

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY

**Executive Committee Meeting
Agenda**

**Thursday October 6, 2022 – 8:30 am
Agency Offices, 4287 Main Street**

1. Roll Call of Members
2. Reading and Approval of Minutes
3. New Business
 - a. Public Hearing – 5877 Mixed Use Project
 - b. Project Profile/Cost Benefit – 5877 Mixed Use Project
4. Adjournment

TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
Minutes of the Executive Committee Meeting
September 1, 2022 – 8:30 AM
Agency Office, 4287 Main Street

Executive Committee: William W. Tuyn
Anthony Agostino
David S. Mingoia, Executive Director

Guests: Hon. Timothy Drury
Hadar Borden
Frank LoTempio III
Jacqui Berger
John Lenio
Kevin Zanner

Mr. Tuyn opened the meeting at 8:31 AM and requested a motion to approve the previous meeting's minutes. Mr. Agostino made the motion and it carried unanimously.

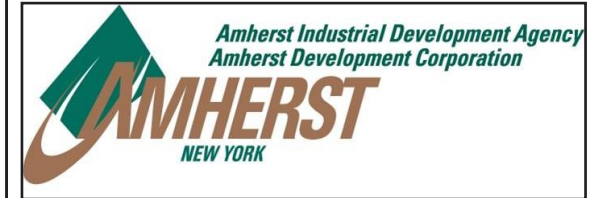
Mr. Mingoia opened the public hearing on the Ingram Micro project at 8:34 AM. Mr. Lenio provided an overview of the project on behalf of the company. Discussion occurred around the proposed investment and SEQRA impacts. No other speakers registered for the public hearing and it was closed at 9:05 AM.

Mr. Mingoia reviewed the draft project profile and cost benefit analysis for the Ingram Micro project. Mr. Agostino made a motion to advance the project for Board of Directors review and it carried unanimously.

Mr. Mingoia provided an update on operational activities of the Agency and projects in the queue.

At 9:45 AM, Mr. Agostino made a motion to adjourn and it carried unanimously.

PROJECT PROFILE:
5877 MAIN STREET LLC - MIXED-USE
\$15,500,000
October 21, 2022



DRAFT

ELIGIBILITY

- Commercial Project under NYS Law
- Village Designated Enhancement Area

COMPANY INCENTIVES (EST.)

- Property Tax = \$1,242,108
- Sales Tax = \$546,875
- Mortgage Tax = \$93,000

PROJECT BENEFITS (EST.)

- Property Taxes = \$839,174
- Income Taxes = \$405,165
- Sales Taxes = \$137,869

EMPLOYMENT

- 116 Construction Related Jobs Created
- 2 Full-Time & 1 Part-Time Positions Created
- \$89,000 in Ongoing Payroll

PROJECT SCHEDULE (EST.)

- Work begins November 2022
- Project completion June 2024

Project Address:

5877 Main St.
 Williamsville, New York 14221
 (Williamsville School District)

Investment:

Acquisition: \$2,500,000
 Construction: \$12,500,000
 Soft/Other Costs: \$500,000



Project Description:

The applicant is a limited liability company comprised of David Sutton, and Paul and Margaret Grenauer. They purchased the property at 5877 Main Street in 2019 with the intent to renovate and reuse the closed Milos restaurant into a destination spa. The COVID-19 pandemic resulted in the shutdown of their current salon business, Excuria, and negatively impacted the future financial feasibility of creating a destination spa. After evaluating options, the applicant reformulated its business plan to incorporate zoning and planning objectives of the Village of Williamsville resulting in the proposed four-story mixed use building.

The four-story building comprises 60,000 square feet, with the first floor designated for retail/service tenants and floors two through four consisting of 28 market rate apartments with 3 units designated as workforce housing. Half of the approximately 15,000 square feet first floor will be occupied by Excuria Salon & Spa, which will relocate from 5275 Main Street. The applicant expects to renovate that building for another business or into multi-family use as it is a converted residential structure. AIDA benefits are limited to the construction of the 5877 Main Street building and will not include equipping its retail components.

The applicant states that Agency assistance is necessary to complete the project as approved by the Village given the added costs of possible asbestos remediation, relocation of onsite utilities and enhanced building materials and design standards. Project financing is now more costly due to lenders requiring increased equity, and higher construction costs that are 40% more than a year ago.

PROJECT PROFILE:

5877 MAIN STREET LLC - MIXED-USE

\$15,500,000

AIDA COMPANY HISTORY:

None

DRAFT

MATERIAL TERMS:

1. Investment of not less than \$13,175,000 at the project location as noted in the application.
2. Creation of 2 full-time equivalent jobs and maintenance of those jobs throughout the PILOT term.
3. Compliance with the Agency's Local Labor Policy in connection with the construction of the Project.

Town of Amherst Industrial Development Agency

MRB Cost Benefit Calculator



Date: October 21, 2022
 Project Title: 5877 Main Street Redevelopment Project
 Project Location: 5877 Main Street, Williamsville, 14221

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

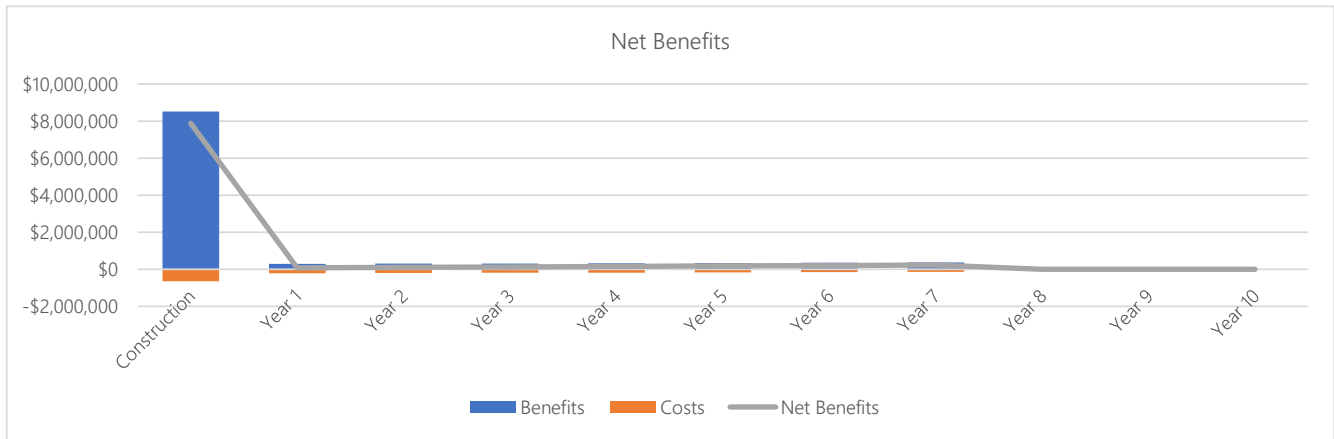
\$15,500,000

		Temporary (Construction)		
		Direct	Indirect	Total
Jobs		66	49	116
Earnings		\$5,197,083	\$2,835,212	\$8,032,295
Local Spend		\$12,400,000	\$8,779,314	\$21,179,314

		Ongoing (Operations)		
		Direct	Indirect	Total
Jobs		2	1	3
Earnings		\$646,364	\$747,714	\$1,394,077

Aggregate over life of the PILOT

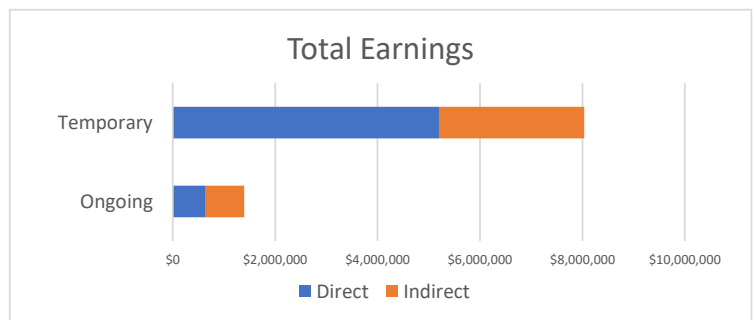
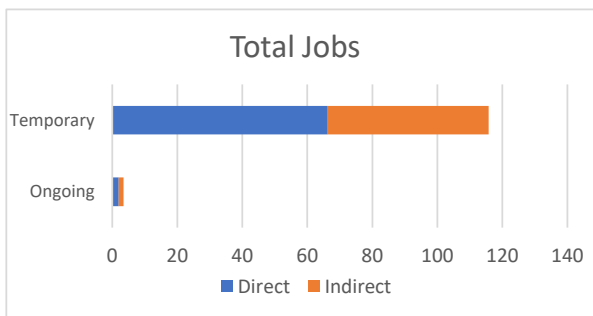
Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$1,242,108	\$1,154,163
Sales Tax Exemption	\$546,875	\$546,875
Local Sales Tax Exemption	\$296,875	\$296,875
State Sales Tax Exemption	\$250,000	\$250,000
Mortgage Recording Tax Exemption	\$93,000	\$93,000
Local Mortgage Recording Tax Exemption	\$31,000	\$31,000
State Mortgage Recording Tax Exemption	\$62,000	\$62,000
Total Costs	\$1,881,983	\$1,794,038

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$10,343,902	\$10,167,165
To Private Individuals	\$9,426,372	\$9,319,568
Temporary Payroll	\$8,032,295	\$8,032,295
Ongoing Payroll	\$1,394,077	\$1,287,273
Other Payments to Private Individuals	\$0	\$0
To the Public	\$917,531	\$847,597
Increase in Property Tax Revenue	\$839,174	\$770,128
Temporary Jobs - Sales Tax Revenue	\$66,768	\$66,768
Ongoing Jobs - Sales Tax Revenue	\$11,588	\$10,700
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$490,171	\$484,618
To the Public	\$490,171	\$484,618
Temporary Income Tax Revenue	\$361,453	\$361,453
Ongoing Income Tax Revenue	\$62,733	\$57,927
Temporary Jobs - Sales Tax Revenue	\$56,226	\$56,226
Ongoing Jobs - Sales Tax Revenue	\$9,759	\$9,011
Total Benefits to State & Region	\$10,834,074	\$10,651,782

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$10,167,165	\$1,482,038	7:1
State	\$484,618	\$312,000	2:1
Grand Total	\$10,651,782	\$1,794,038	6:1

*Discounted at 2%

Additional Comments from IDA

Prepared by DM

Does the IDA believe that the project can be accomplished in a timely fashion? Yes