

2.2 Project Purpose, Need, and Benefits

Comment 2.2-1-PHT: Why so large and tall a hotel in a rural community when there is no proven demand for that number of units. The reason we went with the amendments that were added was we thought we needed a hotel or additional lodging facilities. I don't think anybody in this town ever thought we needed 325 of them in one hotel. Again, I believe that should be scaled down. I think the height of the hotel is much too high. I think they should be required to do a sequential hotel adoption. I think an approval should be based on half that or less. And then if further development is indicated, they could come back for further approval later. [Patrick J. Nelligan, November 17, 2007 Public Hearing Transcript, page 44]

Response 2.2-1-PHT: Regarding the proposed hotel in rural community - The proposed development takes into consideration the rural character of the community, using the vision, goals, factors, and standards set forth in the 2007 Comprehensive Plan Update and Section 121-18 (RDO) of the Zoning Law.

The Vision of the 2007 Comprehensive Plan Update states on page 5, “We want Amenia to grow into a diverse, vital and business friendly community of agriculture, small businesses and homes all located in an appealing setting with great natural beauty; and amenities that attract residents, travelers, shoppers, diners and vacationers”. On page 10 of The 2007 Comprehensive Plan Update under the section titled, “Large Scale Resort and Second-Home Development Proposals” it states the following: “The addition of guest rooms in Amenia will encourage more tourists to visit, shop, and eat in Amenia. This will further enhance the Town’s reputation as a location for country homes that are easily accessible to New York City. It will provide needed local employment opportunities and a boost to the community’s tax base.” The Comprehensive Plan Update clearly recognizes the possibility of large scale resort development such as the hotel and recommends an overlay district as the appropriate land use mechanism for such development.

The RDO section adopted in the new Zoning Law implements this Comprehensive Plan recommendation and permits a hotel of this scale (i.e. "more intensive development"), in exchange for significant permanent open space protection (80%), low impervious coverage (no more than 15%), protection of scenic viewsheds, ridgelines, water resources and ecosystems. The proposed Master Development Plan and associated mitigation meets these standards by complying with open space protection, complying with impervious coverage standards (5.6% provided which is under the maximum 15% in the RDO) and, as, Appendix G indicates, protecting scenic viewsheds and ridgelines. The Natural Resource Management Plan which includes the Habitat and Buffer Management Plan (Appendix F) and Integrated Pest Management Plan protects water resources and ecosystems.

Finally, it should be noted that at the time the Comprehensive Plan Update and Zoning Law were enacted in July 2007 the Applicant’s preferred alternative plan included a 300 unit hotel.

Regarding the demand for a 300 unit hotel - The proposed hotel at Silo Ridge will be a luxury country resort. No comparable development to the proposed hotel currently exists in the marketplace. Dutchess County has an established hotel market for residents of the New York metropolitan area for weekend visits. Dutchess County lacks lodging facilities that would compete with the proposed resort on the basis of quality, amenities, services, and

convenience. Existing regional upscale country resort properties catering to the population base of the New York metropolitan area are primarily located farther north and east in Vermont, western Connecticut, and western Massachusetts. As a result of the Silo Ridge Resort hotel's convenient and scenic location and size, the hotel component is projected to fulfill leisure demand during the summer and early fall, as well as the winter holiday season.

Silo Ridge Resort hotel will depend on conference and banquet business, especially during off peak portions of the year. In order to attract corporate events, weddings, special events and conferences, 20,000 SF of conference space is proposed. In order to adequately service this conference/banquet facility, at least 200 (+/-) hotel rooms need to be available. This will enable the property to attract local and regional events, meetings, conferences and corporate outings. The accessibility to and from New York City via car and train will be a strong marketing advantage for the property. 150 (+/-) rooms are anticipated to be pure hotel rooms and conservatively 1/3 of the 150 (+/-) condo hotel units would be available at any given time for hotel guest use, thereby satisfying the 200 (+/-) rooms needed.

Successful Luxury Hotels developed at this point in time generally have a residential component as part of the program, whereby the revenue received from the residential component partially offsets the cost of construction, including amenities and infrastructure. It is anticipated approximately 150 (+/-) rooms will need to be sold as condo hotel units.

Regarding the sequencing of the hotel - In the preliminary MDP and DEIS the Applicant envisioned a 120-unit hotel as part of Phase 1 and 180 units as part of Phase 2. The 120 units would not be able to support the amenities and facilities that are part of the hotel component, yet will also be used by residents. In addition, by including the amenities and services for both the leisure and business markets, there will be an overlap in demand from the mix of leisure, group and corporate clientele. A 200+ unit hotel works operationally for Phase 1. The issues then become: (1) the inability to attract construction financing for a phased development that does not create all of the revenue producing spaces in the first phase; (2) the logistics to remobilize for the construction of additional units after having already provided the major components of the hotel (i.e. lobby, restaurants, pools and parking); and, (3) the interruption of guests during the second phase within a relatively tight site for the hotel which enables the vast majority of the site to remain undeveloped. The Applicant has pursued a design that strives to cluster the development in the resort core yet remains in character with its surroundings. The hotel, spa, conference/banquet, clubhouse and 64% of the units are located within a ¼ mile radius of the resort core. A 300-unit hotel

provides the necessary economies of scale to yield efficient operations and fill the demand in the marketplace, and avoid guest and operational disturbance associated with a Phase 2 construction undertaking. Additionally, constructing the hotel in a single phase decreases certain environmental impacts such as vehicle trips for construction workers, solid waste, dust, and site disturbance when compared with constructing in 2 phases.

Regarding the size and height of the hotel - Based on the program needs outlined above, along with fitness, restaurant, administrative, back of house service and common circulation spaces needed for the hotel, Robert A.M. Stern has designed a four story hotel, when viewed from the village green, which steps down with the grade to the south. A front (north) elevation can be viewed on drawing A-2 of the MDP. Rooms located within the roof, visually reduce the massing of the hotel as it relates to height. Reducing the height of the hotel, as suggested by the commenter, would change the scale and proportion of the building as it relates to the village green and resort core setting and would increase the footprint and impervious coverage of the hotel, would impinge on adjacent uses, and reduce the pedestrian accessibility of the core of the resort. The architect's Master Development Plan utilized existing topography and vegetative features to site the hotel to reduce its visual impacts and the proposed landscaping provides additional mitigation. The Visual Assessment is contained in Appendix G. Furthermore, the RDO provides for flexibility with the height of a resort hotel recognizing the tradeoff between increases in height and correlating reductions in impervious coverage where impacts to scenic resources can be adequately mitigated such as in this case.

The site topography enables a taller hotel to be lighter on the landscape because the same floor area can be configured into a smaller footprint and located to protect scenic resources, create a more pedestrian friendly scale of resort development , preserve open space and reduce impervious surfaces.

Comment 2.2-2-PHT: This is a big nut for a small town. There is potentially a lot to gain, but potentially a lot to lose. This is a difficult thing for the town to absorb over the long term, economically, culturally, etc. It's also very difficult for the town to process, the implications of this all. So I'm concerned about the size, but not b/c I dislike the project. I like many aspects of it. It sounds like a good project. But the problem is the size of the project amplifies the benefits and risks to the community. And I think that the size of the project makes it all the more important that the risks be identified and analyzed. [Michael Chamberlain, November 17, 2007 Public Hearing Transcript, page 101]

Response 2.2-2-PHT: The Applicant has worked with planners, architects, consultants, the Planning Board, and its consultants in an effort to mitigate

and avoid environmental impacts, while remaining marketable and financially feasible. A primary component of this resort development is the ability to offer a variety of unit types and price points and to create a center of the resort that will serve as its own iconic attraction. By reducing the number of units and the height of the buildings, the intent of the Applicant to create a marketable and financially feasible resort is essentially lost. In this credit market, projects that are unique and stand out among competition, with strong market support and multiple components (i.e. mixed-use) to distribute the risk, are more likely to be financed and ultimately successful.

Further program deletions/reductions would alter the character and market perception of the development. There would be a negative impact on the submitted design that would change the property from a full-service resort community to that of a limited-service development, or a purely residential multi-family development, which the Applicant states would not be financially feasible or within its objectives or capabilities.

The introduction of Single Family Homes, Golf Villas and Vineyard Cottages within 1.5 hours of New York City presents a unique opportunity to acquire a vacation home in a setting such as Silo Ridge. The reduction or absence of this product mix at Silo Ridge will reduce the total project residential sales as well as hotel, golf, spa and retail revenue. The reduction in revenue will in turn decrease the capitalized value of the project, diminishing the return to investors below a competitive market level. This reduction will reduce and limit the marketability of the entire project as a “destination” resort community, which is the principal factor in motivating hotel guests and potential homebuyers to visit relatively unknown locations, thus enhancing marketing awareness.

A balance is struck in the development of large mixed-use projects, such as Silo Ridge, that not only enhances marketability to both banks and investors, but also results in the potential for more successful operations. A single project component is not planned or operated in isolation from the others. Any further reduction in the scale of the residential component will have a negative impact on project performance levels and would not be consistent with the applicant’s objectives or capabilities. Utilization of the golf, spa and hotel components would also be negatively impacted from diminished usage.

In order to limit the project’s environmental impacts, the developer and its architects have created a village center environment that will appeal to a wide array of hotel guests and unit owners. The proposed project is financially feasible, in large part, due to its ability to offer a wide array of housing prices. The infrastructure and community amenities that will be

introduced on the site will also be supported by the proposed hotel and the residential units.

Specifically, please note the following with regard to program deletions/reductions that have been suggested:

Removal of the Vineyard Cottages:

- a. The Vineyard Cottages provide for a unique residential opportunity. These units further diversify the residential offerings at the property that will enable the project to sell to a wider audience thereby increasing its potential pool of buyers. This diversification in unit size, design style, location and price point enhances its financial feasibility.
- b. The removal of these 19 detached residential units would represent a reduction in the detached product by approximately 27%.
- c. The ability to offer detached housing product in a resort community is necessary to attract buyers that are looking to acquire a vacation home in a setting such as Silo Ridge. The project will not be successful unless it has ample product to meet the demand from this strong demographic. The Vineyard Cottages fill the gap between the attached townhomes and the single family homes and villas.
- d. The slope of the hill where these units will be developed will enable the units to be “tucked” into the trees. This will create a sense of privacy that will appeal to buyers that do not want to purchase a unit at the center of the resort.
- e. The removal of these units, which are among the higher priced units proposed for the property, will add another economic concern for the feasibility of the project. The common charges and homeowner dues for the remaining units will also be increased, which will in turn put downward pressure on the proposed pricing of all of the units.
- f. The potential loss of these detached units will further reduce the necessary revenues that the developer needs to insure the feasibility of the project and will reduce the assessed value used to calculate real estate tax revenues by approximately \$9,500,000.

Removal of the Winery:

- a. The winery is proposed to be constructed 530’ north of the hairpin curve at the top of DeLavergne Hill, which is approximately 145’ from

the original location that was described in the DEIS. The Applicant has shown (see Appendix G) the limited impact on the view shed when looking up or down the hill.

- b. The winery building will enhance the view by providing the public an opportunity to enjoy the view out of harm's way at the Artisan's park overlook or the restaurant itself.
- c. The winery works to further enhance the image of the overall resort as a true destination by providing another amenity for the local population, resort residents and resort guests to enjoy.
- d. The winery will be one of the unique marketing components of not only the hotel, but the residential units as well. The ability to offer another facility outside of the main hotel will significantly expand the marketability of the hotel for meetings and social functions.
- e. The winery is being positioned to function as a stage for local wines and food purveyors which will directly benefit the local community.
- f. The winery space and function is an integral part of the market plan to insure that the hotel facility will attract clientele during the week and weekend, peak season and non-peak season.

Proposed reduction of the height of the hotel thereby reducing its size:

- a. The developer states that it has spent considerable time and funds in working with Robert A.M. Stern Architects in creating a design that "fits" within the existing community.
- b. The reduction in the height of the hotel will change the design of the hotel from one that competes with other resorts throughout the country (i.e. The Greenbrier, The Homestead, The Broadmoor, etc) to one that will only compete within the immediate local market. The proposed reduction in height would likely create a more non-descript building in the middle of the resort.
- c. Lowering the height while maintaining program needs will increase impervious coverage, decrease open space, decrease pedestrian accessibility, increase operating energy consumption and increase resources needed to construct the facility
- d. The introduction of an expertly designed hotel by a renowned architect that serves as the center point of the resort will enhance the image of

the resort property. The proposed height reduction would only allow for a more flat hotel structure with reduced or no architectural elements. The proposed Master Plan, architecture and aesthetic of the resort core will create a place with an identity and one that feels like it has been there for an extended period of time.

- e. Reducing the height of the hotel, and not increasing the footprint, will severely limit the number of guestrooms and the size of the conference center facilities, spa facilities and other amenity space. This change will change the hotel component from a world-class resort that will immediately compete with full-service properties across the country to a second or third-tier facility that will only be able to compete in the local market. The local market is not strong enough to support such a project.
- f. A change to the size, scope and level of service at the hotel will further diminish the value of the housing units that have been carefully designed throughout the property. The resulting reduction in value will directly impact the financial feasibility of the project.

Proposed reduction of the height of buildings on the property requiring a waiver:

- a. Per the numbers presented in the DEIS, a 35-foot limitation on all of the residential components would reduce the assessed value for the town by approximately \$23,700,000 as units currently envisioned would be removed. This would dramatically decrease the tax revenue received by the town as well as the revenues needed by the developer for the project's financial feasibility.
- b. Reducing height, while maintaining footprints of the residential buildings eliminates residential units. This removal of revenue coupled with the developer's increased costs due to the adoption of design changes eliminates the financial feasibility of the project. These design changes include, but are not limited to, the following: (1) the creation of over 1,000 underground parking spaces removed from the surface; (2) the design changes in the Habitat and Buffer Plan; (3) the use of TND design elements; and, (4) the donation of the waste water treatment plant to the Town of Amenia.
- c. Conversely, reducing height while maintaining program will increase impervious coverage, decrease open space, decrease pedestrian accessibility, increase operating energy consumption and increase resources needed to construct the facility.

- d. The current design is based on a resort community with a variety of unit types and unit sizes which creates variety on a street-by-street and building-by-building basis. A reduction in height would change the design of the community and create a sterile environment whereby every structure and building would look too similar.

The Applicant has advised the Planning Board that these height reductions would force the developer to pursue a purely residential, multi-family development, as opposed to the resort development that has been designed consistent with the Town's Comprehensive Plan.

Comment 2.2-3-PHT: My concerns are not that the project isn't good for the Town. I think it is good for the Town. But I think the scale and the scope, the one-phase approach to this is more or less of real concern. [Matthew Anderson, November 17, 2007 Public Hearing Transcript, page 118]

Response 2.2-3-PHT: The project is proposed to occur in three phases which are detailed in the April 2008 MDP (see Appendix M), but as required by the Final Scoping Document, the potential environmental impacts of the project were evaluated as if the development occurred in one phase. The Applicant has also reduced the number of residential units from 359 to 338 and the number of hotel "lock-off" units from 93 to 67 (393 keys to 367 keys). The Applicant has revised the phasing of the hotel in the April 2008 MDP; it is proposed to be constructed in one phase, rather than in two phases as described in the DEIS.

Comment 2.2-4-PHT: I'm not saying I'm against development here, but I'm against the massive scope of this plan here. 359 units is ridiculous for the size. And just as with any tentative budget for the Town, everything is thrown into it, this is a tentative plan for the developer. They are going to throw everything into it. I'm not saying this developer will do it, but every developer usually puts in a lot b/c it's going to be whittled down to what they really want. [Elizabeth Whaley, November 17, 2007 Public Hearing Transcript, page 128]

Response 2.2-4-PHT: The project has been reduced in size since the close of the public comment period on the DEIS. It now proposes 338 residential units. The Applicant and its marketing consultants have opined that this is the appropriate critical mass for a resort such as this. A destination resort requires a mix of uses to be successful. The Applicant states that it has completed extensive research on the proposed uses to determine that each is marketable as a stand alone entity and that the overall marketability is supported and enhanced with the variety of proposed uses. The Applicant also states that the number of units allows for the development to create a variety of uses that is attractive to different groups, thereby increasing the

pool of demand from which the project will draw. Also see Response 2.2-2-PHT.

Comment 2.2-5-PHT: I am concerned, as many others are, with the scale of the project and why it needs to be this big of a scale for a town that states in its Master Plan that it would like to keep its rural character. And I think that this scale is just too big for this town. [Laurence Levin, November 17, 2007 Public Hearing Transcript, page 157]

Response 2.2-5-PHT: Comment noted. Please see Response 2.2-2-PHT.

Comment 2.2-6-PHT: As far as the housing goes, I guess there are 300 some houses being proposed. I'm for people building, but I would like to see it scaled back a little bit, that would be appropriate possibly with the Town. I don't know what that number is. [William Carroll, March 5, 2008 Public Hearing Transcript, page 16]

Response 2.2-6-PHT14: Comment noted. Please see Response 2.2-2-PHT.

Comment 2.2-7-PHT: First, about the hotel. 5 stories, 300 rooms. I think it is way too big. Every time rooms were needed for a wedding 10 - 12 rooms max were ever used from the largest wedding down to the smallest wedding. So even if a place were holding 2 functions at the same time, I only see a possible max. of 50 rooms needed. This is my personal experience that I witnessed myself. Do I think a hotel is needed in Amenia? Absolutely. Do I think a 5-story 300-room hotel is needed? Absolutely not. 100-150 room hotel should suffice in this area and should be looked into more carefully. [Elizabeth Whaley, November 17, 2007 Public Hearing Transcript, page 130]

Response 2.2-7-PHT: Comment noted. Please see Responses m-11-29a, 2.2-1-PHT, and 2.2-2-PHT.

Comment 2.2-8-2A: The magnitude of this project destroys the beauty and tranquility which is intended to draw the prospective buyers, renters and golfers to Silo Ridge. [Romia Kimball, Letter, March 24, 2008, Comment A, page 1]

Response 2.2-8-2A: Comment noted. Please see Response 2.2-2-PHT.

Comment 2.2-9-PHT: Several commentors voiced their concern about the quality of permanent jobs that will be generated by the project. There is concern that local residents won't be eligible for the higher paying jobs, and that those employees will come from outside the community. There is concern that the lower paying jobs, such as maintenance workers, wait staff, housekeepers, grounds keepers, kitchen help, office help, etc., will be filled by teenagers and students. These lower-paying jobs

may not meet the financial needs of local residents. [Cheryl Morse, November 17, 2007 Public Hearing Transcript, page 140; Steven Benardete, November 17, 2007 Public Hearing Transcript, page 67; Elizabeth Whaley, March 5, 2008 Public Hearing Transcript, page 131]

Response 2.2-9-PHT: There will be a variety of jobs created as a result of the project including, but not limited to, housekeeping, maintenance, grounds keeping, golf course management, hotel management, restaurant management and wait staff, events coordinators, spa/health/fitness management, accounting, and chefs. All employment positions will be open to all qualified applicants, including residents from the local area. Some jobs will require highly skilled people who may or may not come from outside of the community. Local residents who have the applicable skills are welcome to inquire about employment with the resort.

Comment 2.2-10-PHT: I have concerns about some of the secondary and tertiary effects of the project. I would like to know what studies have been done to generate the number of 228 permanent jobs? What will be the ancillary costs associated with the 228 people who hold those jobs? I don't know whether those will be local people, or new local people. What costs will those employees, workers and their families impose upon the school district and to the town? The DEIS does not speak to that. [Michael Chamberlain, November 17, 2007 Public Hearing Transcript, page 101]

Response 2.2-10-PHT: Please see Response 2.2-12-14B and Response 3.11-6-14I.

Comment 2.2-11-PHT: Several comments were received questioning whether or not the developer will commit to using construction workers from the local community. [Steven Benardete, November 17, 2007 Public Hearing Transcript, page 66; Michael Peek, November 17, 2007 Public Hearing Transcript, pages 88]

Response 2.2-11-PHT: The Applicant has stated that local firms are welcome to submit bids for contracts, and that the bidding process for work on the project will be competitive and fair. The Applicant has also stated that local businesses that bid on the project will be considered, and vendor selection will be made based on the competitiveness of the bids and the qualifications of the bidder.

Comment 2.2-12-14B: That there would be 220 full-time equivalent jobs. Did they mean 440 part time jobs? What if they are mostly all low paying part time jobs? [William J. Burke, Letter, November 30, 2007, Comment B, page 1]

Response 2.2-12-14B: The actual number of employment opportunities within the Silo Ridge resort will be more than 228, since the 228 jobs

described in the DEIS are “full-time-equivalent” positions. The jobs estimate was provided by the golf course and hotel operators. This means that some jobs will be part-time and some will be full-time, but the project will provide enough work to employ the equivalent of 228 people on a full-time basis. Please see Response 2.2-9-PHT for a description of the variety of jobs expected to be created at Silo Ridge.

Comment 2.2-13-14H: What if potential business locations in town are turned into apartments to house construction workers that will be building Silo for the next 5-10 years. The same applies to the possible 440 part time on-going Silo workers. [William J. Burke, Letter, November 30, 2007, Comment H, page 2]

Response 2.2-13-14H: It would be up to the owners of those properties to determine what to do with them. Workers involved in the construction of the project may come from the surrounding area and not require housing in Amenia, or if they do require housing most likely they would look at the existing stock of available apartments and houses.
