

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY

**Minutes of the 542nd Meeting
Friday, August 25, 2023 – 8:30 am
James J. Allen Boardroom
Agency Offices, 4287 Main Street**

PRESENT: Carlton N. Brock, Jr.
William Tuyn
Anthony Agostino
Hon. Timothy Drury
Frank LoTempio, III
Nicole Gavigan
David S. Mingoia, Executive Director
Kevin J. Zanner, Hurwitz & Fine PC

ABSENT: Hadar Borden

GUESTS : AIDA Staff
Terrance Gilbride, Hodgson Russ
James Appler, Bureau Veritas
Elizabeth Hausler, Bureau Veritas

Chairman Carlton Brock called the meeting to order and reminded everyone the meeting was being video recorded and live-streamed.

MINUTES

Upon a motion by Frank LoTempio, seconded by William Tuyn and unanimously carried, the minutes of the June 2023 meeting were approved as presented.

BILLS & COMMUNICATIONS

There were no bills and communications presented at this meeting.

TREASURER'S REPORT

Treasurer Agostino reviewed the highlights of the Treasurer's Reports for June and July 2023.

Upon a motion by Frank LoTempio, seconded by William Tuyn and unanimously carried, the Treasurer's Reports for June and July 2023 were approved as presented.

PUBLIC COMMENT

There was no Public Comment at this meeting.

EXECUTIVE DIRECTOR'S REPORT

Attached to the minutes is the Executive Director's Report.

COMMITTEE REPORTS

There were no Committee Reports presented at this meeting.

UNFINISHED BUSINESS

There was no Unfinished Business presented at this meeting.

NEW BUSINESS

- I. Termination of Financial Assistance for Bureau Veritas Consumer Products Services, Inc. and Northpointe Commerce Park, LLC and Termination of PILOT and Lease Agreements and Modification of Employment Agreement

In August of 2017, the AIDA Board of Directors approved two related projects totaling \$9.1 million consisting of the construction of a 43,500 square foot expansion of an existing building located at 100 Northpointe Parkway and the acquisition of and installation of new machinery and equipment. Zaepfel Development (through its affiliate, Northpointe Commerce Park, LLC) as the landlord, undertook the building expansion while Bureau Veritas undertook the equipment investment. This project was for Bureau Veritas to expend \$1,819,000 in capital expenditures for improvements to the premises and to retain the existing 260 full-time and 4 part-time jobs and add 4 full-time jobs. For the purpose of Agency review, the company was to meet and retain a job goal of 266 full-time equivalent positions during the period of time that the PILOT benefit was in place, as well as meeting the capital expenditure requirement.

Bureau Veritas, as a consumer products testing company, was significantly affected by the COVID pandemic across all of its divisions. Customers of the Amherst facility in the retail sector were hit the hardest, directly affecting revenues and headcount at the site. The company has cooperated and worked with AIDA staff and the Executive Committee in a transparent manner in providing information on its plan to grow its employment and maintain the Amherst location as an integral part of the company. However, even with the introduction of new services and diversification of its services portfolio, employment is not likely to return to pre-pandemic levels given the state of the industry.

Under its agreements with Bureau Veritas and NorthPointe Commerce Park LLC, AIDA has the authority to terminate all benefits and require the companies to repay all prior financial assistance received. The company's investment has generated new property taxes, and other project commitments, including the requisite investments in construction and equipment, and the utilization of local labor in construction of the building have been satisfied. To this end, the company met its obligations of the capital expenditure portion of the project mentioned above. The company has also committed to maintaining the facility in Amherst and maintain a minimum of 202 employees through December 31, 2029. Based on that, AIDA staff and the Executive Committee are proposing to terminate the remaining seven (7) years of school property tax and 6 years of town/county property tax incentives through the payment in lieu of tax (PILOT) agreement, along with the expiration of \$29,679 in sales tax benefits. If Bureau Veritas is unable to maintain the new minimum employment requirement, the Agency retains the right to recapture all or a portion of \$762,750 of tax incentives previously realized by the respective entities.

After brief discussion Frank LoTempio made a motion to terminate financial assistance for Bureau Veritas Consumer Products Services, Inc. and Northpointe Commerce Park, LLC and terminate the PILOT and Lease Agreements and approve the Modification of Employment Agreement. William Tuyn seconded the motion. Votes of aye to approve the motion were cast by Brock, Tuyn, Agostino, Drury, LoTempio and Gavigan. Motion to approve passed by a vote of 6-0

9:04 am – Frank LoTempio made a motion to adjourn the meeting. Anthony Agostino seconded the motion. The motion to adjourn passed unanimously.