

**PROJECT PROFILE:
ASPEN - MUIR WOODS INFRASTRUCTURE DEVELOPMENT
\$83,273,930
December 17, 2021**



ELIGIBILITY

- Commercial Project under NYS Law

COMPANY INCENTIVES (EST.)

- Property Tax = \$6,507,039
- Sales Tax = \$2,263,000
- Mortgage Tax= \$405,961

PROJECT BENEFITS (EST.)

- Property Taxes = \$4,521,841
- Income Taxes = \$2,084,000
- Sales Taxes = \$1,334,000

EMPLOYMENT

- 497 Construction Jobs Created
- 9 Full-Time Jobs Created
- 2 Part-Time Jobs Created
- Average Salary of New Jobs = \$40,000

PROJECT SCHEDULE

- December 2021 - Project Begins
- July 2023 - Project Complete

Project Address:

1081 North French Road
Amherst, New York 14221
(Sweet Home School District)

Investment:

Land Acquisition: \$4,500,000
Construction: \$68,024,916
Soft/Other Costs: \$10,749,014

Company Description:

The project applicant is Aspen Heights, a national student housing developer based in Austin, Texas with over \$1.6 billion in multifamily residential and student development and management since its founding in 2006. Aspen Heights’ focus on quality and construction and development creating designs that integrate into the community has enabled the company to build a strong track record with projects throughout the mid-west and south. The nearest facility is located in Syracuse, New York.

Project Description:

Aspen Heights, through Amherst NY Properties KP6, LLC, is proposing to construct and manage a multi-phase student housing development on the Muir Woods parcel to include 830 beds in cottage/ townhome style units. This project was previously induced in April 2021 for York Acquisitions, LLC to undertake the project, but the change to an unrelated corporate entity requires further Agency approval. The developer is faced with estimates of \$5,000,000 in extraordinary off-site public benefit infrastructure expenses as directed by the New York State Department of Transportation and others. Included in these costs is design allowance for a future NFTA Metro Light Rail or Enhanced Transit Stop. Construction costs, through material and labor increases caused by the pandemic, impact the feasibility of the project.

The proposed project is a deviation from the uniform tax exemption policy and leverages a payment in lieu of tax (PILOT) arrangement to mitigate extraordinary expenses not limited to roadway widening, traffic circle, water and sewer extensions and electric utility infrastructure. Any project proposed for this site would require similar off-site infrastructure. Upon construction, the public infrastructure improvements will be transferred to the requisite entities.



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AIDA COMPANY HISTORY:

None

MATERIAL TERMS:

1. Investment of not less than \$70,782,840 at the project location and on off-site infrastructure as noted in the application.
2. Successful completion of construction of off-site infrastructure and transfer of ownership to the requisite entities.
3. Creation and of 9 full time equivalent jobs at the project location and maintaining these jobs for the duration of the PILOT.
4. Compliance with the Agency's Local Labor Policy in connection with the construction of the Project.

Cost-Benefit Analysis for Aspen Muir Woods Infrastructure Project

Prepared by this agency using InformAnalytics

Executive Summary

INVESTOR
Amherst NY Properties KP6, LLC

TOTAL JOBS
20 Ongoing;
677 Temporary

TOTAL INVESTED
\$83.3 Million

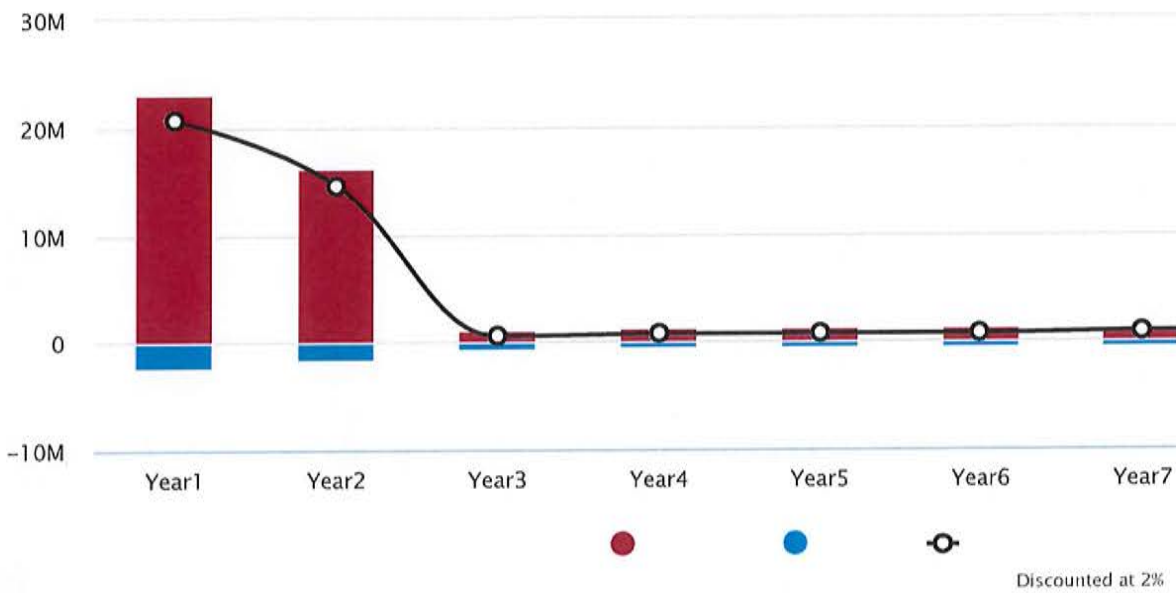
LOCATION
1121 North French

TIMELINE
10 Years

F1 FIGURE 1

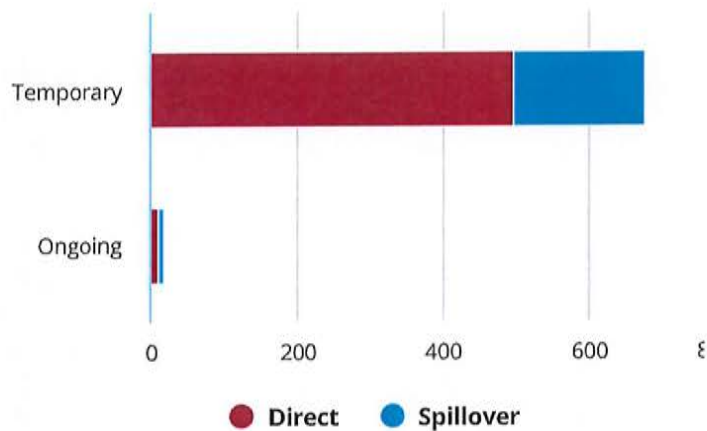
Discounted* Net Benefits for Aspen Muir Woods Infrastructure Project by Year

Total Net Benefits: \$41,529,000



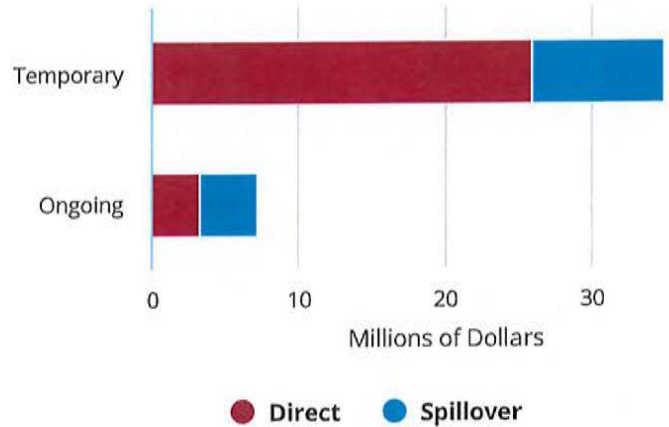
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

Amherst NY Properties KP6, LLC proposes to invest \$83.3 million at 1121 North French over 10 years. Agency staff summarize the proposed with the following: Aspen Heights, through Amherst NY Properties KP6, LLC, is proposing to construct and manage a multi-phase student housing development on the Muir Woods parcel to include 830 beds in cottage/townhome style units.. The developer is faced with preliminary estimates of at least \$5,000,000 in extraordinary off-site public benefit infrastructure expenses as directed by the New York State Department of Transportation and others. Included in these costs is design allowance for a future NFTA-Metro Light Rail or Enhanced Transit Stop. Construction costs, through material and labor increases caused by the pandemic, impact the feasibility of the project.

T1 TABLE 1

Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
Project Development	\$68,025,000
OTHER SPENDING	
Soft Costs	\$10,749,000
Land Acquisition	\$4,500,000
Total Investments	\$83,274,000
Discounted Total (2%)	\$82,740,000

May not sum to total due to rounding.

F4 FIGURE 4

Location of Investment



Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by the agency. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

The agency is considering the following incentive package for Amherst NY Properties KP6, LLC.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$5,849,000	\$5,399,000
Sales Tax Exemption	\$2,262,000	\$2,244,000
Mortgage Recording Tax Exemption	\$406,000	\$406,000
Total Costs	\$8,516,000	\$8,049,000

May not sum to total due to rounding.

* Discounted at 2%

T3 TABLE 3

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$34,366,000	\$13,617,000	\$47,982,000
To Private Individuals	\$29,802,000	\$13,392,000	\$43,194,000
Temporary Payroll	\$26,144,000	\$9,074,000	\$35,218,000
Ongoing Payroll	\$3,658,000	\$4,318,000	\$7,977,000
To the Public	\$4,564,000	\$224,000	\$4,788,000
Property Tax Revenue	\$4,064,000	N/A	\$4,064,000
Temporary Sales Tax Revenue	\$438,000	\$152,000	\$590,000
Ongoing Sales Tax Revenue	\$61,000	\$72,000	\$134,000
STATE BENEFITS	\$1,868,000	\$826,000	\$2,694,000
To the Public	\$1,868,000	\$826,000	\$2,694,000
Temporary Income Tax Revenue	\$1,278,000	\$444,000	\$1,722,000
Ongoing Income Tax Revenue	\$170,000	\$193,000	\$362,000
Temporary Sales Tax Revenue	\$369,000	\$128,000	\$497,000
Ongoing Sales Tax Revenue	\$52,000	\$61,000	\$113,000
Total Benefits to State & Region	\$36,234,000	\$14,442,000	\$50,676,000
Discounted Total Benefits (2%)	\$35,646,000	\$13,933,000	\$49,579,000

May not sum to total due to rounding.

T4 TABLE 4

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$46,947,000	\$6,753,000	7:1
State	\$2,632,000	\$1,297,000	2:1
Grand Total	\$49,579,000	\$8,049,000	6:1

May not sum to total due to rounding.

* Discounted at 2%

CGR has exercised reasonable professional care and diligence in the production and design of the InformAnalytics™ tool. However, the data used is provided by users. InformAnalytics does not independently verify, validate or audit the data supplied by users. CGR makes no representations or warranties with respect to the accuracy of the data supplied by users.