



PEG Companies hotel to apartment conversion

Instructions and Insurance Requirements Document

Section I: Applicant Background Information

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.

Applicant Information- Company Receiving Benefit

Project Name	ARIA- PEG Conversion
Project Summary	Converting the Existing Residence Inn located at 100 Maple Road in Amherst to residential apartments for lease
Applicant Name	Aria Buf Maple LLC.
Applicant Address	180 N University Ave, Ste. 200
Applicant Address 2	
Applicant City	Provo
Applicant State	Utah
Applicant Zip	84601
Phone	(801) 655-1998
Fax	
E-mail	nblayden@pegcompanies.com
Website	pegcompanies.com
NAICS Code	

Business Organization

Type of Business	Corporation
Year Established	2003
State in which Organization is established	Utah

Individual Completing Application

Name	Nick Blayden
Title	Sr. Development Manager
Address	180 N University Ave, Ste. 200
Address 2	
City	Provo
State	Utah
Zip	84601
Phone	(425) 999-1523
Fax	

E-Mail nblyden@pegcompanies.com

Company Contact (if different from individual completing application)

Name PEG Companies
Title PEG Companies
Address 180 N University Ave, Ste. 200
Address 2
City provo
State Utah
Zip 84601
Phone (801) 655-1998
Fax
E-Mail nblyden@pegcompanies.com

Company Counsel

Name of Attorney Sean Hopkins
Firm Name Hopkins Sorgi & McCarthy PLLC.
Address 5500 Main Street
Address 2 Suite 343
City Williamsville
State New York
Zip 14221
Phone (716) 510-4338
Fax
E-Mail shopkins@hsr-legal.com

Benefits Requested (select all that apply)

Exemption from Sales Tax	Yes
Exemption from Mortgage Tax	Yes
Exemption from Real Property Tax	No
Tax Exempt Financing*	No

* (typically for not-for-profits & small qualified manufacturers)

Applicant Business Description

Describe in detail company background, history, products and customers. Description is critical in determining eligibility.

PEG Capital Partners is the investment management arm of PEG Companies (PEG), a diversified real estate service platform specializing in the Intermountain West region since 2003. Through experience, PEG has been able to identify its strengths and created a refined strategy to deliver results. From a homegrown startup to a sophisticated commercial real estate development and investment firm. PEG earned it respected reputation over the course of many years by refining its way of doing business. PEG crafts sophisticated and contemporary properties by preserving the resourceful thinking and homegrown values that shaped founder Cameron Gunter's upbringing on a dairy farm in Southern Idaho. Despite PEG's continued president day expansion and national recognition, the principles of Gunter's farm life heritage continue to influence many of PEG's processes, including day-to-day operations, decisions around strategic growth, and how PEG partners with the communities where it builds.

Estimated % of sales within Erie County	80 %
Estimated % of sales outside Erie County but within New York State	10 %

Estimated % of sales outside New York State but within the U.S. 10 %

Estimated % of sales outside the U.S. 0 %

(*Percentage to equal 100%)

For your operations, company and proposed project what percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County?

80

Describe vendors within Erie County for major purchases

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Address of Proposed Project Facility

100 Maple Road

Town/City/Village of Project Site

Amherst

School District of Project Site

Sweat Home Central School District

Current Address (if different)

Current Town/City/Village of Project Site (if different)

SBL Number(s) for proposed Project

What are the current real estate taxes on the proposed Project Site

If amount of current taxes is not available, provide assessed value for each.

Land

\$ 5,600,000.00

Building(s)

\$

If available include a copy of current tax receipt.

Are Real Property Taxes current at project location?

Yes

If no please explain

Does the Applicant or any related entity currently hold fee title or have an option/contract to purchase the Project site?

Yes

If No, indicate name of present owner of the Project Site

Does Applicant or related entity have an option/contract to purchase the Project site?

Yes

Describe the present use of the proposed Project site (vacant land, existing building, etc.)

It is presently used a Hotel. It is a 1st generation Residence Inn. there are 24 Building a club house.

Provide narrative and purpose of the proposed project (new build, renovations) square footage of existing and new construction contemplated and/or equipment purchases. Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)

PEG Companies plan on remodeling the units and updating the finishes. We will not be adding to or taking away from the structural buildings.

Municipality or Municipalities of current operations

Will the Proposed Project be located within a Municipality identified above?

Yes

Will the completion of 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 OR in the abandonment of one or more plants or facilities of the project occupant located within the state?

No

If the Proposed Project is located in a different Municipality within New York State than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

No

(If yes, you will need to complete the Intermunicipal Move Determination section of this application)

Is the project reasonably necessary to prevent the project occupant from moving out of New York State?

No

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation available

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

No

If yes, please indicate the Agency and nature of inquiry below

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

No

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

Will project include leasing any equipment?

<BLANK>

If yes, please describe equipment and lease terms.

Site Characteristics

Is your project located near public transportation?

No

If yes describe if site is accessible by either metro or bus line (provide route number for bus lines)

Has a project related site plan approval application been submitted to the appropriate planning department?

Yes

Will the Project meet zoning/land use requirements at the proposed location?

Yes

Describe the present zoning/land use

Describe required zoning/land use, if different

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?

Yes

If yes, please provide a copy.

Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?

No

If yes, please provide copies of the study.

If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?

No

If yes, describe the efficiencies achieved

You may also attach additional information about the machinery and equipment at the end of the application.

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

No

If yes, include percentage of operating expenses attributed to R&D activities and provide details.

Select Project Type for all end users at project site (you may check more than one)

For purposes of the following, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, you will need to complete the Retail section of this application.

Retail Sales No Services No

Please check any and all end uses as identified below.

- No Acquisition of Existing Facility No Assisted Living No Back Office
No Civic Facility (not for profit) No Commercial No Equipment Purchase
No Facility for the Aging No Industrial No Life Care Facility (CCRC)
Yes Market Rate Housing No Mixed Use No Multi-Tenant
No Retail No Senior Housing No Manufacturing
No Other

For proposed facility please include the square footage for each of the uses outlined below

If applicant is paying for FFE for tenants, include in cost breakdown.

Table with 5 columns: Use, Unit, Cost, Total Cost, % of Total Cost. Rows include Manufacturing/Processing, Warehouse, Research & Development, Commercial, Retail, Office, and Specify Other.

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

<BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking < BLANK >

Will project result in significant utility infrastructure cost or uses No

What is the estimated project timetable (provide dates)

Start date : acquisition of equipment or construction of facilities

12/13/2020

End date : Estimated completion date of project

10/1/2021

Project occupancy : estimated starting date of occupancy

3/1/2021

Project Information

Estimated costs in connection with Project

Land and/or Building Acquisition

\$ 6,500,000

171,191 square feet

4 acres

New Building Construction

\$ 0

0 square feet

New Building addition(s)

\$ 0

0 square feet

Reconstruction/Renovation

\$ 5,000,000

square feet

Manufacturing Equipment

\$ 0

Infrastructure Work

\$ 0

Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 0

Soft Costs: (Legal, architect, engineering, etc.)

\$ 150,000

Other Cost

\$ 0

**Explain Other
Costs**

Total Cost 11,650,000

Construction Cost Breakdown:

Total Cost of Construction	\$ 0 (sum of 2, 3, 4 and 6 in Project Information, above)
Cost of materials	\$ 3,100,000.00
% sourced in Erie County	80%

Sales and Use Tax:

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit \$ 5,000,000

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above): \$ 437,500

** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.

Project refinancing estimated amount, if applicable (for refinancing of existing debt only) \$ 0

Have any of the above costs been paid or incurred as of the date of this Application? No

If Yes, describe particulars:

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits): \$ 5,650,000

Bank Financing: \$ 6,000,000

Tax Exempt Bond Issuance (if applicable): \$ 0

Taxable Bond Issuance (if applicable): \$ 0

Public Sources (Include sum total of all state and federal grants and tax credits): \$ 0

Identify each state and federal grant/credit: (ie Historic Tax Credit, New Market Tax Credit, Brownfield, Cleanup Program, ESD, other public sources) 0

Total Sources of Funds for Project Costs: \$11,650,000

Have you secured financing for the project? <BLANK>

Mortgage Recording Tax Exemption Benefit:

Amount of mortgage, if any that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent /bridge financing). 11,650,000

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by 3/4 of 1%): \$87,375

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit (485-a, 485-b, other):

IDA PILOT Benefit: Agency staff will indicate the estimated amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in the PILOT worksheet in the additional document section.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon the Sources of Funds for Project Costs as depicted above. The percentage of Project Costs financed from public sector sources will be depicted in the PILOT worksheet in the additional document section.

Is project necessary to expand project employment?

No

Is project necessary to retain existing employment?

No

Will project include leasing any equipment?

<BLANK>

If yes, please describe equipment and lease terms.

Employment Plan (Specific to the proposed project location)

You must include a copy of the most recent NYS-45 Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return. The Labor Market Area consists of the following six counties: Erie, Niagara, Chautauqua, Cattaraugus, Wyoming and Genessee.

By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

	Current # of jobs at proposed project location or to be relocated at project location	If financial assistance is granted – project the number of FT and PT jobs to be retained	If financial assistance is granted – project the number of FT and PT jobs to be created upon 24 months (2 years) after Project completion	Estimate number of residents of the Labor Market Area in which the project is located that will fill the FT and PT jobs to be created upon 24 months (2 years) after project completion **
Full time	2	0	0	0
Part time	1	0	0	0
Total	3	0	0	0

If you estimated new job growth over the next 2 years, please provide a short description of how those estimates were calculated (i.e. jobs per square foot, new contracts/increased revenues, etc.)

Salary and Fringe Benefits for Jobs to be Retained and Created

Category of Jobs to be Retained and/or Created	# of Employees Retained and/or Created	Average Salary for Full Time	Average Fringe Benefits for Full Time	Average Salary for Part Time (if applicable)	Average Fringe Benefits for Part Time (if applicable)
Management	1	\$ 60,000	\$ 0	\$ 0	\$ 0
Professional	0	\$ 0	\$ 0	\$ 0	\$ 0
Administrative	2	\$ 40,000	\$ 0	\$ 0	\$ 0
Production	0	\$ 0	\$ 0	\$ 0	\$ 0
Independent Contractor	0	\$ 0	\$ 0	\$ 0	\$ 0
Other	0	\$ 0	\$ 0	\$ 0	\$ 0

** Note that the Agency may utilize the foregoing employment projections, among other items, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Employment at other locations in Erie County: (provide address and number of employees at each location):

Address			
Full time	0	0	0
Part time	0	0	0
Total	0	0	0

Payroll Information

Annual Payroll at Proposed Project Site upon completion

140,000

Estimated average annual salary of jobs to be retained (Full Time)

0

Estimated average annual salary of jobs to be retained (Part Time)

0

Estimated average annual salary of jobs to be created (Full Time)

0

Estimated average annual salary of jobs to be created (Part Time)

0

Estimated salary range of jobs to be created

From (Full Time) 60,000 To (Full Time) 0

From (Part Time) 40,000 To (Part Time) 0

Section III: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Multi-Tenant Facility

Multi-Tenant Facility (to be filled out by developer)

Please explain what market conditions support the construction of this multi-tenant facility

Have any tenant leases been entered into for this project?

No

If yes, please list below and provide square footage (and percent of total square footage) to be leased to tenant and NAICS Code for tenant and nature of business

Tenant Name	Current Address (city, state, # of sq ft and % of total to be occupied at new projet site zip)	SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co.
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*fill out table for each tenant and known future tenants

Section V: Retail Determination

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

Will any portion of the project (including that portion of the costs to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

No

If yes, complete the Retail Questionnaire Supplement below.

Section VI: Adaptive Reuse Projects

Adaptive Reuse is the process of adapting old structures or sites for new purposes.

Are you applying for tax incentives under the Adaptive Reuse Program?

Yes

What is the age of the structure (in years)? 30

Has the structure been vacant or underutilized for a minimum of 3 years? (Underutilized is defined as a minimum of 50% of the rentable square footage of the structure being utilized for a use for which the structure was not designed or intended)

No

If vacant, number of years vacant.

0

If underutilized, number of years underutilized.

0

Describe the use of the building during the time it has been underutilized:

Is the structure currently generating insignificant income? (Insignificant income is defined as income that is 50% or less than the market rate income average for that property class)

No

If yes, please provide dollar amount of income being generated, if any

If apartments are planned in the facility, please indicate the following:

	Number of Units	Sq. Ft. Range Low to High	Rent Range Low to High
1 Bedroom	28	1,125-	\$750- \$850
2 Bedroom		-	\$- \$
3 Bedroom		-	\$- \$
Other	84	925-	\$450- \$500

Does the site have historical significance?

No

If yes, please indicate historical designation

Are you applying for either State/Federal Historical Tax Credit Programs?

No

If yes, provide estimated value of tax credits

Briefly summarize the financial obstacles to development that this project faces without Amherst IDA or other public assistance. Please provide the Amherst IDA with documentation to support the financial obstacles to development (you will be asked to provide cash flow projections documenting costs, expenses and revenues with and without IDA and other tax credits included indicating below average return on investment rates compared to regional industry averages)

Briefly summarize the demonstrated support that you intend to receive from local government entities. Please provide ECIDA with documentation of this support in the form of signed letters from these entities

Indicate other factors that you would like the Agency to consider such as: structure or site presents significant public safety hazard and or environmental remediation costs, structure presents significant costs associated with building code compliance

Indicate census tract of project location

Indicate how project will eliminate slum and blight

If project will be constructed to LEED standards indicate renewable resources utilized

Section VII: Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results 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, Agency financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Current Address

100 Maple Rd

City/Town

Amherst

State

New York

Zip Code

14221

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?

No

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

No

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

Does this project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

No

Within Erie County

No

If Yes to either question, please, explain

Will the project result in a relocation of an existing business operation from the City of Buffalo?

No

If yes, please explain the factors which require the project occupant to relocate out of the City of Buffalo (For example, present site is not large enough, or owner will not renew leases etc.)

What are some of the key requirements the project occupant is looking for in a new site? (For example, minimum sq. ft., 12 foot ceilings, truck loading docs etc.)

If the project occupant is currently located in Erie County and will be moving to a different municipality within Erie County, has the project occupant attempted to find a suitable location within the municipality in which it is currently located?

No

What factors have lead the project occupant to consider remaining or locating in Erie County?

If the current facility is to be abandoned, what is going to happen to the current facility that project occupant is located in?

Please provide a list of properties considered, and the reason they were not adequate. (Some examples include: site not large enough, layout was not appropriate, did not have adequate utility service, etc.) Please include full address for locations.

Section VIII: Senior Housing

IDA tax incentives may be granted to projects under the Agency's Senior Citizen Rental Housing policy when the project consists of a multi-family housing structure where at least 90% of the units are (or are intended to be) rented to and occupied by a person who is 60 years of age or older.

Are you applying for tax incentives under the Senior Rental Housing policy?

No

