



**AVIATION HOSPITALITY, LLC** Application for Home2 Expansion At  
524 Aviation Road, Queensbury, New York For Investment Incentives from The  
WARREN & WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY

From: Chuck Barton, Chief Executive Officer  
Alie Weaver, Office Administrator

Date: July 17, 2025

The purpose of this memorandum is to set forth the facts and considerations utilized by the Counties of Warren and Washington Industrial Development Agency ("WWIDA") in rendering a decision to provide financial assistance to Aviation Hospitality LLC for the construction of a 2,200 square foot four story addition, adding sixteen (16) rooms to the existing Home2 Suites located at 524 Aviation Road in the Town of Queensbury near I-87 Exit 19.

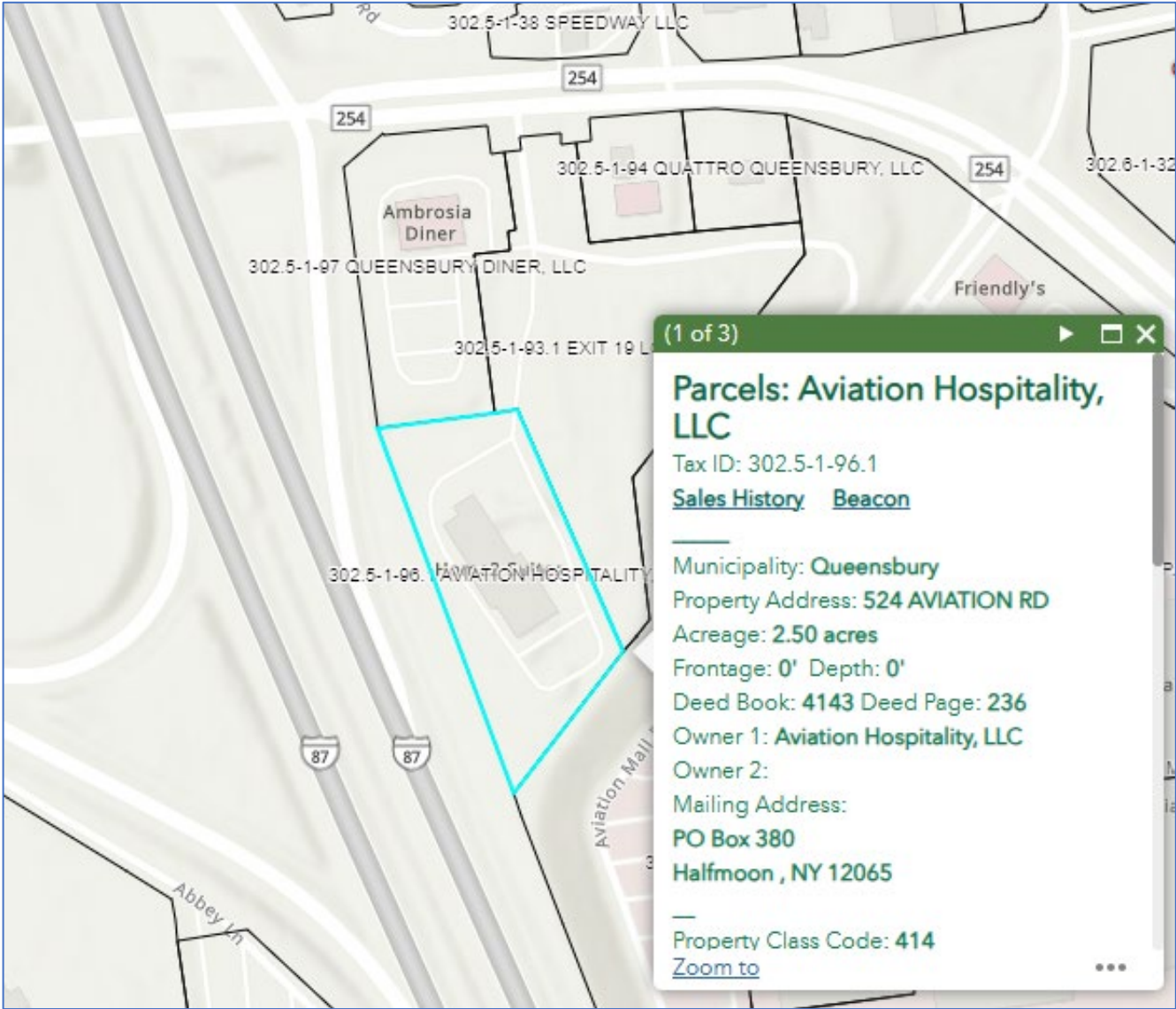
This document recognizes several factors considered by the WWIDA and is intended to provide a concise record of the issues considered as well as the justification for the investment incentive package, if approved by the WWIDA Board.

## **COMPANY DESCRIPTION**

Aviation Hospitality LLC is owned by Bhavick Jariwala and ten family members with ownership ranging from 5% to 15%. Mr. Jariwala, Managing Member, and his Matrix Hotel team based in Clifton Park have significant experience in hotel development and operations, as demonstrated by their track record with other successful hotel properties. Matrix Hotels also owns and operates six hotels located in Albany, Schenectady, Plattsburgh, Lake Placid, and Chicopee, Massachusetts. Matrix Hotels is the developer and operator of the current Home2 Suites by Hilton. The Home2 Suites opened in 2018 with WWIDA investment incentives. As occupancy has exceeded original estimates, the expansion of its current footprint at this location is planned.

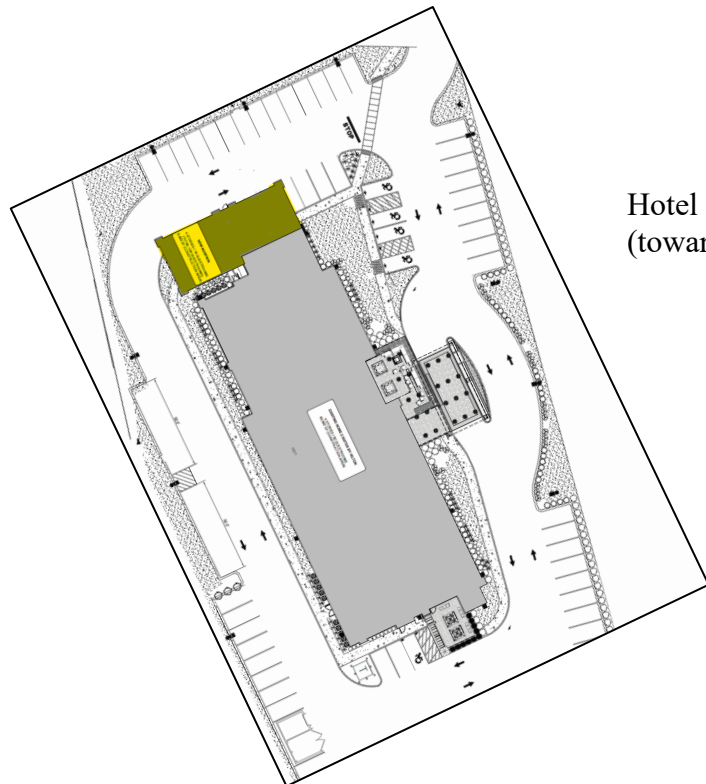
# PROJECT DESCRIPTION

Home2 Suites by Hilton is located at 524 Aviation Road in Queensbury on a 2.5-acre parcel at the southwest quadrant of Aviation Mall Road and Aviation Road. The site is identified by Tax Map ID 302.5-1-96.1 on Warren County GIS and Google Maps below.





The expansion is planned at the northern end of the Home2 Suites.



Hotel Front  
(toward Mall)

Front View towards Aviation Mall parking lot (I-87 in back)



The project involves the construction of a 2,200-square-foot, four-story, 16-room expansion, including updates to the parking area, sidewalk, stormwater management, utilities, and signage. This will be in addition to the existing footprint, which consists of 15,655 square feet and a 2,400-square-foot canopy.

The project has undergone conceptual review with the Town of Queensbury Planning Department staff. The Planning Board review, including the SEQR process, and the Zoning Board of Appeals review were both completed and approved. Construction is anticipated to begin in September 2025, with completion and opening expected in May 2026.

The total project investment is expected to be \$3,522,750. The summary of the detailed cost estimates in Application Attachment B is:

- Building Construction \$2,699,000
- Furniture, Fixtures & Equipment \$305,500
- Soft Costs, Design, Fees, Interest, & Other \$518,250

A Letter of Interest for the construction and permanent financing of this expansion has been issued by Berkshire Bank, the banker of Matrix Hotels. The finance amount is expected to be \$3,522,750.

## **REGIONAL ECONOMIC IMPACT**

The construction and operation of the proposed Home2 Suites expansion will have a positive economic impact on the region.

Construction labor will comprise 80 full-time positions for 9 to 10 months valued at an estimated \$1.5 million. Construction materials, also estimated at \$1.5 million, will be sourced 50% from within Warren County and 90% from within New York State.

Expanding Home2 Suites with 16 additional rooms and making improvements to the existing facility will provide both community and economic benefits. The expansion will increase the hotel's capacity to accommodate visitors, thereby supporting local tourism and attracting more events, business travelers, and vacationers to the area. The additional visitor spending will boost business for nearby restaurants, shops, and attractions, contributing to the overall vitality of the local economy. Enhancements to the existing hotel will improve the guest experience, encouraging repeat visits and elevating the community's reputation as a welcoming and well-maintained destination. The resulting increase in occupancy and sales tax revenues will further benefit municipal services and infrastructure.

## **ANALYSIS OF PILOT AND ABATEMENT REQUEST**

Aviation Hospitality LLC's requested investment incentives for the expansion at 524 Aviation Road Home2 Suites hotel are:

1. Property tax incentives in the form of a standard PILOT based on the 485b formula. The project seeks a 50% payment estimated at \$15,069 in Year 1 (versus estimated \$30,137). The payment percentage would increase by 5% each year, reaching 95% in year 10, at \$28,630. **The estimated total PILOT benefit over the 10 years is \$82,877.**
2. State and County sales tax abatement totaling 7% based on \$1,502,250 in purchases subject to sales tax. **The estimated sales tax benefit is \$105,158.**
3. Mortgage tax abatement of 1.00% from an estimated financing loan of \$3,522,750. **The estimated mortgage tax benefit is \$35,228.**

The proposed total gross investment incentives for the Aviation Hospitality LLC expansion are estimated at \$223,262 before fees. The estimated WWIDA administrative fee is \$31,705, which includes handling PILOT payments over a ten-year period. The estimated legal fee is \$15,000. **The estimated total net investment incentive is \$176,557.**

The applicant explains that, given the high costs of materials and labor, the project as defined may not be undertaken without the investment incentives. The client further explains that the incentives are necessary for the project to ensure adequate margins for operating expenses, salaries, and a normal return on equity for investors.

## **COMMUNITY IMPACT SUMMARY & APPLICATION RECOMMENDATION:**

The community and economic benefits of the proposed expansion project of Home2 Suites include:

1. Support the regional tourism industry by providing much-needed suite hotel rooms in the Warren County region.
2. Generate an estimated 80 local construction jobs valued at over \$1.5 million.
3. Generate construction materials sales with an estimated value of over \$1.5 million, with 50% sourced in Warren County and 90% sourced in New York State.
4. Create an estimated two full-time equivalents with estimated total annual wages and benefits of \$800,000 over 10 years.
5. Generate additional non-local visitor spending of \$3.3 million over 10 years.
6. Generate additional Sales and Occupancy Taxes of \$0.7 million over 10 years.
7. Generate PILOT payments over 10 years, estimated at \$218,495.
8. Generate Community Cost Benefit Ratio estimated at 1 to 21 over 10 years with 75% conservative factoring of benefits. The Net Present Value is over \$4.6 million.

**In conclusion, approving the Aviation Hospitality LLC application and supporting the improvements and expansion of Home2 Suites by Hilton would be in the best interests of Queensbury and the broader Warren County region.**



5 Warren Street, Glens Falls, NY 12801

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IDA Project Applicant: Aviation Hospitality LLC

Project Name: Home2 Suites by Hilton

Project Type: Hotel and Tourism

Project Street Location: 524 Aviation Road

Project Municipality: Town of Queensbury

Parcel Identification: 302.5-1-96.1

Project Description: Hotel Improvements and Expansion

Total Project Investment: \$3,522,750

Project Material Terms: Construct a 16-room hotel expansion and improvements to the existing footprint

IDA Benefits Provided: Mortgage Tax Exemption  
Sales and Use Tax Exemption  
485b PILOT

Estimated  
Community Benefits  
Over Ten Years:

- a. Support regional tourism industry
- b. Generate local \$3.0M in construction activity
- c. Generate full & part-time positions valued at \$80K/year
- d. Generate additional non-local visitor spending over \$3.3M
- e. Generate additional Sales & Occupancy Taxes over \$700K
- f. Community Net Cost Benefit Ratio of 1 to 21 valued at over \$4.6M (with conservative factoring of benefits)

# Appendix

**AVIATION HOSPITALITY LLC HOME2 EXPANSION INCENTIVES ESTIMATION**  
 50% PILOT Payment On Incremental Investment Year 1; Increasing 5% Each Year (485b formula)

Section V - WWIDA Application **FINAL**  
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302.5-1-96.1 2025 Base Assessment	Assessor's Est. New Construction Dollar Value	Estimated New Assessed Value	2025 County Tax Rate / 1000	2025 Town Tax Rate / 1000	Village Tax Rate /1000	2024-25 School Tax rate / 1000		
\$7,518,000	\$1,750,000	\$9,268,000	\$3.26100	\$0.64900		\$13.31117		
PILOT YEAR	% PAYMENT	COUNTY PILOT AMOUNT	TOWN PILOT AMOUNT	VILLAGE PILOT AMOUNT	SCHOOL PILOT AMOUNT	TOTAL PILOT	FULL PAYMENT W/O PILOT	ESTIMATED NET EXEMPTION
1	50%	\$2,853	\$568	\$0	\$11,647	\$15,069	\$30,137	\$15,069
2	55%	\$3,139	\$625	\$0	\$12,812	\$16,575	\$30,137	\$13,562
3	60%	\$3,424	\$681	\$0	\$13,977	\$18,082	\$30,137	\$12,055
4	65%	\$3,709	\$738	\$0	\$15,141	\$19,589	\$30,137	\$10,548
5	70%	\$3,995	\$795	\$0	\$16,306	\$21,096	\$30,137	\$9,041
6	75%	\$4,280	\$852	\$0	\$17,471	\$22,603	\$30,137	\$7,534
7	80%	\$4,565	\$909	\$0	\$18,636	\$24,110	\$30,137	\$6,027
8	85%	\$4,851	\$965	\$0	\$19,800	\$25,616	\$30,137	\$4,521
9	90%	\$5,136	\$1,022	\$0	\$20,965	\$27,123	\$30,137	\$3,014
10	95%	\$5,421	\$1,079	\$0	\$22,130	\$28,630	\$30,137	\$1,507
Totals		\$41,374	\$8,234	\$0	\$168,886	\$218,494	\$301,371	\$82,877
FULL ANNUAL PAYMENT		\$5,707	\$1,136	\$0	\$23,295	====>	\$30,137	
<b>Estimated Tax Exemptions:</b>			<b>Estimated Cost Benefit Ratio:</b>					
Property Improv.	\$82,876.90	<u>Assumptions</u> Over 10 Years						
Sales & Use 7%	\$105,157.50	\$1,502,250			\$3,522,750			
Mortgage 1.00%	\$35,227.50	\$3,522,750			\$176,557			
Gross Benefit	\$223,261.90				5.0%			
Appl. Fee 0.9%	(\$31,704.75)							
Legal Estimate	(\$15,000.00)							
<b>Net Benefit</b>	<b>\$176,557.15</b>							
	<u>Application Fee</u>	<u>% Project \$</u>	<u>Project \$</u>	<u>Fee \$</u>				
	First \$10M	0.90%	\$3,522,750	\$31,705				
	Next \$10M	0.65%	\$0	\$0				
	Next \$30M	0.40%	\$0	\$0				
	Over \$50M	0.25%	\$0	\$0				
	TOTAL		\$3,522,750	\$31,705				