submitted to the Zoning Board of Appeals is attached as Exhibit "7". The Affidavit of Larry Gates provides clear evidence regarding the reasons why the continued use of the Project Site as the Residence Inn or another hotel is not financially feasible and as such provides support for the AIDA's approval of the pending application.

SEQRA is provided at Exhibit "5" and a copy of the resolution granting the requested use variance and area variance is provided at Exhibit "6".

II. The Redevelopment Project is Eligible Pursuant to Countywide Industrial Development Agency Uniform Tax Exemption Policy and the Benefits being Sought from the AIDA are Needed to Successfully Complete the Project:

The infill redevelopment project consisting of market rate multifamily units is eligible for IDA incentives pursuant to the Countywide Industrial Development Agency Uniform Tax Exemption Policy ("UTEP"). The project qualifies as an Adaptive Reuse Project that involves adapting old structures or sites for new purposes including market rate housing.⁵ The Applicant is seeking benefits from the AIDA to ensure the redevelopment project is financially feasible.

There are numerous challenges associated with converting the existing Residence Inn buildings into market rate housing including necessary upgrades to the units for the purpose of compliance with current building and fire code standards as well as the fact that obtaining necessary for financing for the redevelopment project has become more difficult as a result of the ongoing Covid-19 pandemic. Additionally, the cost of construction materials to be utilized in connection with necessary renovations have increased dramatically since the redevelopment project planning process first began many months ago.

III. There is a Distinct Possibility the Project Site Will Become Vacant on Long-Term Basis if the Residential Redevelopment Project does not Occur:

In connection with its review of the pending application, it is important for the IDA Board of Directors to consider that it is highly likely that the Project Site will become vacant on a long-

⁵ The Town's adopted Bicentennial Comprehensive Plan as most recently amended on June of 2019 defines "Adaptive Reuse" as the process of converting or adapting older structures for purposes other than those initially intended.

term basis if the proposed redevelopment project does not occur.⁶ The Residence Inn was well-performing for many years as evidenced by the fact that nearly a decade ago Marriott provided Rockgate Inns, L.P. with a 10-year extension to the previously extended Franchise Agreement.

The Marriott International Franchise Agreement under which the hotel operates as a Residence Inn by Marriott will expire in December 2022. Marriott has advised Rockgate Inns L.P. that it will not be renewing the Franchise Agreement for the existing hotel since Marriott has granted a new Residence Inn franchise to another developer to build a new Residence Inn in the Amherst Market.

The buildings located on the Project Site are functionally obsolete for continued use as a hotel after the upcoming expiration of the Marriott Franchise Agreement. The existing buildings that more than 30 years old are outdated and the separate building configuration is no longer preferred by travelers. The Residence Inn began to lose occupancies and room revenues during the last few years with a very steep decline of occupancy levels and revenues in 2019 which has continued into 2020.

Beginning in March of 2020, the ongoing Covid-19 pandemic severely adversely affected the entire hotel industry and, in particular, the existing Residence Inn. Occupancy levels and daily rates at the Residence Inn are down such that Rockgate Inns, L.P. has sustained and will continue to sustain a substantial economic loss in connection with continued use of the Project Site as a Residence Inn. Over the last three years, the total net cash flow is approximately negative \$430,000.00.00 and during the first half of 2020 the total net cash flow was approximately negative \$330,000.00. Given that the Marriott franchise agreement will expire in December of 2021 and

⁶ The information in this Section III regarding the reasons the continued use of the Project Site the existing Residence Inn or another hotel is not economically feasible is contained in the Affidavit of Larry Gates provided at Exhibit "7".

Exhibit 1 of Amherst IDA Application Proposed Redevelopment of Residence Inn Property at 100 Maple Road Page 4 of 8 that existing buildings are not suitable for a non-Marriott branded hotel, the there is a risk the Project Site will become vacant on a long-term basis if the Applicant does not proceed with the purchase of the Project Site and the proposed redevelopment project consisting of market rate housing.⁷

One likely outcome that would occur if the Project Site become vacant is that the annual property taxes received by taxing jurisdictions would be substantially reduced. The 2020 school tax payment made on October 15, 2020 was \$126,715.68 and the 2020 Town & County tax payment made earlier this year was \$78,405.80.8 If the Project Site becomes vacant, the current assessed value \$5,600,000.00 would be far higher than the fair market value of the Project Site since the Project Site would not be generating any income.

IV. The Infill Redevelopment Project is Consistent with the Town's Planning Objectives:

The proposed infill redevelopment project consist of the conversion of the functionally obsolete Residence Inn into market rate housing is consistent with the Town's planning objectives. Figure 6 of the adopted Bicentennial Comprehensive Plan ("Comprehensive Plan") consists of the Conceptual Land Use Plan for the Town of Amherst. The Conceptual Land Use Plan is intended to communicate the overall direction of future development in the Town. Figure 6 of the Comprehensive Plan designates the area in the vicinity of the Project Site on north side of Maple Road as being appropriate for Mixed-Residential and Commercial-Office uses.

⁷ The Applicant will making a very substantial investment in connection with the proposed infill redevelopment project consist of market rate apartments and studios. The total investment including the purchase price and renovations is anticipated to be approximately \$11,650,000.00. The assistance being sought from the AIDA is essential to the redevelopment project being financially feasible.

⁸ Copies of the 2020 school tax receipt and the 2020 Town & County tax receipt are provided at Exhibit "9".

Within Section 3 of the Comprehensive Plan, Mixed-Residential is defined for the purpose of accommodating multifamily redevelopment. The relevant text in the description of the Mixed-Residential category states:

"Areas being attractive for infill development along high access suburban and commercial corridors served by public transportation. Typical locations for this residential category include areas of transition between commercial uses and lower density single-family neighborhoods, as well as along collector or arterial highways or other areas that are generally unattractive for large lot, single family development. Other areas of the Town designated for concentrations of Mixed Residential use include underutilized areas near designated commercial and mixed-use centers."

Figure 6-A of the adopted Comprehensive Plan designates various areas in the Town as being appropriate for the Town's new Mixed-Use Districts as contained in Section 5-A of the Zoning Code. Figure 6-A designates the Project Site as having the Suburban Corridor designation and the Applicant has been advised that the appropriate zoning classification for the Project Site is Shallow Corridor 3 ("SC-3").

Multifamily residential uses are expressly permitted in the SC-3 zoning district. It is important to mention that if the Project Site was currently zoned SC-3, it would not have been necessary for the Zoning Board of Appeals to grant a use variance for first floor attached residential units and an area variance for the required number of parking spaces in order to accommodate the proposed infill redevelopment project would not have been needed.

Chapter 2 of the Comprehensive Plan it titled "Plan Concept" and includes the Vision Statement and Key Initiatives to achieve the Vision Statement. One of the four Key Initiatives is

⁹ The Comprehensive Plan acknowledges the need for higher density housing. For example, Page 3-32 of the Plan states as follows: "Although longstanding policy has tended to favor low-density, single-family residential use, recent development trends have seen a substantial increase in the amount of new multi-family housing. The need for higher density housing will grow along with the component of the population that will increasingly choose smaller housing types, including retirees, empty nesters, singles, and other smaller household types."

"Revitalization" of older neighborhoods and commercial areas through creative use of investment incentives. The text provides on Page 2-6 of the Comprehensive Plan specifically states that providing tax incentives for reinvestment, revitalization and redevelopment of commercial properties and housing in older areas of the Town is appropriate.

Chapter 3 of the Comprehensive Plan is titled "Land Use and Development" and the Goal for Land Use and Development as set forth on Page 3-4 is "An interconnected mix of land that includes revitalized older neighborhoods and commercial centers and corridors, quality new developments, vibrant activity centers, agriculture, and green spaces throughout the community." On Page 3-5 and 3-6 of the Comprehensive Plan, the advantages of revitalization of the Town's commercial centers are listed including:

- To provide additional housing opportunities and choices, including higher density and affordable housing in appropriate areas.¹⁰
- To provide a more compact livable and walkable alternative to the prevalent pattern of commercial strip development and separated uses.
- To provide a focus for new development, infill, and redevelopment of commercial centers, as opposed to furthering strip commercial development along corridors such as Main Street, Sheridan Drive, Maple Road, North French Road, and Millersport Highway.
- To promote development that supports pedestrian and bicycle travel as well as transit
 use, thereby reducing auto usage and resulting roadway congestion and air pollution.¹¹
- To encourage higher density centers of activity that exhibit high-quality design and a sense of place.

 $^{^{10}}$ It is important to mention that public transportation consisting of NFTA bus routes 35 and 44 are available in the vicinity of the Project Site.

¹¹ Bicycle racks will be provided on the Project Site and the apartments and studios have also been designed to accommodate bicycle storage in the units. The Project Site is in close proximity to the UB North Campus and the Town's Bike Path as well as restaurants and other commercial uses and as such it is expected that the market rate apartment project will be attractive to residents who will utilize bicycles on a regular basis for transportation purposes.

Chapter 5 of the Comprehensive Plan is titled "Economic Development" and provides support for the IDA granting incentives for the proposed infill redevelopment project. One of policies as set forth on Page 5-3 of the Comprehensive Plan in implementing the Town's economic goal and policies is as follows: "Target economic development policies, programs, capital expenditures, and incentives to attract and retain higher paying employment and promote desired forms and locations of development and redevelopment." The proposed conversion of the Residence Inn into market rate housing at on an infill site represents a desired form of redevelopment.

V. <u>Conclusion</u>:

The Applicant respectfully requests that the Board of Directors approve the requested incentives for the eligible infill redevelopment project for the reasons described within the Application including this supporting narrative.

Exhibit 2 – Short Environmental
Assessment Form Prepared Pursuant
to the State Environmental Quality
Review Act ("SEQRA")

Short Environmental Assessment Form Town of Amherst IDA October 17, 2020

Short Environmental Assessment Form Wiliamsville, NY 14221 Tel: 716.510-4338 Part 1 - Project Information

Prepared By: Sean Hopkins, Esq. Hopkins Sorgi & McCarthy PLLC 5500 Main Street, Suite 343

E-mail: shopkins@hsr-legal.com

Instructions for Completing

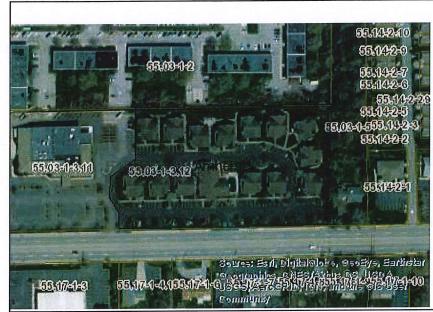
Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 – Project and Sponsor Information		1	
Name of Action or Project:			
Residence Inn Residential Redevelopment Project			
Project Location (describe, and attach a location map):	,		
100 Maple Road - Town of Amherst - Erie County			
Brief Description of Proposed Action:			
The Project Sponsor proposes to convert the Residence Inn by Marriott located at 100 Maple housing project consisting of 28 one-bedroom units and 84 studios with 125 parking spaces a Carmina Wood Morris DPC. The proposed improvements to the Project Site to be implement additional parking spaces, the replacement of the existing pole sign with an upscale ground standscaping and refreshing the exteriors of the existing buildings. The proposed redevelopm adverse environmental impacts. The Zoning Board of Appeals issued a negative declaration ("SEQRA") on July 21, 2020 and a copy of the negative declaration is provided at Exhibit "5".	as depicted on the Site Plan [I ted in connection with the rede sign, upgrading of the interior o ent project will not result in an pursuant to the State Environ	Drawing C-100] prepared by evelopment project include of the units, additional potentially significant	
Name of Applicant or Sponsor:	Telephone: 716.510-4338		
Aria Bug Maple LLC c/o Sean Hopkins, Esq. E-Mail: shopk		@hsr-legal.com	
Address:			
5500 Main Street, Suite 343			
City/1 of		Zip Code:	
Williamsville	NY	14221	
1. Does the proposed action only involve the legislative adoption of a plan, local administrative rule, or regulation?	al law, ordinance,	NO YES	
If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			
2. Does the proposed action require a permit, approval or funding from any other government Agency? NO YES			
If Yes, list agency(s) name and permit or approval: Minor Site Plan Approval - Planning Department and PILOT, Sales [Use variance and area variance granted by ZBA on 01/21/20] Tax Exemption on Material and Partial Mort. Tax Exemption - AIDA			
3. a. Total acreage of the site of the proposed action? 3.93 acres			
b. Total acreage to be physically disturbed? c. Total acreage (project site and any contiguous properties) owned	<.1 acres		
or controlled by the applicant or project sponsor?	3.93 acres		
4. Check all land uses that occur on, are adjoining or near the proposed action:			
5. ☐ Urban ☐ Rural (non-agriculture) ☐ Industrial ☑ Commerci	al 🔽 Residential (subur	ban)	
Forest Agriculture Aquatic Other(Spe	cify):		
Parkland			

5.	Is the proposed action,	NO	YES	N/A
	a. A permitted use under the zoning regulations?	√		
	b. Consistent with the adopted comprehensive plan?		√	
	L. d		NO	YES
6.	Is the proposed action consistent with the predominant character of the existing built or natural landscape?			\checkmark
	Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?		NO	YES
If Y	Yes, identify:		√	
-			NO	YES
8.	a. Will the proposed action result in a substantial increase in traffic above present levels?		V	П
	b. Are public transportation services available at or near the site of the proposed action?		Ħ	
	c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?			✓
9.	Does the proposed action meet or exceed the state energy code requirements?		NO	YES
If th	he proposed action will exceed requirements, describe design features and technologies:			
				\checkmark
_				
10.	Will the proposed action connect to an existing public/private water supply?		NO	YES
	If No, describe method for providing potable water:			
			Ш	lacksquare
11	Will the proposed action connect to existing wastewater utilities?		NO	YES
11.			NO	1123
	If No, describe method for providing wastewater treatment:		П	V
-				
	a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district	t	NO	YES
Con	ich is listed on the National or State Register of Historic Places, or that has been determined by the nmissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the		\checkmark	
Stat	te Register of Historic Places?			
	b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for		\checkmark	
arch	haeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?			
13.	a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?		NO	YES
			Ш	✓
[No	b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? ote: There are not any wetlands located on the Project Site.]		\checkmark	
ΪfΥ	es, identify the wetland or waterbody and extent of alterations in square feet or acres:			

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply:		
Shoreline Forest Agricultural/grasslands Early mid-successional		
☐ Wetland ☐ Urban ☑ Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or	NO	YES
Federal government as threatened or endangered?	\checkmark	
16. Is the project site located in the 100-year flood plan?	NO	YES
	V	
17. Will the proposed action create storm water discharge, either from point or non-point sources?	NO	YES
If Yes,		✓
a. Will storm water discharges flow to adjacent properties?	\checkmark	
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe:		✓
Runoff from very small amount of additional impervious surfaces will be conveyed into the existing on-site stormwater management system.		
18. Does the proposed action include construction or other activities that would result in the impoundment of water	NO	YES
or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment:		
A 1 co, oup and purpose and our might be a second of the control o	\checkmark	
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility?	NO	YES
If Yes, describe:		
	lacksquare	Ш
20.Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or	NO	YES
completed) for hazardous waste?	110	120
If Yes, describe:		1
The Project Site has not been the subject of remediation for hazardous waste and the Project Sponsor is not aware of any nearby sites that have been or that are subject to remediation for regulated hazardous waste.		<u> </u>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BE MY KNOWLEDGE	ST OF	
Applicant/sponsor/name: ARIA Buf Maple LLC c/o Sean Hopkins, Esq. Date: October 17, 202	.0	
Signature: Lean Hopkins		
Sean W. Hopkins, Esq.		



Disclaimer: The EAF Mapper is a screening tool intended to assist project sponsors and reviewing agencies in preparing an environmental assessment form (EAF). Not all questions asked in the EAF are answered by the EAF Mapper. Additional information on any EAF question can be obtained by consulting the EAF Workbooks. Although the EAF Mapper provides the most up-to-date digital data available to DEC, you may also need to contact local or other data sources in order to obtain data not provided by the Mapper. Digital data is not a substitute for agency determinations.



Part 1 / Question 7 [Critical Environmental Area]	No
Part 1 / Question 12a [National or State Register of Historic Places or State Eligible Sites]	No
Part 1 / Question 12b [Archeological Sites]	No
Part 1 / Question 13a [Wetlands or Other Regulated Waterbodies]	Yes - Digital mapping information on local and federal wetlands and waterbodies is known to be incomplete. Refer to EAF Workbook.
Part 1 / Question 15 [Threatened or Endangered Animal]	No
Part 1 / Question 16 [100 Year Flood Plain]	No
Part 1 / Question 20 [Remediation Site]	Yes