

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY

Minutes of the 399th Meeting

July 20, 2007 – 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
Robert L. Miller
Barbara J. Batchen
Randall L. Clark
Ayesha Nariman
James J. Allen, Executive Director
Nathan S. Neill, Esq.

EXCUSED: John P. DeLuca
Robert Ciesielski

GUESTS: AIDA Staff
Jonathan Epstein, Buffalo News
Jim Cullinan
Jim Fink, Business First
Jerry Hooven, AAA of Western New York
Frank Belliotti, Town of Amherst

Chairman Vilonen reminded everyone that the meeting was being tape-recorded.

MINUTES

The Minutes of the June 2007 meeting were approved as presented.

BILLS & COMMUNICATIONS

Executive Director informed the board that the Agency had been notified that the IDA civic facility legislation had been extended to January 2008.

TREASURER'S REPORT

The Treasurer's Report for June 2007 was approved as presented.

PUBLIC COMMENT

There was no public comment at this meeting.

EXECUTIVE DIRECTORS REPORT

Executive Director Allen reported that the Agency would be hosting a workshop for local IDAs, local elected officials and economic development representatives on the recently developed Framework for Regional Growth. The workshop is scheduled for July.

Executive Director Allen also reported that the Agency recently hosted a public meeting at the Sweet Home Central School District to discuss the redevelopment of Sheridan Drive. Mr. Allen noted that there were about 30 in attendance.

COMMITTEE REPORT

There were no Committee Reports at this meeting.

UNFINISHED BUSINESS

I. REQUEST FOR FEE INSTALLMENT

Citigroup, Inc. Company is requesting Agency consent to allow them to pay their fee only for the initial 18 months of their sales tax exemption. The estimated expenditure during this period is \$9,754,500. This would represent Phase I of the project. They anticipate being eligible for Empire Zone benefits in 2009, but if not, they will want to again pay us a fee for anticipated expenditures for each phase.

The Agency authorized this Installment Sale transaction in May 2007. The project value is estimated at \$30,680,140 and is expected to be completed in three to four phases over a ten year period.

Upon a motion by Robert Miller, seconded by Randall Clark and unanimously carried, it was

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY CONSENT TO THE REQUEST OF CITIGROUP, INC TO PAY THE FEE FOR THE 2007 INSTALLMENT SALE TRANSACTION IN PHASES.

NEW BUSINESS

I. AUTHORIZATION RESOLUTION

APPLICANT

AAA Car Care Plus
2131 Eggert Road
Amherst, NY 14226
Jerome J. Hooven, Jr., VP

REQUEST

Applicant is requesting authorization for a \$575,000 Installment Sale Transaction for the renovation and equipping of a vacant building located at 2131 Eggert Road (near Niagara Falls Blvd) in Amherst. The property is located in a Town Board designated Enhancement/Redevelopment Area and has been vacant since 2003. Previous tenants were cited for environmental violations and for the poor conditions of the interior and exterior of the building.

Applicant states that this venture will allow AAA to implement and develop a new business line that will lead to the creation of additional jobs. Applicant also states that the project is necessary because dealership consolidations are occurring which reduces the number of service bays and creates unnecessary delays and scheduling inconveniences when auto repair services are needed.

Applicant also states that the project will rehab a building that has become an eyesore, turning it into an attractive useful facility for those who live and work in the project neighborhood.

The site resides within Census Tract 93.01, which is a distressed census tract based on the level of low/mod income households in the surrounding block groups.

EMPLOYMENT

Project will create 14 new jobs in Amherst, 9 full time and 5 part time. The annual payroll is presently at \$0 and is expected to reach \$600,000 upon completion of the project.

PILOT SCHEDULE

Applicant is not requesting a PILOT from the Agency. They may seek a 485-b exemption through the Town of Amherst.

Project Tax Savings

As a result of the Agency's participation in this transaction, the project applicant will realize an estimated \$33,643 in sales tax savings.

Recommendation

Approval

Upon a motion by Barbara Batchen, seconded by Robert Miller and abstained by Randall Clark, it was

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT WITH AAA WESTERN AND CENTRAL NEW YORK, INC. AND OTHER INSTRUMENTS AND MATTERS IN CONNECTION THEREWITH.

AUTHORIZATION RESOLUTION

APPLICANT

Classifieds Plus, Inc.
6215 Sheridan Drive
Amherst, New York 14221
Donald M. Liddle, COO/CFO

REQUEST

Applicant is requesting authorization for an Installment Sale Transaction in an amount not to exceed \$835,000 for the build-out and equipping of 170 Northpointe Parkway, expansion and connectivity to their headquarter location on Sheridan Drive.

Classifieds Plus, Inc. is a media services company. The company manages classified advertising as an outsource solution for newspapers throughout the United States. Application states that 100% of the revenue is derived from outside Erie County and 50% from outside New York State.

Applicant states that Agency participation is necessary in order for them to expand and open additional offices in Northpointe Business Park. The expansion will enable them to hire 100+ employees over the next fiscal year.

EMPLOYMENT

Project will retain 189 jobs and create 105 new jobs, 60 full time and 45 part time. The present payroll of \$4,000,000 will increase to an estimated \$7,500,000 upon completion of the project.

PILOT SCHEDULE

Applicant is not requesting a PILOT from the Agency.

Project Tax Savings

As a result of the Agency's participation in this transaction, the project applicant will realize an estimated \$60,000 in sales tax savings.

Recommendation

Approval

Upon a motion by Randall Clark, seconded by Barbara Batchen and unanimously carried, it was

RESOLVED, THAT THE TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT WITH CLASSIFIEDS PLUS, INC. AND OTHER INSTRUMENTS AND MATTERS IN CONNECTION THEREWITH

8:51 am – Meeting adjourned.