

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Minutes of the 434th Meeting
March 18, 2011 – 8:30 am
Agency Offices, 4287 Main Street

The meeting of the above captioned Corporation was called to order by Chairman Fredrick A. Vilonen.

PRESENT: Fredrick A. Vilonen
Edward F. Stachura
Aaron Stanley
Stuart Shapiro
Randall Clark
Ayesha F. Nariman
Robert M. Ciesielski
James Allen, Executive Director
Nathan Neill, Esq.
Steven Sanders, Town Board Liaison

GUESTS: AIDA Staff
Dave Tytko, Uniland Development
Jim Fink, Business First
David Robinson, Buffalo News
Robert Savarino, RAS Development
Sean Hopkins, Hopkins & Sorgi

Chairman Vilonen reminded everyone that the meeting was being tape-recorded.

MINUTES

The minutes of the February 2011 meeting were approved as presented.

BILLS & COMMUNICATIONS

There were no Bills & Communications at this meeting

TREASURER'S REPORT

The Treasurer's Report for February 2011 were approved as presented.

PUBLIC COMMENT

There was no Public Comment at this meeting.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Allen informed the board that the ICIB final draft report was going to be presented in a Public Information Session to be held March 31st at the Harlem Road Community Center.

Mr. Allen told the board that he had a speaking engagement at the recent NYSCAR meeting.

Mr. Allen informed the board the Agency recently hosted and IDA Leadership Council meeting and that representatives of the BNE were in attendance. He noted that it was good to have the BNE involved with IDA initiatives.

COMMITTEE REPORTS

Audit Committee – AIDA Treasurer, Aaron Stanley informed the board that he had met with the auditor and staff to review the 2010 financial statements. He also told the board that the Audit Committee met Tuesday, March 15, 2011 to discuss the draft 2010 Audited Financial Statements. He noted that any questions that he had regarding the statements were answered by the auditor and recommended approval of the 2010 Audited Financial Statements.

Upon a motion by Randall Clark, seconded by Edward Stachura and unanimously carried, it was

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY APPROVE THE 2010 AUDITED FINANCIAL STATEMENTS AS PRESENTED.

Capitalization of Fixed Assets Policy – Treasurer Stanley noted that pursuant to a note in the Management Letter associated with the 2010 Audit, it was recommended that a formal policy based on current procedure be adopted as it pertains to the Agency's fixed assets. Mr. Stanley recommended approval of the attached policy.

Upon a motion by Randall Clark, seconded by Ayesha Nariman, it was

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY APPROVE THE ATTACHED FIXED ASSETS POLICY.

UNFINISHED BUSINESS

There was no Unfinished Business at this meeting.

NEW BUSINESS

I. AUTHORIZATION RESOLUTION-Lease Transaction

APPLICANT

Professional Emergency Services, PLLC
305 Cayuga Rd
Cheektowaga, NY 14225
Mark R. Pundt, MD, CEO

PROJECT LOCATION

27 Bryant Woods North

REQUEST

The applicant is requesting authorization for a \$3,419,158 Lease Transaction for the construction and equipping of a 12,000 square foot single tenant administrative headquarters facility for Professional Emergency Services, PLLC. The project is located at 27 Bryant Woods North, within the Williamsville Central School District. The NAICS for this project is 5611 (administrative services) and is eligible under the Countywide Eligibility Policy.

The applicant states that “Professional Emergency Services, PLLC (PES) is a progressive and growing medical management company that is currently owned and operated by 13 physicians. The company’s core business has both on-site clinical and off-site administration focuses. The back-bone of PES is professional staffing, management and bill for two of the largest emergency departments in the region’s largest healthcare system. ” The project will enable them to process and support not only these contracts, but would also provide the capacity to solicit and meet future third-party billing, coding and medical management opportunities.

PES would be relocating from 5,000 square feet on Cayuga Road in Cheektowaga. Pursuant to the Countywide Eligibility Policy, the Agency has notified the Supervisor of the Town of Cheektowaga about the proposed project.

The applicant states that Agency participation is necessary to retain this company and position Amherst as the location for its future growth. The applicant notes that “the company’s long term opportunity and growth is anticipated to occur outside of Western New York and New York State, lessening the significance of proximity to the area. As such, proximity to Amherst specifically, and New York State in general will diminish as the company grows. Assistance from your agency will be critical in having Amherst as the home of the company’s back-office operation and allowing the company to be better positioned for growth.”

EMPLOYMENT

The project will retain 26 full time and 4 part time jobs in addition to creating an anticipated 11 full time and 2 part time employment opportunities upon completion. Payroll is estimated to be \$858,868 and grow to \$1,603,868 annually upon project completion.

PILOT SCHEDULE

Based on the information contained within the application and applying it to the PILOT criterion, the project would be eligible for the Agency’s Tier 2, 10-year PILOT policy. During the abatement period, the project will pay an estimated \$241,787 in property taxes; \$86,564 to the Town of Amherst, \$35,390 to Erie County and \$119,833 to the Williamsville Central School District.

The vacant land is owned by NYS UDC and is currently tax exempt. It generates \$64.12 in annual special district taxes. Over the abatement period this amount would be \$641. Should this project proceed, the net revenue gain would be \$241,146.

Project Tax Savings

As a result of the Agency’s participation in this transaction, the project applicant would realize an estimated \$119,601 in sales tax savings, \$379,443 in property tax savings and \$34,192 in mortgage recording tax savings.

After a brief discussion and upon a motion by Aaron Stanley, seconded by Randall Clark and unanimously carried, it was

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZE PROFESSIONAL EMERGENCY SERVICES, PLLC (THE “LESSEE”) TO ACQUIRE AN APPROXIMATELY 1.43 ACRE PARCEL OF LAND LOCATED AT 27 BRYANT WOODS SOUTH IN THE TOWN OF AMHERST, NEW YORK, TO CONSTRUCT AN APPROXIMATELY 12,000 SQUARE FOOT SINGLE

STORY OFFICE BUILDING THEREON AND TO ACQUIRE AND INSTALL MACHINERY AND EQUIPMENT REQUIRED IN CONNECTION THEREWITH ALL TO HOUSE THE LESSEE'S BACK-OFFICE OPERATIONS INCLUDING ADMINISTRATIVE AND RELATED PERSONNEL, FOR LEASE BY LESSEE TO THE AGENCY FOR SUBLEASE FROM THE AGENCY TO THE LESSEE AND TO TAKE OTHER PRELIMINARY ACTION.

II. AUTHORIZATION RESOLUTION – Second Mortgage Transaction

Wehrle Ridge Center - Company is requesting Agency consent to a second mortgage financing transaction for their project located at 2250 Wehrle Drive. Project was closed in February 2002. Project involved the construction of a 10,000 square foot multi-tenant facility. The project was in the amount of \$950,000. The amount of the second mortgage being requested is \$500,000 and proceeds will be used as a general use, line of credit.

M & T Bank will provide the financing for this project.

The PILOT will not be affected by this transaction. The project begins to pay full taxes in 2013.

Recommendation: Approval of the second mortgage transaction. Pursuant to a request from the project applicant, Agency staff recommends a reduced fee to one-half of 1% of the second mortgage amount because the Agency is providing minimal benefit to this project.

Upon a motion by Randall Clark, seconded by Edward Stachura and unanimously carried, it was

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZE THE EXECUTION AND DELIVERY OF A MORTGAGE IN THE AMOUNT OF \$500,000 (2002 MAPLE RIDGE CENTER PROJECT), AND FURTHER AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF DOCUMENTS IN CONNECTION THEREWITH AND FURTHER AUTHORIZE APPROVAL FOR THE FEE RECOMMENDATION MADE BY STAFF.

8:45 am – Meeting adjourned.