

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Minutes of the 491st Meeting
April 21, 2017– 8:30 am
Agency Offices, 4287 Main Street

PRESENT: Carlton N. Brock, Jr.
Michele F. Marconi
E. Marshall Wood, Jr.
Steven Sanders
Edward F. Stachura
Michael R. Szukala
William M. Tuyn
David S. Mingoia, Interim Executive Director
Kevin J. Zanner, Hurwitz & Fine PC

GUESTS: AIDA Staff
Stephen Watson, Buffalo News
Hadar Broden, Amherst Resident
David Chiazza, Iskalo Development
David Tytko, Uniland Development
Larry Rubin, Esq., Kavinoky & Cook

Chairperson Carlton N. Brock, Jr. called the meeting to order and reminded everyone that the meeting was being audio recorded.

MINUTES

The March 2017 minutes were approved with the board requesting that a typo in the Bills & Communications section regarding the Shatkin F.I.R.S.T. project by changing “way” to “aye”.

BILLS & COMMUNICATIONS

The Agency received the Annual Examination Report from the Town of Amherst Comptroller’s Office. The Report states that AIDA 2017 PILOTs have been calculated correctly based on the contractual requirements and assessed value of record with the Town of Amherst and are remitting the proper amounts to the Comptroller’s Department.

TREASURER’S REPORT

The Treasurer’s Report for March 2017 was approved as presented.

PUBLIC COMMENT

Hadar Borden, an Amherst resident spoke in opposition to the 2500 Kensington, LLC/Shatkin F.I.R.S.T. project. Ms. Borden indicated that she resided near to the property and said that while she supports economic development, she felt that this project doesn’t need abatements. She noted that the company will continue to stay in WNY and is not moving, the jobs creation estimates were modest, and that the company appears be successful and has a good business plan in place. She also stated her concern that there were not apprenticeship programs mentioned for new Americans and that there was no mention of any affiliations with local colleges or universities.

Larry Rubin, counsel for 2500 Kensington, LLC/Shatkin F.I.R.S.T. project spoke to Ms. Boden's comments. Mr. Rubin stated that the job creation estimates contained in the application specifically address the question of how many jobs will be created in two years. Mr. Rubin stated that the question that should be asked is how many jobs will be created over the life of the abatement. Mr. Rubin also noted that the company works closely with and cooperatively with local colleges and universities.

David Chiazza of Iskalo Development Company addressed the board regarding the 5000/5010 Main Street project (f/k/a Lord Amherst). Mr. Chiazza referred to a letter sent to the Agency regarding a new and distinct application for the project. Mr. Chiazza cited the recent Appellate Court ruling that the original project did not qualify as a "tourism destination facility". He stated that the new application, which now contains information on secured operators for the project, makes the argument for a "tourism destination facility". He encouraged the board to review the new application.

UNFINISHED BUSINESS

AIDA POLICY AMENDMENTS – Revised Agency policies are available for review on our website: <http://www.amherstida.com/proposed-charter-and-policy-revised-documents>

It was recommended that the board approve only the Policies. The Executive Committee requested that staff review the By-laws, and the Governance and Finance and Audit Committee Charters and recommend any further revisions. The Policies to be approved are:

AIDA/ADC Board Duties & Responsibilities; Code of Ethics; Compensation; Conflict of Interest, Data Collection and Gathering; Defense & Indemnification; Expense, Travel, Meals & Entertainment; Fix Asset & Capitalization; Financial Disclosure; Investment; Procurement; Property Disposal Guidelines; Real Property Acquisition; Whistle-blower

Michele Marconi made a motion to approve the amended policies as presented. Steven Sanders seconded the motion. After a brief discussion, votes of aye were cast by Brock, Marconi, Sander, Stachura, Szukala and Tuyn. Motion passed 7-0.

NEW BUSINESS

AUTHORIZATION RESOLUTION

2500 Kensington, LLC/Shatkin F.I.R.S.T

Company Description

2500 Kensington LLC is a real estate holding company which owns 2500 Kensington Avenue, the proposed project site. Shatkin First LLC, an affiliate of 2500 Kensington, is full service dental implant company which manufactures and distributes surgical stents, dental implants and related products and mini dental implant restorations, crowns, dentures, bridges and provides consultations and professional development training for dental health professionals. 95% of the company's products are shipped to customers outside of New York State. The project is located within the Amherst Central School District.

Project Description

The Applicant is seeking Agency assistance to construct an approximately 15,000 square foot addition to an existing facility located at 2500 Kensington Avenue. This addition will be used to train medical professionals from around the world on Shatkin First's products plus additional space for office and management functions. In addition, Shatkin First is planning to increase its research and development, advanced manufacturing and product distribution facilities at 2495 Kensington over the next three years.

Shatkin F.I.R.S.T.'s business focuses on developing, manufacturing and selling its proprietary dental technology. The assistance provided by the Agency is critical to making this significant investment feasible. Assistance from the Agency will allow Shatkin F.I.R.S.T. to expand its professional development facility, maintain its competitive position through the purchase of state of the art manufacturing equipment, retain/create jobs, including jobs for highly skilled dental professionals, administrative support jobs, and sales/distribution positions, and grow its commitment to innovation in the dental science field. It is estimated that the expanded training space will generate over \$440,000 in new annual direct spending from out of town attendees in addition to project benefits from new property, income and sales tax revenues.

Incentives

If approved, it is estimated the project will receive \$410,477 in sales tax exemptions, \$50,000 in mortgage recording tax exemption and \$532,125 in property tax incentives.

Edward Stachura made a motion to approve the 2500 Kensington, LLC/Shatkin F.I.R.S.T project. Steven Sanders seconded the motion. Michele Marconi asked if the new parking lot was part of this project. Executive Director Mingoia explained that it was not. After brief discussion Chairman Brock called for the vote. Votes of aye were cast by Sanders, Wood, Stachura, Szukala and Tuyn. A vote of no was cast by Michele Marconi and Carlton Brock abstained from voting. The motion to approve passed 5-1-1.

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZE THE CONSTRUCTION AND EQUIPPING OF AN APPROXIMATELY 15,000 SQUARE FOOT BUILDING ADDITION AND BUILDING RENOVATIONS TO BE LOCATED AT 2500 KENSINGTON AVENUE, AMHERST, NEW YORK FOR SALE OR LEASE TO THE AGENCY AND SUBSEQUENT LEASE OR RECONVEYANCE PURSUANT TO AN INSTALLMENT SALE CONTRACT TO 2500 KENSINGTON LLC FOR SUBLEASE TO SHATKIN F.I.R.S.T., LLC, AND THE ACQUISITION AND INSTALLATION OF MACHINERY AND EQUIPMENT TO BE LOCATED AT 2495 KENSINGTON AVENUE, AMHERST, NEW YORK FOR USE BY SHATKIN F.I.R.S.T.,LLC, AND THE EXECUTION OF A MORTGAGE AGREEMENT, LEASE AGREEMENT AND/OR INSTALLMENT SALE CONTRACT AND PILOT AGREEMENT AND THE TAKING OF OTHER ACTIONS.

9:10 am – meeting adjourned.