

East Aurora Lodging Associates, LLC \$9,250,000 INDUCEMENT RESOLUTION

HIGHLIGHTS

- Eligibility: NAICS Section - 73

COMPANY INCENTIVES

- Approximately \$71,000 in sales tax savings.



Project Title: East Aurora Lodging Associates, LLC

Project Address: 49 Olean Road, East Aurora, New York 14052
(East Aurora Union Free School District)

SIC/NAICS: 7389/561920

Agency Request

Sales tax exemption in connection with the renovation of an existing hotel facility.

Land/Building Acquisition:	\$7,410,000
Building Renovation	850,000
Equipment	390,000
Soft Costs	600,000
Total Project Cost	\$9,250,000

Company Description

East Aurora Lodging, LLC was formed for the purpose of acquiring and renovating the Hampton Inn. The primary principals of the corporation include Arun and Hermant Patel, owners of Visions Hotels which owns and operates several area hotels including the Adam's Mark and Comfort Suites in Buffalo.

Project Description

The company is acquiring and renovating the Hampton Inn which was constructed in 2003. As part of the company's Product Improvement Plan ("PIP") the lobby/breakfast area will be renovated which will require extensive remodeling and replacement of furniture, fixtures finishes and other equipment. Upgrades to the exterior, parking lot, meeting rooms, hotel rooms and recreation facilities will also be constructed.

Project Justification

According to the Countywide Uniform Tax Exemption Policy, IDA assistance to hotels and motels is restricted to capital costs associated with the renovation or rehabilitation of existing hotel/motel properties within Erie County. The IDA's hotel policy encourages companies to reinvest in existing hotels which is vital to retaining and attracting customers.

East Aurora Lodging Associates, LLC

Project Justification

The economic impact to the area is substantial as approximately 70% of the hotel's occupants come from outside of New York State.

Project Incentives

- Approximately \$71,000 in sales tax savings.

Employment

The hotel employs 4 full time and 20 part time associates.

Project History

No public hearing was required since the project benefits are below \$100,000.

04/11/11 Lease/Leaseback Inducement Resolution presented to Board of Directors.