

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Minutes of the 480th Meeting
May 13, 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 N. Brock
Michele F. Marconi
Aaron Stanley
E. Marshal Wood, Jr.
Steven Sanders
Edward F. Stachura
Michael R. Szukala
David S. Mingoia, Interim Executive Director
Kevin J. Zanner, Hurwitz & Fine PC
Diane K. Church, Hurwitz & Fine PC

GUESTS: AIDA Staff
Jonathan Epstein, Buffalo News
Paul Hand Kitchen World
Dave Tytka, Uniland Development Co.

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

MINUTES

The minutes of the April meeting were approved as presented.

The minutes of the Special Meeting held on May 13th were approved as presented.

BILLS & COMMUNICATIONS

The Agency received a letter from the Town of Amherst Supervisor requesting the 6th and final transfer of the CDBG funds. The payment was delivered to the Town of Amherst on Wednesday, May 10th in the amount of \$42,289.12 (including interest). In 2011 the Agency entered in to an agreement with the Town of Amherst that the funds would be transferred back to the town over a period of time.

TREASURER'S REPORT

The Treasurer's Report of April 2016 was approved as presented.

PUBLIC COMMENT

There was no public comment at this meeting.

EXECUTIVE DIRECTOR'S RERPORT

Interim Executive Director Mingoia gave the following report:

1. **Update of Amherst Economic Study/Comp Plan Update** - Working in conjunction with the Town Planning Department, we have received five (5) proposals to update all of the economic

data that formed the basis of the Comprehensive Plan and evaluate reconnaissance and trends of the office parks. The designated consultant is expected to be selected by June 1 to meet the filing deadline for a Town Board resolution authorizing negotiation of a contract to begin work. The study is expected to take two (2) months.

2. **NYSEDC Best Practices/Annual Meeting** - I will be at the NYSEDC annual meeting next week, where final presentations and expected approval by the organization of the Best Practices documents we have been using to comply with the new OSC Reform Legislation. We are in the process of finalization our documentation, some of which will be on June's Board of Directors Meeting for approval. The OSC Reform Legislation requires changes to existing documentation or adoption of new policies in the following areas.
 - a. Benefits recapture
 - b. Applications
 - c. Financial agreements
 - d. Verifying jobs/ Project status monitoring and reporting
 - e. Project evaluation criteria

3. **RFP for Analysis and Study of Adaptive Reuse Program and Policy** – A draft RFP is almost complete that seeks a consultant to provide an analysis of the results and impacts of ECIDA's Adaptive Reuse Program and Policy, benchmark current conditions in the County which will impact the goals and objectives of the Adaptive Reuse Program and further redevelopment efforts in Town and Village Centers, and to make recommendations regarding future direction of the program and policy. The AIDA is part of the steering committee, which includes members of Erie County Planning, City Planning, and the BNP.

4. **Amherst Comprehensive Plan and Zoning Project** – A meeting of the Technical Advisory Committee took place on May 18th where the consultant presented initial findings on commercial center zoning and the possible need to redefine the areas as described in the Town's Comprehensive Plan – Conceptual Land Use Plan. The initial thoughts are that several of the definitions do not fit their built environment in terms of intensity of development and height. The Project Working Group is scheduled for next week where these concepts will be presented to the public.

5. **Projects:** There were three (3) new inquiries from projects not eligible for Agency assistance this month: one large mixed use, a CPA firm looking to lease space in Audubon, and a restaurant. We continue to work with two potential applicants that will turn into projects this year.

COMMITTEE REPORTS

There were no committee reports at this meeting.

UNFINISHED BUSINESS

There was no Unfinished Business conducted at this meeting.

NEW BUSINESS

- I. **Authorization Resolution – Kitchen World, Inc.**



Kitchen World Distributing, Inc.
\$ 727,500
PROJECT PROFILE

ELIGIBILITY

- NAICS Code - 423220 (Wholesale Trade)

COMPANY INCENTIVES

- Estimated \$46,489 in real property tax savings
 - \$7,815 (Town)
 - \$10,202 (County)
 - \$28,471 (School)
- Estimated \$38,115 in sales tax savings
- Estimated \$5,600 in mortgage recording tax savings

PROJECT BENEFITS

- Estimated \$16,942 in PILOT Payments (7-year Schedule)
- Estimated \$126,382 in Income Taxes Generated
- Estimated \$78,100 in Sales Taxes Generated

EMPLOYMENT

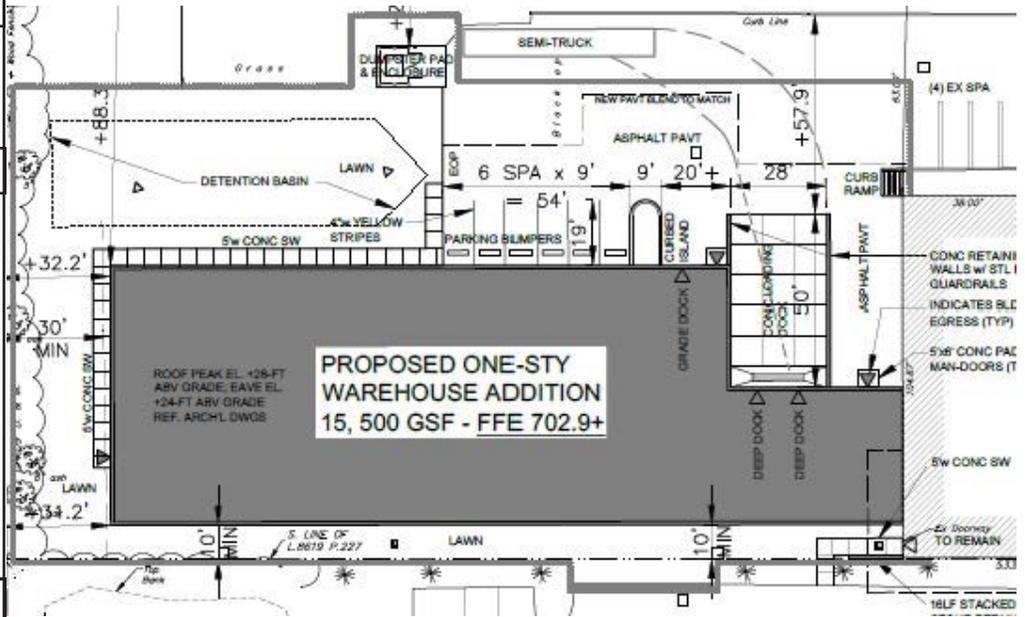
- 4 Jobs Retained
- 3 New Jobs Projected
- Salary Ranges From \$27,000 to \$72,000 Annually

PROJECT SCHEDULE

- Construction Commences: June 2016
- Construction Completion: August 2016
- Occupancy: August 2016

AIDA COMPANY HISTORY

- None



Project Address: 7320 Transit Road
Williamsville, New York 14221
(Clarence Central School District)

Company Description

Kitchen World Distributing, Inc. designs and distributes kitchen cabinetry, countertops and appliances to wholesale trade partners, such as builders, commercial developers, architects and remodelers.

Project Description

The applicant is requesting authorization for a \$727,500 lease transaction for the construction and equipping of a 16,025 square foot warehouse and distribution facility addition to their existing facility located at 7370 Transit Road.

The existing warehouse they are leasing in Lockport, NY is too small and is not designed to allow them to efficiently unload, palletize and store cabinets for large commercial projects. Commercial contractors require Kitchen World to order over 150 units at a time and then store them in an organized fashion. The units are then shipped to job sites in batches of 8-10 at a time. Applicant goes on to state that a new warehouse is necessary in order to grow their commercial business.

Steven Sanders noted that the NAICs for this project doesn't distinguish between local distribution and distribution outside the area.

Interim Executive Director Mingoia agreed, but did mention that this facility will allow Kitchen World to distribute both locally and into Canada.

Aaron Stanley made a motion to approve the Kitchen World project. Edward Stachura seconded the motion.

Michele Marconi said that she felt this project was a move rather than an expansion.

Mr. Mingoia told the board that Kitchen World was being moved from their space and that they have no choice but to relocate.

Chairman Brock called the motion to approve the Kitchen World, Inc. project to a vote. With aye votes from Brock, Marconi, Stanley, Wood, Sanders, Stachura and Szukala, the motion to approve passed 7-0.

II. ECC/AIDA/Blackrock Affiliation Agreement

Start-Up New York Affiliation Agreement – Amherst IDA/Erie Community College/Blackrock

This agreement will enable the property at 350 Crosspoint Parkway to be considered "on-campus" for purposes of the Start-Up NY Program. The Start-Up NY program allows businesses to operate tax-free (income tax, franchise, sales) for up to 10 years. To qualify, businesses must partner with a sponsor campus, such as Erie Community College (ECC). Our executed lease agreement for 350 Crosspoint Parkway allows for Start-up Tax benefits to accrue to that property.

After the execution of the Affiliation Agreement by all parties and approval of ECC's Campus Plan, Blackrock's further expansion is expected to exceed the \$79,800,000 AIDA lease transaction/installment sale transaction for construction and equipping of a data center facility that would employ 25. It is anticipated that Blackrock will create another 50 jobs.

The Affiliation Agreement does not obligate the AIDA to any further conditions on the project that are not already included in the Agency's executed lease agreement.

ECC's Board of Directors approved the agreement on April 28th.

Chairman Brock questioned if this was basically a satellite location for the Start-Up program.

Director David Mingoia indicated that companies in the Start-Up program were required to be within a one-mile radius of an authorized college or university campus, but this agreement allows for companies to be beyond this restriction.

Michele Marconi questioned if this company was an exception from the original intent of the Start-Up program. She noted that it is her understanding that the program was designed to assist companies that are affiliated with colleges and universities that are landlocked.

Diane Church, Agency co-counsel, informed the board that the Start Up legislation provides that property owned by an IDA or LDC makes it part of the campus. It was noted that this would be the second, three-party affiliation agreement in New York State, with the first being done in Plattsburgh.

Michele Marconi then questioned whether this agreement was premature given that the BlackRock facility has yet to be occupied.

Director Mingoia explained that this is in fact being done in a timely manner. He informed the board that facility is near completion and given the timing of approvals by NYS and ESD to the ECC Campus Plan and other agreements, the facility should be up and running within two to three months. Mr. Mingoia also explained that the approval will allow BlackRock to begin interviewing and hiring potential employees.

Steven Sanders questioned what would happen if the Agency said no to this request. He noted that BlackRock has already committed to Amherst and their building is nearly complete.

Director Mingoia reminded everyone that BlackRock is repurposing space within the facility in order to be a part of the Start Up program and expand their operations here. He went on to say the Start Up space would be for their Help Desk and that 50 additional jobs, above those that were in the original application, would be created. He noted that IDA approval also enables ECC to jumpstart their participation in the Start Up New York program and that ECC will potentially be able to develop new curriculum programs based on the not only the Help Desk jobs being created, but the technology jobs as well.

Steven Sanders said that he is not a fan of the Start Up program. He feels that too many benefits are provided. He also questioned whether BlackRock would have been better off coming to the Agency for additional benefits rather than going through the Start Up program.

Chairman Brock then requested a motion on the project.

Aaron Stanley made a motion to approve the project. Edward Stachura seconded the motion.

Michele Marconi made a motion to table the project until more information was received.

Steven Sanders asked Mrs. Marconi what specific information she was seeking.

Mrs. Marconi questioned if the synergy the program was meant to accomplish would be realized and how it would apply to BlackRock.

Steven Sanders seconded the motion to table the project until additional information was received.

Chairman Brock called the motion to table the ECC/AIDA/BlackRock Affiliation Agreement to a vote. Votes of no were cast by Brock, Stanley, Wood, Stachura and Szukala. The motion to table failed to pass by a vote of 2-5.

Chairman Brock then called the original motion to approve the ECC/AIDA/BlackRock Affiliation Agreement to a vote. Aye votes were made by Brock, Stanley, Wood, Sander, Stachura and Szukala, with a no vote from Michele Marconi. The motion to approve passed 6-1.

III. Mass Mutual Life Insurance Co. – Amendment to AIDA 401(k) Retirement Plan

Company requires board authorization to amend the Amherst IDA 401(k) Retirement Plan. The amendment replaces James J. Allen with David S. Mingoia as the Plan's Trustee.

Steven Sanders made a motion to approve the Amendment to AIDA 401(k) Retirement Plan. Michele Marconi seconded the motion.

Aye votes were received from Brock, Marconi, Stanley, Wood, Sanders, Stachura and Szukala. The motion to approve passed 7-0.

IV. Appointment of Assistant Secretary(s)

Designate the appointment of Hurwitz & Fine representative(s) as Assistant Secretary. Counsel is requesting that Diane K. Church and Kevin J. Zanner of Hurwitz & Fine, PC would be the named representatives as AIDA Assistant Secretary(s).

Marshall Wood questioned who was on the nominating committee and how many firms were interviewed.

Michael Szukala explained that Carlton Brock, Edward Stachura and himself made up the nominating committee. Mr. Szukala went on to say that 2 of the 8 firms were interviewed and Hurtwitz and Fine was the best fit for the Agency.

Steven Sanders made a motion to appoint Kevin J. Zanner and Diane K. Church of Hurtwitz & Fine, PC as Assistant Secretary(s) to the Town of Amherst Industrial Development Agency and the Town of Amherst Development Corporation. Aaron Stanley seconded the motion.

Aye votes were made by Brock, Marconi, Stanley, Wood, Sanders, Stachura and Szukala. The motion to approve passed 7-0.

9:35 am – meeting adjourned.