

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Minutes of the 464th Meeting
December 5, 2014 – 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 Edward F. Stachura Aaron Stanley Stuart Shapiro Carlton N. Brock, Jr. E. Marshall Wood, Jr. James Allen, Executive Director Nathan Neill, Esq.
ABSENT:	Barry A. Weinstein, MD
GUESTS:	AIDA Staff Jim Fink, Business First David Robinson, Buffalo News Steven Sanders, TOA Councilmember Thomas Kreuz, The Advantage Co. David Tytko, Uniland Development Co.

Chairman Vilonen reminded everyone that the meeting was being recorded.

MINUTES

The minutes of the October 2014 meeting were approved as presented.

BILLS & COMMUNICATIONS

There were no Bills & Communications at this meeting.

TREASURER'S REPORT

The Treasurer's Report for October 2014 was approved as presented.

PUBLIC COMMENT

There was no public comment at this meeting.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Allen reported that he participated in a forum sponsored by EC Legislator Edward Rath III on October 28th. The forum discussed the importance of Public/Private Partnerships.

Mr. Allen also informed the board that the Agency received a letter from Supervisor Weinstein informing the Agency of a Town Board resolution asking the Agency to provide detailed information

regarding its activities. Mr. Allen noted that the information was delivered to the Town Board on November 26th.

Mr. Allen told the board that he was working with CGR (Center for Government Research) to determine the feasibility of doing a study that would trace every project ever assisted by the Agency and the impact of taxes generated and jobs created.

Mr. Allen informed the board that the Agency was hosting the IDA Leadership Council meeting on December 9th. Topics for discussion include Senior Housing projects in Erie County and review of current PILOT policy.

Executive Director Allen was pleased to inform the board that Deputy Director Dave Mingoia was asked to join the Best Practices Committee for the NYS EDC.

Finally, Mr. Allen informed the board that the Amherst Town Board voted 4-1 to deny the request for the Amherst Development Corporation to provide tax-exempt bond financing for the Millennia project. Mr. Allen noted that he was confident that the developer would find another financing entity.

COMMITTEE REPORTS

There were no Committee Reports at this meeting.

UNFINISHED BUSINESS

There was no Unfinished Business at this meeting.

NEW BUSINESS

Project Applicant

1955 Wehrle, LLC
1955 Wehrle Drive
Amherst, New York 14221
Thomas Kreuz, CEO, The Advantage Co.

Project Eligibility

- The purposes of an industrial development agency shall be to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research and recreation facilities per Section 858 of General Municipal Law.
- The company is eligible under the Countywide Eligibility Policy – NAICS 4236 – Wholesale Trade.
- The project complies with the Town of Amherst Comprehensive Plan as it maintains and grows the tax base through a high quality development that includes job creation.

Project Summary

The applicant is requesting authorization for a \$1,125,000 lease transaction for the construction of a 20,000 square foot addition to their headquarters, electronics repair and distribution facility located at 1955 Wehrle Drive, within the Williamsville Central School District. The project will expand the capacity of the company's Lifetime Service center.

Current growth in the company's national business necessitates the need to expand their facilities. The company has been in business since 1987 and competes nationally for repair contracts with retailers and electronics companies.

The applicant states that AIDA participation is necessary to keep the facility financially competitive with national competitors. This expansion project will allow for the company's continued growth and job creation in Amherst instead of locating facilities outside of New York State. Over 50% of the company's sales are from outside of New York State.

In 2006, the Agency authorized the construction of 20,000 square foot expansion to the 1955 Wehrle Drive facility. That project was completed in 2007 and is under a PILOT through 2024. Employment prior to this expansion project was 55. The applicant estimated that 7 new full-time positions would be created within two years of project completion and has exceeded those projections. In 2008 the Agency authorized an additional 20,000 square foot expansion, but due to a downturn in the economy, the applicant did not proceed with the project. The facility currently employs 130.

Employment

The project will retain 130 jobs in Amherst and create an additional 35 full-time and 10 part-time positions within two years of project completion. The estimated annual salary of the jobs to be created is \$45,000.

PILOT Schedule

The project is eligible for the Agency's 7 year PILOT policy. During the abatement period, project will pay an estimated \$81,237 in property taxes; \$33,888 to the Town of Amherst, \$10,187 to Erie County and \$37,162 to the Williamsville Central School District.

Project Tax Savings

As a result of the Agency's participation in this transaction, the project applicant will realize an estimated \$66,500 in sales tax savings, \$141,027 in property tax savings and \$11,250 in mortgage recording tax savings.

Recommendation

Approval

Upon a motion by Aaron Stanley, seconded by Marshall Wood and unanimously carried, it was

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZE 1955 WEHRLE LLC (THE "LESSEE") TO CONSTRUCT AN APPROXIMATELY 20,000 SQUARE FOOT OFFICE/WAREHOUSE ADDITION TO AN EXISTING APPROXIMATELY 60,639 SQUARE FOOT BUILDING LOCATED AT 1955 WEHRLE DRIVE, AMHERST, NEW YORK AND TO ACQUIRE AND INSTALL MACHINERY AND EQUIPMENT REQUIRED IN CONNECTION THEREWITH, ALL FOR A SINGLE-TENANT OFFICE AND DISTRIBUTION FACILITY FOR SALE TO THE AGENCY AND SUBSEQUENT LEASE TO THE LESSEE FOR SUBLEASE TO LIFETIME SERVICE, INC. (THE "SUBLESSEE") AND TO TAKE OTHER PRELIMINARY ACTION.

8:55 am – meeting adjourned.