

**TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY**  
**Minutes of the 410<sup>th</sup> Meeting**  
**June 20, 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  
Robert L. Miller  
John P. DeLuca  
Randall Clark  
Ayesha Nariman  
Robert Ciesielski  
Stuart Shapiro  
James J. Allen, Executive Director  
Nathan S. Neill, Esq.

**GUESTS:** AIDA Staff  
Shelly Schratz, Town Board Liaison  
Tim Gelder, 3476 Sheridan/Winning Smiles  
David Tytka, Uniland Development  
Jim Fink, Business First  
David Robinson, Buffalo News

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

**MINUTES**

The minutes of the May 2008 meeting were approved provided that a request by Stuart Shapiro to amend the minutes to reflect the removal of job creation figures from the 207 Commerce Drive lease assignment, be made. Dr. Shapiro noted the transaction was not contingent upon job creation, it was merely an assignment of lease.

**TREASURER'S REPORT**

The Treasurer's Report for May 2008 was approved as presented.

**BILLS & COMMUNICATIONS**

Executive Director Allen informed the board that the Agency received a letter from the Town of Amherst stating that due to code requirements, several sidewalks outside the building needed to be replaced. Mr. Allen noted that there were 18 in total.

**PUBLIC COMMENT**

There was no Public Comment at this meeting.

## **EXECUTIVE DIRECTOR REPORT**

Executive Director Allen informed the board that he met with the Niagara Erie Regional Consortium in May. Smart permitting was again discussed by the group.

Mr. Allen told the board that he and Chairman Vilonen attended a meeting of representatives of the IDAs in Erie County. The meeting had been put together by County Executive Collins. Mr. Allen stated that County Executive Collins is pushing for continued cooperation and collaboration of the IDAs with the county. He does not advocate a single IDA for Erie County.

Mr. Allen reported that another SBA workshop was be planned for early Fall this year. The workshop will focus on access to capital and workforce training. The program will be advertised to small business throughout Western New York.

Mr. Allen informed the board that he and Deputy Director David Mingoia met with the Village of Williamsville Trustees to discuss the Mill project. Mr. Allen indicated that the trustees have requested that the Agency play a significant role in the redevelopment of the property. Mr. Allen said that we would contact Terrance Gilbride of Hodgson Russ to discuss the possibility of the Amherst Development Corporation taking on a lead role in the project.

## **UNFINISHED BUSINESS**

### **AMENDMENT TO AUTHORIZATION RESOLUTION**

**45 Bryant Woods, LLC** – Company is requesting Agency consent to amend an authorization resolution adopted March 2008 to reflect an increase in project value from \$1,300,000 to \$1,400,000. Project involves the construction of a 7,800 square foot addition to an existing 16,000 square foot, single tenant facility which is headquarters to Chiam pou, Travis, Besaw & Kerschner LLC. The increase is due to rising construction costs. Project is expected to close within the next sixty days.

Recommendation: approval

Upon a motion by John DeLuca, seconded by Robert Miller and unanimously carried, it was

**RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AMEND THE PRIOR RESOLUTION ADOPTED ON MARCH 14, 2008, AUTHORIZING 45 BRYANT WOODS LLC (THE "LESSEE") TO A CONSTRUCT AN APPROXIMATELY 7,800 SQUARE FOOT ADDITION TO THEIR EXISTING APPROXIMATELY 16,000 SQUARE FOOT SINGLE TENANT OFFICE FACILITY ON AN APPROXIMATELY 5.88 PARCEL OF LAND LOCATED AT 45 BRYANT WOODS NORTH IN THE TOWN OF AMHERST, WHICH FACILITY IS CURRENTLY OWNED BY THE AGENCY AND LEASED TO THE LESSEE, FOR SUBLEASE TO CHIAMPOU, TRAVIS, BESAW & KERSCHNER LLP (THE "SUBLESSEE") AND TO ACQUIRE AND INSTALL OR ALLOW THE**

**SUBLESSEE TO ACQUIRE AND INSTALL, AS REQUIRED, MACHINERY AND EQUIPMENT REQUIRED IN CONNECTION THEREWITH, ALL FOR A SINGLE-TENANT OFFICE FACILITY FOR SALE TO THE AGENCY AND SUBSEQUENT LEASE TO THE LESSEE FOR SUBLEASE TO THE SUBLESSEE OR LEASE OF THE FACILITY EQUIPMENT TO THE SUBLESSEE, IF REQUIRED, AND TO TAKE OTHER PRELIMINARY ACTION, TO INCREASE THE PROJECT COST FROM \$1,300,000 TO \$1,400,000 AND TO INCREASE THE AUTHORIZED AMOUNT OF THE MORTGAGE FROM \$1,300,000 TO \$1,400,000.**

## **NEW BUSINESS**

### **AUTHORIZATION RESOLUTION**

#### **APPLICANT**

Tim Gelder and Michael Foley, DDS  
d/b/a Winning Smiles Pediatric Dentistry  
3476 Sheridan Drive  
Amherst, New York 14226

#### **REQUEST**

Applicant is requesting authorization for an Installment Sale Transaction for a \$1,500,000 investment to purchase, renovate and equip an existing, 5,000 square foot vacant facility located at 3476 Sheridan Drive (formerly Howard's Shoes). The property is within a town board designated redevelopment area and will house a state of the art pediatric dental and orthodontic practice. Applicant would be relocating from 2,580 square feet at 1525 Amherst Manor Drive in Amherst.

*Applicant states: "The property maintains .47 acres and a concrete block building of nearly 5,000 square feet that once was the family owned business of Howard's Shoes. The building was constructed in 1971, is located in an Economic Enhancement Area, and requires major construction and esthetic enhancements in order to transform it into a viable location to conduct business. For example, it will require a new roof, repairs to the parking lot, updated façade, signage and a new HVAC system just to get started. These construction costs and the associated expenses connected to the design, capital improvements and the equipment will be substantial to Winning Smiles and the real estate company to be named and formed later."*

Applicant states that Agency participation is necessary in order to offset the costs associated with the project.

#### **EMPLOYMENT**

Project will retain 14 jobs and create 4 new jobs. The present payroll of \$639,718 will increase to an estimated \$747,718 upon completion of the project.

**PILOT SCHEDULE**

Applicant is not requesting a PILOT from the Agency.

**Project Tax Savings**

As a result of the Agency's participation in this transaction, the project applicant will realize an estimated \$58,100 in sales tax savings on the estimated \$664,000 of the investment that is subject to sales tax.

**Recommendation**

Approval – Please see attached Economic Impact Analysis

The board then had a lengthy discussion regarding the benefits of redevelopment.

Upon a motion by John DeLuca, seconded by Randall Clark, a vote of no by Ayesha Nariman, it was

**RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT WITH TIMOTHY GELDER AND MICHAEL FOLEY ON BEHALF OF A LIMITED LIABILITY COMPANY TO BE FORMED AND OTHER INSTRUMENTS AND MATTERS IN CONNECTION THEREWITH**

9:30 am – meeting adjourned.

## Regional Economic Impact Analysis – 3476 Sheridan Drive Redevelopment

Utilizing IMPLAN Pro modeling software, an economic impact analysis was conducted to measure the redevelopment of a vacant property in a Town of Amherst Enhancement Area and new employment as well as measure the existing regional impact the existing operation currently provides. IMPLAN Pro is a widely accepted software application and an industry standard for economic impact modeling measuring employment and salary impacts and facility output\* on the community for a given project.

The impacts generated are measured on an annual basis except for finite activities, such as economic activity occurring as a result of construction investment.

### New Capital Investment:

Construction/Renovation	\$690,000
Furniture, Fixtures & Equipment	\$250,000
Architecture & Engineering Services	\$50,000

### Employment:

New Jobs	4
New Payroll	\$108,000

### New Property Taxes

- Estimated purchase price of \$400,000, is 45% higher than current assessed value of \$274,000
- Taxing jurisdictions will realize an extra \$4,479 in annual property tax payments based on increased value of property.

### New Investment Impact:

- New Capital Investment generates a total of 6 construction and equipment supply jobs and an additional \$615,772 in economic activity for the first year.
- 5.8 construction jobs and .2 jobs associated with the equipment purchase are created for the first year.

### **New Jobs Impact:**

- The 4 new jobs support an additional 2.9 jobs in the region annually.
- \$427,509 of new direct economic output is introduced to the region which generates an additional \$323,434 in annual economic benefit.

### **Winning Smiles Existing Operation**

- 14 current employees support an additional 10.1 in the region annually
- The existing operation has a \$1,496,281 annual direct economic impact that generates an additional \$1,132,021 of economic activity in the region.

\*Output = Value Added + Intermediate Purchases and represents the total impact of the entire operation including such metrics as labor income, proprietor income, property income and taxes.

3476 Sheridan Drive Redevelopment	Applicant Benefit	Community Benefit
PILOT agreement to phase in payment in lieu of taxes, thereby generating additional revenues of \$0 the first year *Utilization of Town services would be minimal *No increased burden to schools	\$ -	\$ -
Property Tax Exemptions	\$ -	\$ -
Sales Tax Exemptions	\$ 58,100	
Amherst location currently employs 14 with annual payroll of \$639,718		\$ 639,718
Approximately 10.1 current spin-off jobs in WNY generating \$1,132,021 in economic output**		\$ 1,132,021
Expansion in Amherst will add 4 new jobs and additional payroll of \$108,000.		\$ 108,000
New permanent jobs will have a positive effect on community business -RE: restaurants, stores, entertainment, transportation, service providers such as accountants, doctors, attorneys (2.9 jobs )		\$ 323,434
Project will generate 6 construction and equipment supply jobs for one year, creating and additional \$615,772 in economic activity		\$ 615,772
Project will generate approximately \$4,479 in new property tax revenues for the Town of Amherst		\$ 4,479
<b>TOTAL</b>	<b>\$ 58,100</b>	<b>\$ 2,823,424</b>

\*\*Output = Value Added + Intermediate Purchases and represents the total impact of the entire operation including such metrics as labor income, proprietor income, property income and taxes.