

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Minutes of the 476th Meeting
February 26, 2016 – 8:30 am
Agency Offices, 4287 Main Street

The meeting of the above captioned Agency was called to order by Chairman Carlton Brock.

PRESENT: Carlton Brock
Michele Marconi
Aaron Stanley
E. Marshal Wood
Steven Sanders
Edward Stachura
Michael Szukala
James Allen, Executive Director
Nathan Neill, Esq.

GUESTS: AIDA Staff
Samuel Shapiro, Esq.

Chairman Brock called the meeting to order and reminded everyone that the meeting was being audio recorded.

MINUTES

The minutes of the January 2016 meeting were approved as presented.

BILLS & COMMUNICATIONS

(For Informational Purposes) – The Agency received a letter from Eric Gillert, Town of Amherst Planning Director. The letter outlines the scope and the mission of the Planning and Code Revision Technical Committee of which James Allen is a member.

(For Informational Purposes) – The Agency received a letter from Susan O’Sullivan of Ingram Micro. The letter discusses the recent acquisition of Ingram Micro Inc. by Tianjin Tianhai Investment Company Ltd. The letter states that they “expect very little, if anything to changes once we’re part of HNA Group”. The transaction is expected to be completed in the second half of 2016.

(For Informational Purposes) – The Agency received a letter from Thomas A. Kucharski, President and CEO of the Buffalo Niagara Enterprise (BNE). The letter thanked the Agency for its 2014/15 investment. The letter also thanked the Agency for its support.

TREASURER’S REPORT

The Treasurer’s Report for January 2016 was approved as presented.

PUBLIC COMMENT

There was no public comment at this meeting.

EXECUTIVE DIRECTOR'S RERPORT

I. Executive Director Allen to give his monthly report:

1. **Update of Data for Town Comprehensive Plan-** It turned out that the entire RFP process had to be repeated, not just the advertising. It has been done and the same firms are resubmitting their proposals. The proposal should be back by mid-March with work commencing mid- April.
2. **ECIDA Policy Committee-** The ECIDA Policy met on February 4, 2016 and a presentation was made by Michael Ball of the Empire State Development Corporation regarding the Strategic Plan of the Regional Economic Development Council. AIDA Board Members, Mike Szukala and Ed Stachura attended the presentation. Mr. Ball's presentation focused on the **8 clusters**:
 - **Health and Life Sciences**
 - **Advanced Manufacturing**
 - **Energy**
 - **Higher education**
 - **Professional Services**
 - **Agriculture**
 - **Bi-National Logistics**
 - **Tourism**

Additionally, the Consolidated Funding Application Process was discussed as well as the state's emphasis on workforce skills training. The next meeting of the ECIDA Policy committee is scheduled for **March 10, 8:30 a.m., 95 Perry Street, Buffalo, NY** and a presentation regarding the **Framework for Regional Growth and/or One Region Forward** is scheduled for that date. If anyone wishes to attend, you are welcome to do so.

3. **Reminder: the NYSEDC Webinar.** We are presenting the EDC Best Practices webinar in regard to the changes required by the new legislation signed into law by the Governor on December 15, 2015 on **Wednesday, March 2, 2:00 p.m. in the AIDA conference room**. Please let us know if you are planning on attending. We will also have representatives from **Clarence IDA, Hamburg IDA** and the **Lancaster IDA** in attendance. As we've discussed, all IDAs must be in compliance with the changes required by the law by June 15, 2016. Our **Governance Committee** has received the information re the changes and has begun reviewing it.
4. **Reminder, Presentation of CGR Report:** We are still scheduled to present the Center for Government Research Report on the economic impact of the Amherst IDA to the **Town Board on Monday, March 14 at 3:00 p.m.**
5. **PILOT Billing/Payment cycle:** The Agency has completed the 2016 billing cycle for its PILOTs for Town, County and Special Districts. We billed for 114 parcels, totaling \$2,860,369.55. The amounts were broken down as follows:
 - **Town PILOTs: \$ 966,493.91**
 - **County PILOTs: \$1,099,744.49**
 - **Special Districts: \$ 794,131.15**

All payments have been made in full and distributed to the appropriate taxing jurisdictions.

6. **Appointment to Planning and Code Revision Technical Review Committee:** As discussed earlier, I have been appointed to TOA Code Revision Technical Review Committee. The first meeting of the Committee will be held March 8, at 7 p.m. at the Village Hall at 5565 Main Street. The principal purpose of the committee is to:
- **Review and comment on proposed technical products, e.g., plan amendments and code revisions**
 - **Help to inform and encourage public stakeholder participation in the project**
 - **Recommend products and actions to the Project Working committee, the Planning Board and the Town Board.**

The project is scheduled to be completed within 18-20 months.

7. **Inquiries: Ineligible and/or Not Actionable-** Since the January meeting, we have discussed our policy and the development process with **2 retailers** within the Town's "enhancement areas" and have explained their eligibility for tax abatement from town and County tax **via Section 485-b of NYS Real Property Tax** law. Neither would be eligible for AIDA assistance.

We have also talked to **2 restauranteurs** regarding the same situations. They are eligible for **485-b** but not AIDA assistance.

A **town house developer** also inquired whether IDA assistance would be available for his project which consists of **4 town houses for rent/sale** in an enhancement zone. The answer is that the **project would not be eligible** as a free-standing project; perhaps as a part of a mixed use property but, not if for sale.

We are also working with an existing industrial client that needs to expand but cannot find properly-zoned land in Amherst on which to build. Current site is **restricted due to a wetland designation** prohibiting expansion. We will keep you informed.

Lastly, we are **assisting two local firms in accessing State funds** in regard to workforce training.

There was a brief, general discussion on wetland issues.

Chairman Brock thanked Mr. Allen for his report and stated that it is his ongoing mission to see that there is consistency and transparency on Agency matters.

II. Executive Director Allen gave a presentation on the UTEP (Countywide Eligibility Policy) History (agenda and presentation materials attached)

Upon completion of the presentation there was discussion on the Enhancement Areas and Redevelopment Areas.

Mrs. Marconi thanked Mr. Allen for his presentation and noted that that the 2005 Statement of Clarification proved very helpful. She also noted that the definition of redevelopment area was good but wondered how the definition got transformed to now include enhancement areas.

Mr. Allen discussed the Industrial & Commercial Incentive Board (ICIB) findings that while the Town had very few, if any, defined redevelopment areas, it did have older areas within it where assessments were plummeting due to vacancy and lack of reinvestment. The ICIB recommended certain areas within the Town be designated enhancement areas that should be eligible for 485-b property tax exemptions and possible IDA incentives, which were originally allowed under IDA statute. Mr. Allen noted that it was the intent of the ICIB and at the time, the IDA, to view redevelopment of older Amherst as preventative.

Aaron Stanley asked Mr. Allen if there was any discussion regarding reaffirming the UTEP Memorandum of Understanding.

Mr. Allen said that he would love for this to happen but was concerned that this was not a priority of the ECDIA Policy Committee, but the IDA Leadership Council would discuss at their next meeting.

Mrs. Marconi then suggested that the issue of exceptions in the UTEP be discussed at greater length.

Chairman Brock stated that he believed the UTEP was intentionally written that way for a reason. He noted the exceptions allow the IDA some flexibility and doesn't limit possible projects.

GOVERNANCE COMMITTEE

The Governance Committee met on Tuesday, February 9th. The topics discussed included:

1. IDA Reform Legislation Compliance – June 15th Deadline
 - a. Application Changes
 - b. Project Evaluation
 - c. Recapture Policy
 - d. Project Assessment & Reporting
2. Legal Counsel RFP
3. AIDA Rules of Order - March
4. AIDA By-Laws Review - May
5. AIDA Policies Review
6. AIDA/ADC Mission Statement & Evaluation

Mr. Allen noted that item #1 would be addressed beginning with the March 2nd webinar. Mr. Szukala noted that he continues to work with David Mingoia, among others, to complete the final draft of the RFP for legal counsel. Mr. Allen said that the Governance Committee continues to work on the remaining agenda items.

It was decided that the next Governance Committee meeting would be held Friday, March 4th.

9:46 am – meeting adjourned.

Countywide Eligibility Policy: Uniform Tax Exemption Policy

February 26, 2016

Amherst Industrial Development Agency

History and Background

- Prior to 2001, each IDA defined eligibility for itself
- Perception: IDAs competed with one another
- Applicants would often “shop for best deals”
- Confusion among potential applicants as to how to apply
- FUD Factor prevailed (Fear, Uncertainty, and Doubt)
- Six IDAs in Erie County under constant criticism

2001 Countywide Eligibility Policy Developed

- Eligible Firms defined
 - Based upon North American Industry Classification System (NAICS)
- Specific type Projects Deemed Eligible
 - Venture/ Multi-tenant Facilities
 - Long-Term Care Facilities
 - Civic Facilities
 - Hotels/ Motels
 - Neighborhood Revitalization Projects

2001 Countywide Policy (cont.)

- Defined Payment in Lieu of Tax (PILOT) Policy
 - Fifteen Year PILOT for firm-specific eligible firms
 - Ten Year PILOT for Venture facilities, Long-Term Care and Civic Facilities, and Life Care Communities (ECIDA only)
- PILOTs for Other Classifications
 - Acquisition of Existing Facilities
 - Hotels/ Motels
 - Neighborhood Revitalization/ Redevelopment projects
- Special/ Custom PILOTs

2005 MOU, Statement of Clarification, Amendments

- Memorandum of Understanding, Reaffirmed by Six IDAs
- Refined NAICS and Divided into Eligible, Ineligible, Neither Eligible/Ineligible
- Redefined Hotel/ Motel Policy
- Medical Projects (exceptions to “retail” restrictions)
- Redefined Professional Services
- Redefined Retail Projects and Introduced “Neighborhood Redevelopment Areas”
- Also Addressed Inter-municipal Movement (Uniform Procedures)
- IDA Leadership Council was Created

IDA Leadership Council

- To encourage further collaborative efforts among the IDAs, to facilitate the uniform implementation of the Countywide Policy (as hereby clarified), and to provide a forum to address other common concerns with regard to economic development in Erie County, a Leadership Council of the IDAs will be established. Each IDA will designate one or more representatives to participate in the meetings of such Leadership Council, which are contemplated to occur on a quarterly basis. *The Leadership Council will, through the consensus of its members, consider and resolve any concerns raised by an IDA with regard to the interpretation of the Uniform Policy, and will coordinate other joint activities of the IDAs to promote a countywide program of economic development.*

2010 Uniform Tax Exemption Policy

- Amended to Comply with Provisions of Public Authorities Accountability Act of 2006
- Further Refined Definitions of Eligibility/Ineligibility
- Added Adaptive Reuse Project Policy
- Created “Three Tiered PILOT” Criteria to Determine PILOT
- Three-Tiered PILOT
 - Tier 1: 7-year
 - Tier 2: 10-year
 - Tier 3: “Enhanced Jobs Plus” 10-year

Other Issues Addressed in 2010

- PILOT Mortgage (to secure PILOT payments vs. other claims)
- Considerations for IDA Policy (cost/benefits criteria)
- Deviations from UTEP
- Recapture of IDA incentives (considerations)
- Amended Inter-Municipal Movement (ECIDA responsible for firms moving from the City)
- Reaffirmed Role of the IDA Leadership Council

Since 2010 Amendments

- Hotel/ Motel Policy, amended September 21, 2012
- Local Labor Workforce Certification
 - Local Labor Defined
 - At least 90% of all Project Employees
 - Reporting Requirements/ Waiver Procedure
- AIDA Senior Housing Policy