

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Minutes of the Executive Committee Meeting
September 9, 2016 – 8:30 AM
Agency Office, 4287 Main Street

Executive Committee: Carlton N. Brock
Michele F. Marconi
Aaron J. Stanley
David S. Mingoia, Interim Executive Director

Guests: E. Marshall Wood, Jr.
Michael R. Szukala
Steven D. Sanders
Edward F. Stachura
Kevin J. Zanner, Esq.
Thomas A. Kucharski
Paul Pfeiffer
Timothy M. Creenan
Mike Drennan
Pionne Corbin
Sonya Bassaly

Mr. Brock opened the meeting and asked for a report from the Audit & Finance Committee. Mr. Stanley reported that the committee met on September 2nd to review the proposed draft 2017 Budget. Some changes were made to the legal lines in the budget. He further noted that the professional service contracts were reviewed and that each of the service providers was invited to address the Executive Committee or Board at future meetings as their budgeted amounts are under consideration.

Mr. Zanner reported on the use of ballots for voting. The current by-laws permit use of ballot voting for appointments. Mr. Zanner indicated that each Board Member's vote is public regardless of the method of voting. Ballot voting is permissible so long as the meeting minutes reflect how each Board member voted with respect to the appointment. He recommended the Board approve the amended AIDA By-Laws as presented at the previous Board of Directors meeting.

Mr. Mingoia began the review of the Amherst Alarm and GEICO projects by noting the project location change for Amherst Alarm and the resulting slight budget change. Instead of constructing a new building, Amherst Alarm has decided to acquire a mostly vacant building located at 2351 Wehrle Drive. He noted that AIDA timely reissued the public hearing notice to reflect the change of the project location.

Mr. Mingoia then opened a discussion regarding the adoption of "Material Factors" for both projects. Under AIDA's recapture policy, the AIDA may establish Material Factors for each project, which if not complied with, may result in the termination, modification or recapture of financial assistance. Mr. Mingoia noted that the first proposed Material Factor is to require companies to meet a 100% standard for retention of existing employment. Mr. Mingoia proposed that AIDA should mirror the 85% standard that ECIDA and Empire State Development use for job targets. The third proposed Material Factor for both projects is compliance with the AIDA Local Labor Policy.

Mr. Sanders suggested including the achievement of 85% of the expected investment as a fourth Material Factor. Ms. Marconi commented that the discussion of Material Factors should take place at the Board level and that the Agency should take time to deliberate before adopting Material Factors. Mr. Szukala expressed that the 85% benchmark seems sensible as it is consistent with what ECIDA has adopted. Ms. Marconi noted that adopting a uniform percentage to all projects results in different treatment for smaller vs. larger employers and that a two tiered approach may be more appropriate.

Mr. Stanley made a motion, seconded by Mr. Brock, to forward the four proposed Material Factors to the Board for discussion and inclusion on both projects. There was no further discussion. The vote was called, and the motion carried (2-1-0) with Ms. Marconi voting no.

Mr. Mingoia then reviewed the details of the Amherst Alarm project as set forth in the written project profile. After a brief discussion, Mr. Stanley made a motion, seconded by Mr. Brock, to send the project to the Board for approval. There was no further discussion. The vote was called, and the motion carried (2-1-0) with Ms. Marconi voting no.

Mr. Mingoia next reviewed the GEICO project as set forth in the written project profile. He discussed the rationale for using two-years of job creation and three years of retention of those jobs as the job goal as this would be consistent with the compliance period for sales tax only transactions as set forth in the Agency's recapture policy. Ms. Marconi questioned whether the project would proceed even without Agency assistance. Mr. Mingoia noted that GEICO's project application addressed this issue and GEICO indicated that it could relocate the project elsewhere. Mr. Stanley made a motion, seconded by Mr. Brock, to send the project to the Board for approval. There was no further discussion. The vote was called, and the motion carried (2-1-0) with Ms. Marconi voting no.

At this point, Mr. Brock excused himself from the meeting.

Invest Buffalo Niagara then made a presentation on its business model, its success to date and relationship with the Agency since 1999. The organization noted it is in the midst of its capital campaign and thanked the Agency for consideration of continued investment.

Mr. Stanley made a motion, seconded by Ms. Marconi, to adjourn the meeting.