



**EXIT 19 LODGING, LLC** Application For TownePlace Suites By Marriott At  
528 Aviation Road, Queensbury, New York For Investment Incentives From The  
WARREN & WASHINGTON INDUSTRIAL DEVELOPMENT AGENCY

From: Chuck Barton, Chief Executive Officer

Date: July 22, 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 Exit 19 Lodging LLC for the construction and development of a TownePlace Suites by Marriott hotel located at 528 Aviation Road in the Town of Queensbury.

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 offered by the WWIDA Board.

## **COMPANY DESCRIPTION**

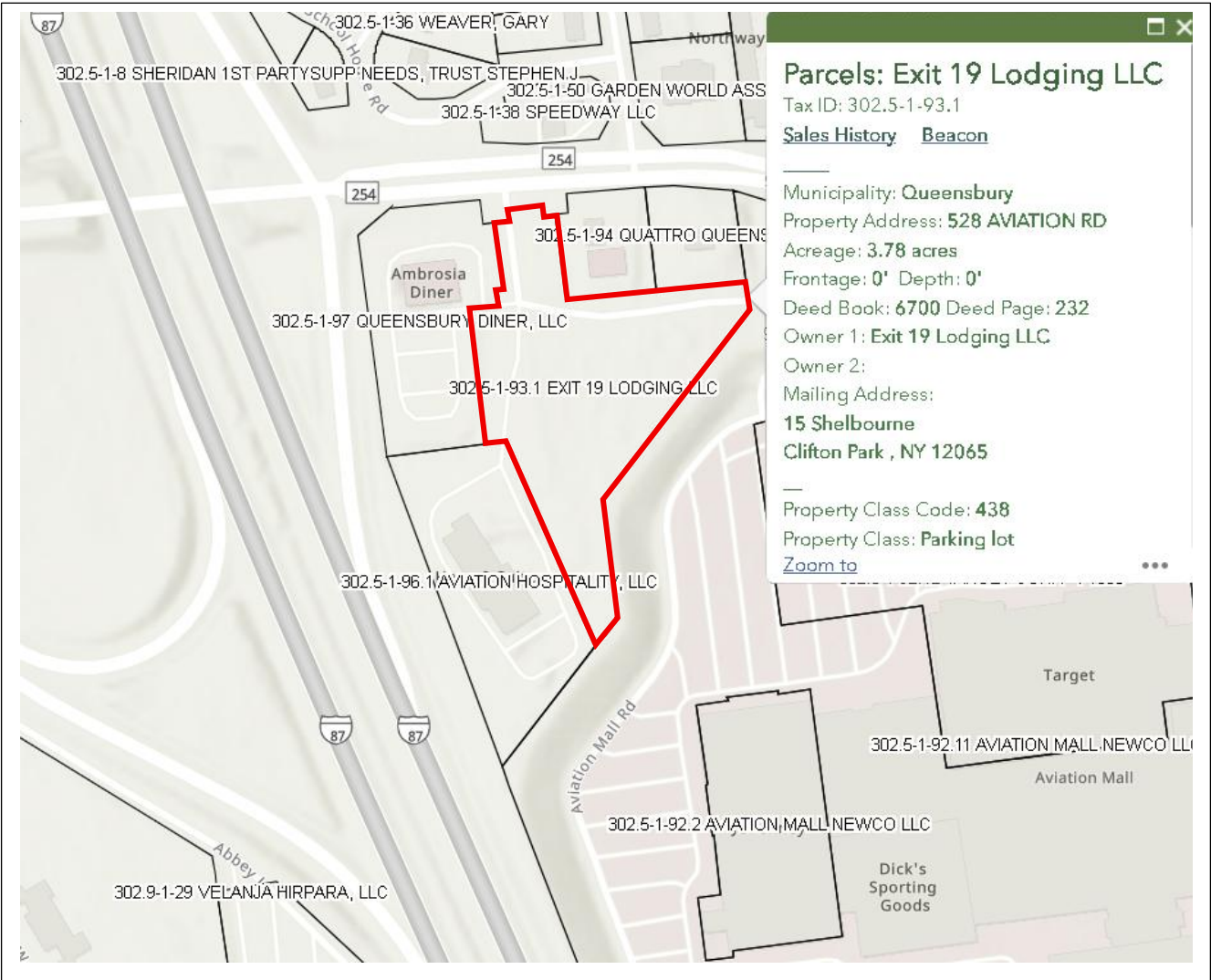
Exit 19 Lodging LLC is affiliated with Matrix Hotels, based in Clifton Park. The Managing Member, Bhavik Jariwala, and his development team have significant experience in hotel development and operations, as demonstrated by their track record with other successful hotel properties. Matrix Hotels is the developer and operator of the Home2 Suites by Hilton on the lot neighboring the proposed new hotel. The Home2 Suites received WWIDA investment incentives and opened in 2018. Occupancy has exceeded the original estimates. Matrix Hotels also owns and operates six hotels located in Albany, Schenectady, Plattsburgh, Lake Placid, and Chicopee, MA.

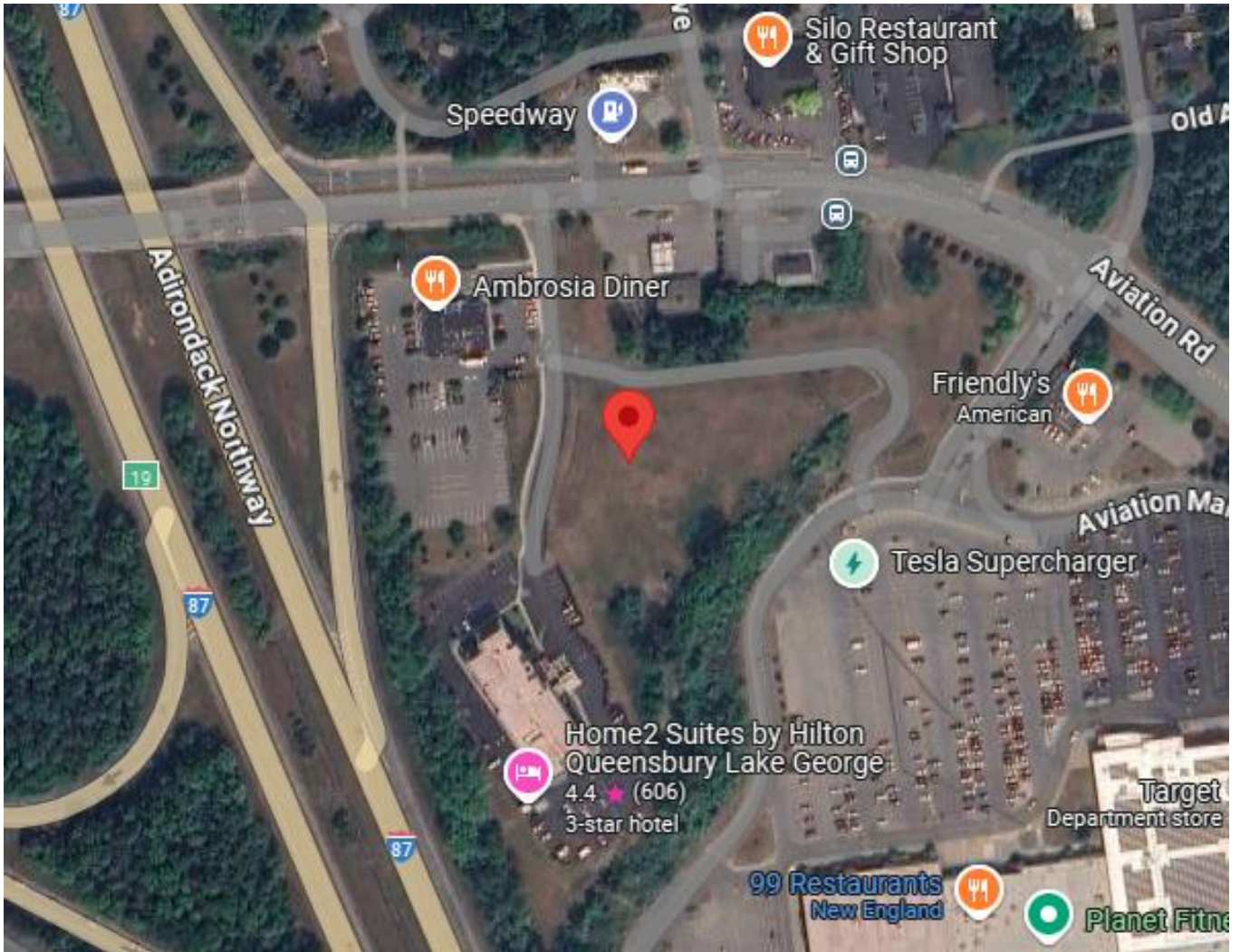
Exit 19 Lodging LLC was formed in New York State on June 16, 2022. The ownership team consists of experienced hospitality industry professionals, with Mr. Jariwala serving as

Managing Member with a 40% ownership stake, and several other investment partners holding the remaining interests. The sponsoring LLC and Marriott have established a Franchise Agreement with conditions that are described in the project description below. The Agreement is included in the submitted investment incentive Application package.

### HOTEL SITE and PROJECT DESCRIPTION

The hotel will be located at 528 Aviation Road in Queensbury on a 3.78-acre parcel at the southwest quadrant of Aviation Mall Road and Aviation Road. The site is currently vacant land and is identified by Tax Map ID 302.5-1-93.1. The image of a Warren County GIS map is below.



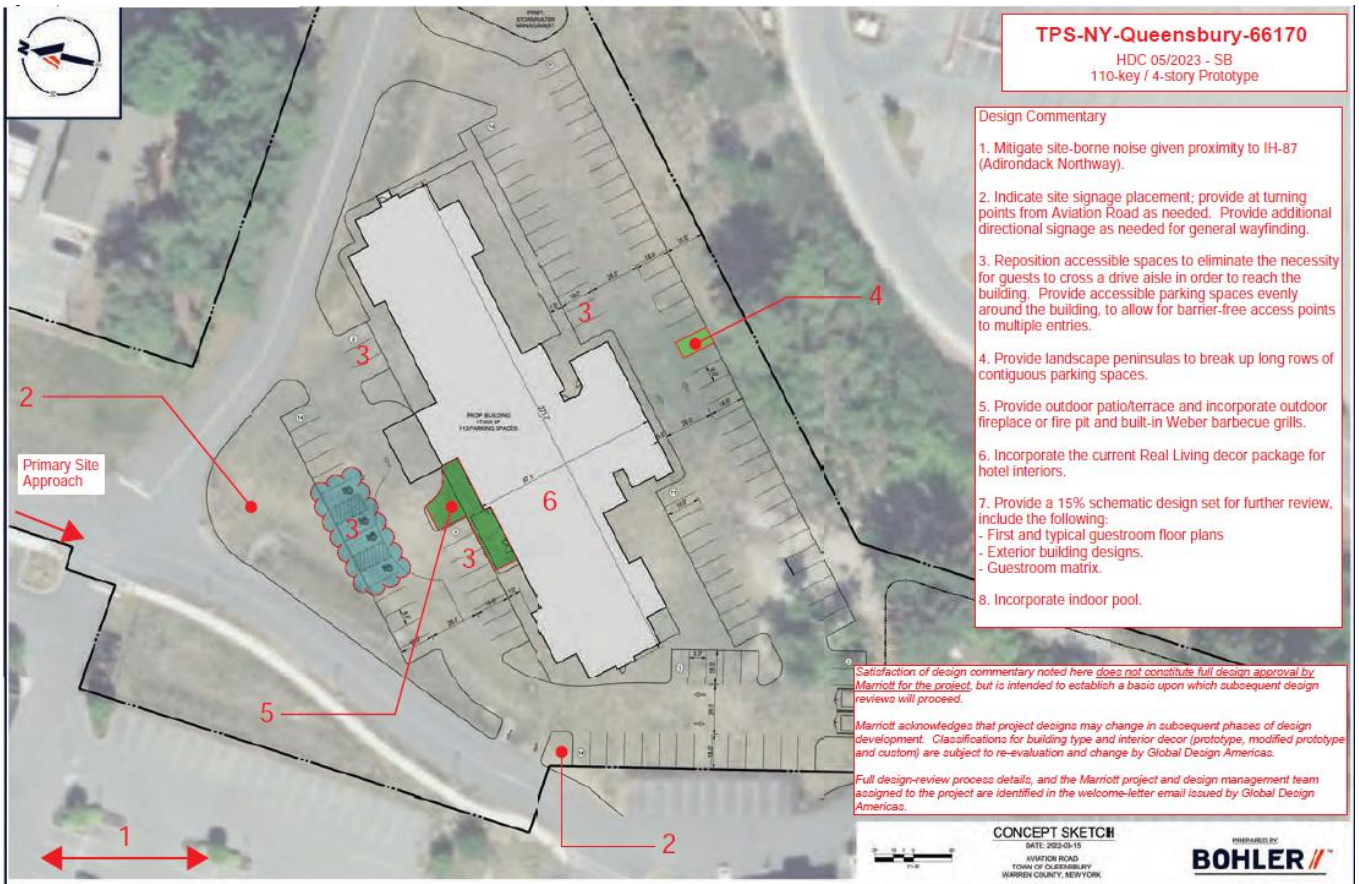


The project involves the construction of a new ±65,000 square foot, four-story, 110-room TownePlace Suites by Marriott hotel. The extended-stay hotel will include guest amenities such as:

- Indoor pool
- Fitness center
- Business center
- Guest laundry facilities
- Common areas and lobby
- Outdoor patio area with fireplace/fire pit and built-in barbecue grills



Exit 19 Lodging LLC received Marriott franchise approval in August 2023. The site map image below includes Marriott design conditions.



Cushman & Wakefield, Inc. completed a professional appraisal and feasibility study of the proposed TownePlace Suites by Marriott in April 2024. The 80-page feasibility study was used by the applicant to determine that there is a market in the Queensbury area for a 110-room, upper-midscale, extended-stay hotel and the appraisal for the project supports the financing of the hotel. The report concluded five critical feasibility criteria were met: economic, market, technical; financial and management.

The applicant has been exploring the financing of the project with several banks. A financing commitment for the construction and permanent financing of the hotel will be finalized during the first quarter of 2026. The formal application for financing will be started at that time. A Letter of Interest has been issued from Berkshire Bank, banker of the parent organization, Matrix Hotels.

The project received site plan approval on June 24, 2025, from the Town of Queensbury Planning Board. Planning Board review included SEQR. Construction is planned to begin in April 2026, with completion and opening anticipated for June 2027.

The total project investment is expected to be \$20,008,719. The summary of the cost detail estimates in Application Attachment C are:

- Land Acquisition \$850,000
- Site Work \$950,000
- Building Construction \$13,200,000
- Furniture, Fixtures & Equipment \$2,687,300
- Soft Costs, Design, Fees, Interest, & Other \$2,321,419

The project is expected to be financed through:

- Bank Financing \$15,000,000
- Equity Investment \$5,008,719

The property lot parcel total assessment value in 2025 was \$582,300. “Base” property taxes on this vacant lot were slightly over \$10,000 and will continue to be paid during any PILOT arrangement.

## REGIONAL ECONOMIC IMPACT

The construction and operation of the proposed TownePlace suites will have a significant economic impact on the region.

Construction labor will comprise of 80 full-time positions for 9 to 10 months valued at an estimated \$10.1 million. Construction materials estimated at \$6.7 million will be sourced 50% from within Washington County and 90% from within New York State.

The operation of the hotel will have a more significant impact over a 10-year period. Wages and benefits will be over an estimated \$8.6 million. Room night occupancy and sales tax will generate over an estimated \$5.7 million. Non-local visitor direct spending in our local region is over an estimated \$34.4 million. The sum of these estimated regional economic benefits over 10 years is over \$48 million. The favorable Community Cost Benefit Analysis (with conservative factoring of the benefits) is in the Appendix.

## ANALYSIS OF PILOT AND ABATEMENT REQUEST

The Exit 19 Lodging LLC requested investment incentives for the 528 Aviation Road, Queensbury project are the following:

1. Property tax incentives in the form of a standard PILOT based on the 485b formula with payment totaling \$1,122,297 over 10 year. The project seeks year 1 at 50% payment of \$77,400 (versus \$154,800). Payment percentage would increase 5% each year to 95% in year 10 at \$147,060. **The estimated total PILOT benefit over the 10 years is \$425,699.**
2. State and County sales tax abatement totaling 7% based on \$6,734,800 in purchases subject to sales tax. **The estimated sales tax benefit is \$471,436.**
3. Mortgage tax abatement of 1.00% from an estimated financing loan of \$15,000,000. **The estimated mortgage tax benefit is \$150,000.**

The proposed total gross investment incentives for Exit 19 Lodging LLC is estimated at \$1,047,135. The estimated WWIDA administrative fee is \$155,035 including handling of PILOT payments over ten years. The estimated legal fee is \$15,000. **The estimated total net investment incentive is \$877,100.**

The applicant explains that with the high costs of capital and construction, the project as defined might not be undertaken without the investment incentives. The client further explained that the incentives are necessary for the project as currently designed to meet market expectations.

## **COMMUNITY IMPACT SUMMARY and APPLICATION RECOMMENATION:**

The community and economic benefits of the proposed TownePlace Suites by Marriott project include:

1. Support the regional tourism industry by providing much-needed suite hotel rooms in the Queensbury/Lake George/Warren County region.
2. Generate an estimated 80 local construction jobs valued at over \$10.1 million.
3. Generate construction materials sales with estimated value over \$6.7 million with 50% sourced in the local area.
4. Create an estimated 15 full-time equivalent and 10 part-time employment positions (20 FTE total) with estimated total annual wages and benefits of over \$860,000.
5. Generate non-local visitor spending estimated at over \$34.4 million across ten years.
6. Generate non-local visitor Sales and Occupancy Taxes estimated at over \$5.7 million over ten years.
7. Generate PILOT payments over 10 years, estimated at over \$1.1 million.
8. Generate Community Cost Benefit Ratio estimated at 1 to 48 over the ten years with conservative factoring of benefits.
9. The net present value Community Net Benefit over ten years is estimated at over \$40 million with conservative factoring and at a 4% net present value rate each year.

**In conclusion, approving the Exit 19 Lodging LLC application and supporting the construction of the TownePlace Suites by Marriott hotel would be in the community and economic interests of the residents of Warren County and the greater region.**



5 Warren Street, Glens Falls, NY 12801

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IDA Project Applicant: Exit 19 Lodging LLC

Project Name: TownePlace Suites by Marriott

Project Type: Hotel and Tourism

Project Street Location: 528 Aviation Road

Project Municipality: Town of Queensbury

Parcel Identification: 302.5-1-93.1

Project Description: New Hotel Construction

Total Project Investment: \$20,008,719

Project Material Terms: Construct 110-room hotel

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

Estimated  
Community Benefits  
Over Ten Years:

- a. Support regional tourism and recreational industries
- b. Generate local \$16.8M construction activity
- c. Generate full & part time positions valued at \$866K/year
- d. Generate \$34.4M non-local visitor spending
- e. Generate \$5.7M Sales & Occupancy Tax
- f. Community Cost Benefit Ratio: 1 to 48 (with 75% factoring)
- g. Net Community Benefit: \$40M (NPV @ 4%).


# Appendix

**EXIT 19 LODGING LLC INCENTIVES ESTIMATION**

50% PILOT Payment On Incremental Investment Year 1; Increasing 5% Each Year

Section V - WWIDA Application

07 22 2025

302.5-1-93.1 2025 Base Land	Est. New Assessment \$ 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		
\$582,300	\$8,988,913	\$9,571,213	\$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%	\$14,656	\$2,917	\$0	\$59,826	\$77,400	\$154,800	\$77,400
2	55%	\$16,122	\$3,209	\$0	\$65,809	\$85,140	\$154,800	\$69,660
3	60%	\$17,588	\$3,500	\$0	\$71,792	\$92,880	\$154,800	\$61,920
4	65%	\$19,053	\$3,792	\$0	\$77,774	\$100,620	\$154,800	\$54,180
5	70%	\$20,519	\$4,084	\$0	\$83,757	\$108,360	\$154,800	\$46,440
6	75%	\$21,985	\$4,375	\$0	\$89,740	\$116,100	\$154,800	\$38,700
7	80%	\$23,450	\$4,667	\$0	\$95,722	\$123,840	\$154,800	\$30,960
8	85%	\$24,916	\$4,959	\$0	\$101,705	\$131,580	\$154,800	\$23,220
9	90%	\$26,382	\$5,250	\$0	\$107,688	\$139,320	\$154,800	\$15,480
10	95%	\$27,847	\$5,542	\$0	\$113,670	\$147,060	\$154,800	\$7,740
Totals		\$212,518	\$42,295	\$0	\$867,484	\$1,122,297	\$1,547,996	\$425,699
FULL ANNUAL PAYMENT		\$29,313	\$5,834	\$0	\$119,653	====>	\$154,800	
<b>Estimated Tax Exemptions:</b>		<b>Estimated Cost Benefit Ratio:</b>		<i>I have read and reviewed the Section V information completed by the WWIDA.</i>				
Property Improv.	\$425,699	<u>Assumptions</u> Over 10 Years					Name: Bhavik Jariwala	
Sales & Use 7%	\$471,436	\$6,734,800			\$20,008,719		Aviation Hospitality LLC	
Mortgage 1.00%	\$150,000	\$15,000,000	Net Benefit All Incentives		\$877,100		Signature: 	
Gross Benefit	\$1,047,135		Net Benefit / Cost Ratio		4.4%		Date: 7-23-2025	
Appl. Fee 0.9%	(\$155,035)							
Legal Estimate	(\$15,000)							
<b>Net Benefit</b>	<b>\$877,100</b>							
	<u>Application Fee</u>	<u>% Project</u>	<u>Project</u>	<u>Fee</u>				
	First \$10M	0.90%	\$10,000,000	\$90,000				
	Next \$10M	0.65%	\$10,000,000	\$65,000				
	Next \$30M	0.40%	\$8,719	\$35				
	Over \$50M	0.25%	\$0	\$0				
	TOTAL		\$20,008,719	\$155,035				

Exit 19 Lodging LLC  
 Estimated Community Cost Benefit Analysis

07 22 2025

Year	Estimated Community Tax Exemption "Costs"					Estimated Community "Benefits" with 75% Conservative Factor							Est. Net "Benefit"
	State 4% Sale Tax Exempt.	County 3% Sale Tax Exempt.	Mortgage Tax Exempt.	Net Property Exempt.	TOTAL Gross Exempt.	Wages & Benefits @ 75%	Construction Labor @ 75%	County Sourced Construction Materials @ 75%	Non-Local Visitor Direct Spending @ 75%	Room Night Occupancy & Sales Tax @ 75%	PILOT Payments	TOTAL	
0	(\$269,392)	(\$202,044)	(\$150,000)		(\$621,436)	\$0	\$5,682,488	\$3,788,325	\$0	\$0	\$0	\$9,470,813	\$8,849,377
1				(\$77,400)	(\$77,400)	\$649,500	\$1,894,163	\$1,262,775	\$2,220,797	\$326,453	\$77,400	\$6,431,087	\$6,353,687
2				(\$69,660)	(\$69,660)	\$649,500			\$2,521,922	\$381,810	\$85,140	\$3,638,372	\$3,568,712
3				(\$61,920)	(\$61,920)	\$649,500			\$2,634,844	\$410,933	\$92,880	\$3,788,156	\$3,726,236
4				(\$54,180)	(\$54,180)	\$649,500			\$2,634,844	\$423,225	\$100,620	\$3,808,189	\$3,754,009
5				(\$46,440)	(\$46,440)	\$649,500			\$2,634,844	\$435,930	\$108,360	\$3,828,633	\$3,782,194
6				(\$38,700)	(\$38,700)	\$649,500			\$2,634,844	\$449,048	\$116,100	\$3,849,491	\$3,810,791
7				(\$30,960)	(\$30,960)	\$649,500			\$2,634,844	\$462,495	\$123,840	\$3,870,678	\$3,839,719
8				(\$23,220)	(\$23,220)	\$649,500			\$2,634,844	\$476,355	\$131,580	\$3,892,278	\$3,869,058
9				(\$15,480)	(\$15,480)	\$649,500			\$2,634,844	\$476,355	\$139,320	\$3,900,018	\$3,884,538
10				(\$7,740)	(\$7,740)	\$649,500	\$0	\$0	\$2,634,844	\$476,355	\$147,060	\$3,907,758	\$3,900,018
<b>TOTAL</b>	(\$269,392)	(\$202,044)	(\$150,000)	(\$425,699)	(\$1,047,135)	\$6,495,000	\$7,576,650	\$5,051,100	\$25,821,469	\$4,318,958	\$1,122,297	\$50,385,474	\$49,338,339
The Cost to Benefit Ratio is ==>					1	to =====>					48.1		

Net Benefits - Net Present Value @ 4% **\$40,393,289**

Note: Benefits analysis does not include local business activity that supports hotel operations (after construction).