

**TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY**  
**Minutes of the 429<sup>th</sup> Meeting**  
**September 17, 2010 – 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  
Randall Clark  
John DeLuca  
Ayesha F. Nariman  
Robert Ciesielski  
Stuart Shapiro  
Aaron Stanley  
James Allen, Executive Director  
Nathan Neill, Esq.  
Steven Sanders, Town Board Liaison

GUESTS: AIDA Staff  
Supervisor Barry Weinstein  
Terrance Gilbride, Hodgson Russ  
Jim Dentigner, McGuire Development  
Jeff Lehrback, McGuire Development  
Chris Jerzewski, McGuire Development  
Bob Mayer, Weinberg Campus  
Sam Shapiro, Esq., Damon & Morey  
Dr. Kathy Lillis, PAUCWNY  
Mike, Lillis, PAUCWNY  
David Robinson, Buffalo News  
Jim Fink, Business First  
Dave Tytko, Uniland Development

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

**MINUTES**

The minutes of the August 2010 meeting were approved as presented.

**BILLS & COMMUNICATIONS**

Executive Director Allen showed the board a letter received from Assemblyman Jack Quinn. In the letter, Mr. Quinn mentioned his support for amending certain sections of IDA law which would better enable redevelopment.

Executive Director Allen noted that the board had before them a draft of the 2011 Budget Recommendations. Mr. Allen reminded the board that it was required that the draft be submitted to

the Amherst Town Board and the Amherst Town Clerk for review and comment thirty days prior to adoption.

Mr. Allen told the board that the Finance Committee will review and make recommendations at the October meeting.

#### **TREASURER'S REPORT**

The Treasurer's Report for August 2010 was approved as presented

#### **PUBLIC COMMENT**

Supervisor Weinstein noted that he was pleased to see the subsidy for the proposed redevelopment project at 1800 Maple Road was reduced, which would lessen taxpayer impact. He said that with the reduced subsidy, he lessens his objections to the project.

#### **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Allen said the recently formed Economic Development Coalition continues to work on amending Section 862 of IDA law. This would enable IDA's to assist in redevelopment projects. Mr. Allen noted, that they are receiving good support from the current delegation.

Mr. Allen informed the board that the first ICIB meeting was held the previous week. He mentioned that the group will be meeting very regularly and that the next meeting was scheduled for next week.

#### **COMMITTEE REPORTS**

There were no Committee Reports at this meeting

#### **UNFINISHED BUSINESS**

#### **AUTHORIZATION RESOLUTION**

#### **APPLICANT**

MCDMAPLEAYER10, LLC  
McGuire Development Company,  
560 Delaware Ave  
Buffalo, NY 14202

#### **PROJECT LOCATION**

1800 Maple Road

#### **REQUEST**

The applicant is requesting authorization for a \$2,680,000 Lease Transaction for the redevelopment, renovation and equipping of an existing 20,000 square feet facility located at 1800 Maple Road. This project is an Adaptive Re-Use of an existing deteriorated 1.5 acre site into a Medical Center of Excellence facility. The project is eligible under the County-Wide Eligibility Policy as an Adaptive Re-Use and Medical Project.

The application states: "the site currently consists of a small church with parking reflecting deferred maintenance. The site consists of a tax parcel that upon acquisition had religious exemptions for real

estate taxes. The existing neighborhood is a mixture of well maintained single family residences and commercial buildings. The site had been in disrepair for numerous years and is separated from the single family subdivision to the north by an old stockade fence.

“The anchor tenant will be Pediatric and Adolescent Urgent Care of Western New York (PAUCWNY). PAUCWNY will be the first urgent care center (UCC) in western New York specializing in the care of children from birth to age 21. Several letters of support and public comments regarding this project at the August 27<sup>th</sup> AIDA Board of Directors meeting spoke to the uniqueness of this service in the area due to its focus on acute pediatric care in the evenings and on weekends.

The applicant states that Agency participation is necessary because the project is an adaptive reuse of an older church and parking lot. The new use of the property will compliment the neighborhood while promoting a new business with new jobs that provide a new medical service for the Town of Amherst. The IDA participation will help offset the extraordinary site development costs and assist in the establishment of a new Women Business Enterprise.

The applicant further states that AIDA assistance is necessary to offset increased costs associated with redeveloping an existing building, which are higher than building new on a Greenfield site. Redevelopment costs associated with asbestos removal, demolition of deteriorated areas, drainage systems and replacement of custom components along with contingency of unknowns once construction begins. Without assistance, the project would not be sustainable in the marketplace due to rent differential 19% higher than a similar Greenfield development.

### **EMPLOYMENT**

The project will create 22 employment opportunities upon completion, 15 full-time and 7 part-time. Payroll is estimated to be \$1,595,000. Positions include medical doctors, physician assistants, nurses, nurse practitioners, technicians and clerical.

PAUCWNY will employ 8-12 of the estimated 22 jobs created by the project, with the balance estimated based on conservative industry averages. Typically medical offices employ 3-3.5 employees per 1,000 SF but the applicant’s estimates reflect lower than industry average employees due to the limited use of the basement of the building.

### **PILOT SCHEDULE**

Pursuant to discussions Agency staff had with the project applicant and the Amherst Town Supervisor after the August 2010 Board of Directors meeting, the PILOT estimates were recalculated using the base value of the property estimated at \$1,000,000. The property tax abatement will only be provided on the improvements to the property, which are estimated to increase the taxable value of the property by \$700,000. For the August 2010 Board of Directors meeting, no base assessed value for the property was used in the calculation, resulting in a larger PILOT benefit of \$263,439.

Based on the information contained within the application and applying it to the PILOT criterion, the project would be eligible for the Agency’s 7-year PILOT policy. During the abatement period, the project will pay an estimated \$258,003 in property taxes; \$77,441 to the Town of Amherst, \$42,343 to Erie County and \$138,219 to the Williamsville Central School District.

The property had received a religious exemption and paid special district taxes only which generated approximately \$2,894 in annual taxes. Over the seven year abatement period this amount would be \$20,258. Beginning with 2010/11 school taxes the property now pays full taxes.

### **Project Tax Savings**

As a result of the Agency's participation in this transaction, the project applicant would realize an estimated \$61,403 in sales tax savings, \$102,448 in property tax savings and \$26,800 in mortgage recording tax savings.

Board member Stuart Shapiro said he appreciated the letter the applicant sent to the Agency. The letter provided an explanation on employment that would be associated with PAUCWNY, along with an explanation about the additional costs of redeveloping the site from a church to a medical facility. Dr. Shapiro noted that the letter serves as a model of supplying details which explain the need for Agency incentives.

Dr. Shapiro removed his earlier objections to the project.

Board member Robert Ciesielski said he does not believe that IDA legislation permits medical facilities and that this project was stretching the uniqueness provision.

Board member Aaron Stanley noted that he does not feel the project qualifies under the Adaptive Re-Use policy.

After a brief discussion and upon a motion by John DeLuca, seconded by Randall Clark and a vote of aye by Fredrick Vilonen, Stuart Shapiro, Ayesha Nariman and a vote of no by Aaron Stanley and Robert Ciesielski, it was

**RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZE MCDMAPLEAYER10, LLC (THE "LESSEE") TO ACQUIRE AN APPROXIMATELY 1.5 ACRE PARCEL OF LAND WITH AN EXISTING APPROXIMATELY 20,000 SQUARE FOOT BUILDING LOCATED AT 1800 MAPLE ROAD IN THE TOWN OF AMHERST AND TO RENOVATE THE EXISTING BUILDING, ALL FOR A MULTI-TENANT MEDICAL OFFICE FACILITY FOR SALE TO THE AGENCY AND SUBSEQUENT LEASE TO THE LESSEE FOR SUBLEASE TO PEDIATRIC AND ADOLESCENT URGENT CARE OF WESTERN NEW YORK (PAUCWNY) AND OTHER TENANTS, AND TO TAKE OTHER PRELIMINARY ACTION.**

9:12 am – meeting adjourned.