

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY

Minutes of the 414th Meeting

December 19, 2008 – 8:30 am

Agency Offices, 4287 Main Street

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

PRESENT: Fredrick A. Vilonen
John P. DeLuca
Robert Ciesielski
Stuart Shapiro
James J. Allen, Executive Director
Nathan S. Neill, Esq.

EXCUSED: Robert L. Miller
Randall Clark
Ayesha Nariman

GUESTS: AIDA Staff
David Robinson, Buffalo News
Jim Fink, Business First
Ed Stachura
Kurt Roberts, Cavalry Portfolio Svcs
Terry Meder, Cavalry Portfolio Svcs
Peter Karamountzos, Coffee Culture
David Tytka, Uniland Development Company

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

MINUTES

The minutes of the October 2008 meeting were approved as presented.

TREASURER'S REPORT

The Treasurer's Reports for October and November 2008 were approved as presented.

BILLS & COMMUNICATIONS

There were no Bills and Communications presented at this meeting.

PUBLIC COMMENT

There was no Public Comment at this meeting.

EXECUTIVE DIRECTOR REPORT

Executive Director Allen reported that Agency staff continues to work with representatives of the other IDAs in Erie County in regard to a revised incentive program. Deputy Director David Mingoia provided the board with a draft outline of the tiered incentive program being discussed (copy attached to these minutes). Mr. Mingoia briefly described the program and discussed with the board their questions, comments and concerns. Mr. Mingoia told the board that the next meeting of the IDA Leadership Council was scheduled for mid January, where it is expected that a final draft of the proposed program would be ratified and taken to each IDA board for review and approval beginning in February as part of the revised Uniform Tax Exemption Policy for IDAs in Erie County

Executive Director Allen distributed to the board a draft of the Proposed Recapture Provision which is expected to be part of the IDA Leadership Council's recommendations for the revised Uniform Tax Exemption Policy for IDAs in Erie County. The board briefly discussed the draft.

Board member Dr. Stuart Shapiro questioned Mr. Allen regarding a request he had made via an e-mail in October regarding the possibility an Agency resolution which would provide for the amendment of the IDA application to include justification of job estimates and cost estimates associated with the project.

Mr. Allen noted that there was no AIDA board meeting in November, but that he took Dr. Shapiro's request to the IDA Leadership Council. Mr. Allen indicated that the Leadership Council agreed that the IDA application would need to be amended to reflect any changes pertaining to the revised Uniform Tax Exemption Policy and that more detailed information regarding job estimates and project cost estimates would be included in any amendment to the application.

Dr. Shapiro made a motion for a formal resolution which would have the Agency amend its application to require more detailed information pertaining to job estimates and cost estimates.

The motion failed to pass for lack of a second.

The board had a lengthy discussion regarding Dr. Shapiro's request. The discussion was based on Executive Director Allen's statement that he had taken Dr. Shapiro's request to the IDA Leadership Council, where it had been agreed upon. Dr. Shapiro expressed his concern that there lacked a formal resolution from the Amherst IDA requiring such an amendment.

Upon an amended motion by Stuart Shapiro, seconded by Robert Ciesielski, a vote of no by John DeLuca, seconded by Fredrick Vilonen, that

The Amherst IDA adopt a resolution to amend the application for assistance to reflect more detailed information regarding job estimate and project cost estimates.

Motion failed to pass.

Deputy Director Mingoia noted that he will again take Dr. Shapiro's request to the IDA Leadership Council for inclusion in the revised Uniform Tax Exemption Policy for IDAs in Erie County.

Deputy Director Mingoia distributed the 2008 Annual Report and Business Survey to the board. Mr. Mingoia discussed the results (copy attached to these minutes).

NEW BUSINESS

AUTHORIZATION RESOLUTIONS

Project Applicant

Calvary Portfolio Services, LLC/Meder, Roberts & Associates, LLC
6400 Main Street
Amherst, NY 14221
Edward Viviano, Controller

Request

Company is requesting Agency consent for a \$600,000 Installment Sale Transaction for the equipping of their recently leased space located at 6400 Main Street. The NAICS for this company is 5614 (Business Support Services), thus qualifying it under the county-wide eligibility policy.

Calvary Portfolio Services, LLC is collection agency headquartered in Phoenix, AZ. The application states that Calvary has a long successful history of outsourcing business in the Buffalo/Niagara region and recently leased 5,000 square feet at 6400 Main Street. They state that this site will expand and cement their presence in the community for many years to come. The company states that the skill set of the Buffalo/Niagara region's population will ensure their success in WNY.

Applicant states that Agency participation is necessary because *"In today's economy our clients: banks, auto companies, retail, credit card companies, etc. require partnerships who's future existence can be validated. IDA incentives are imperative to us as a start up to off-set the offers from competing locations. IDA's incentives will help with initial cash flow for equipment, new hires, training, systems and system security measures, as well as health care and 401K's for our employees and their families and show community backing for our clients."*

Employment

Project will retain 24 jobs in Amherst and create an additional 151 with a total annual estimated payroll of \$5,075,248.

PILOT Schedule

No PILOT is being requested on the project.

Exemptions

Applicant would realize approximately \$52,500 in sales tax exemption.

Recommendation: approval

After a discussion which entailed questions to representatives of the company from the Board, and upon a motion by John DeLuca, seconded by Robert Ciesielski and unanimously carried, it was

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT WITH CAVALRY PORTFOLIO SERVICES, LLC/MEDER,ROBERTS & ASSOC., LLC AND OTHER INSTRUMENTS AND MATTERS IN CONNECTION THEREWITH

Project Applicant

Coffee Culture of New York, Inc.
5590 Main Street
Amherst, NY 14221
Peter Karamountzos, President

Request

Company is requesting Agency consent for a \$245,000 Installment Sale Transaction for the renovation of vacant space located at 5590 Main Street. The property is within a Town Board designated redevelopment area and will undergo renovations to the interior and exterior of the building.

Coffee Culture is a well-recognized brand in Canada. The applicant states that this is the first Coffee Culture location in the United States and will be the flagship store and training center for the Company as it expands its franchise throughout New York State and the remainder of the United States.

Applicant states that Agency participation is necessary “...to assist the viability and profitability of Coffee Culture’s first United States location and to ensure that the development of the project is first class and maintains the historical features of the building and the Village of Williamsville.”

The NAICS for this company is 7221 (Limited Service Eating Places) and is generally not eligible under the Countywide Eligibility Policy. We are not recommending providing assistance to equip the facility, which is estimated at an additional \$50,000, and limit our assistance to the building improvements only.

Employment

Project will create 5 full time and 7 part time positions with an estimated annual payroll of \$200,000.

PILOT Schedule

No PILOT is being requested on the project.

Exemptions

Applicant would realize approximately \$10,718 in sales tax exemption.

Recommendation: approval

After a discussion which entailed questions to representatives of the company from the Board, and upon a motion by Stuart Shapiro, seconded by John DeLuca and unanimously carried, it was

**RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE
AGREEMENT WITH COFFEE CULTURE NEW YORK, INC. AND OTHER INSTRUMENTS AND
MATTERS IN CONNECTION THEREWITH**

9:53 am – Meeting adjourned.