

**TOWN OF CLARENCE, ERIE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
MINUTES**

November 15, 2012

Mr. Hartzell called the meeting to order at 8:00 a.m.

Roll call was taken and present were Elaine Wolfe, Michael Buettner, Christopher Kempton, Clayt Ertel and Chairman Hartzell. Mary Powell arrived at 8:05 a.m. David Schuster was absent. Also attending were Paul Leone, Nathan Neill, Larry Meckler, Steve Bengart, Pam Smith and Cindi Rosel. Guests were John LaFalce, Chairman of the ECIDA, Horace Gioia, Esq., David Downing of Town Mini, Alan Olhoeft, Jim Rush, and Matt Glynn from the Buffalo News.

Minutes of October 18, 2012

There was a motion by Clayt Ertel with a second by Chris Kempton to approve the minutes of the October 18, 2012 meeting as submitted. On the question Mr. Buettner asked what the change was per the second e-mail that was sent. Elaine Wolfe and Cindi Rosel answered that it was the date of the next meeting...that was the only change. There was nothing further.

Vote: Ayes: Wolfe, Buettner, Kempton, Ertel, Hartzell. Noes: None
Absent: Schuster, Powell. Recuse: None. Motion carried.

Treasurer's Report.

Chris Kempton presented the Treasurer's report through November 15, 2012 going over the Balance Sheet and the Profit and Loss Statement. He reported on the balances in the checking and money market accounts. Revenues to date are \$27,832.11 and expenses are \$34,625.69. Interest earned was \$1,630.00. The net income is negative \$5,163.58. The budget was also attached for review. Mr. Kempton said that we have taken steps to reduce expenses given the fact that revenues are not meeting what was expected for this year. There are some items that had to be hand-written into the report as there is a problem with the software. Mr. Kempton will address this later on at the meeting. There was a motion made by David Hartzell with a second by Clayt Ertel to accept the Treasurer's Report as presented. There was nothing on the question.

Vote: Ayes: Wolfe, Buettner, Kempton, Ertel, Hartzell. Noes: None
Absent: Schuster, Powell. Recuse: None. Motion carried.

Correspondence.

Cindi Rosel reported that there was a letter from the Clarence Central School District relative to the Pilot payments for the school taxes. Nathan Neill and Chris Fusco will address this later in the meeting as noted on the Agenda.

New Business.

Mr. Leone reported that he, Chairman Hartzell and Mr. Meckler met with a representative from Kittinger Furniture. Mr. Leone asked where the project was in the Town process. Mr. Hartzell reported that the proposed project was referred to the Planning Board at the Town Board meeting last evening. The project is on the Planning Board Agenda for November 21. Mr. Hartzell does not see any major issues and expects the project to be approved. Mr. Ertel asked if the project would need a variance. Mr. Bengart said they would not. It is commercially zoned. Mr. Leone does not have an application yet. Mr. Leone said that we are meeting all the criteria necessary regarding the move to Clarence.

Mr. Leone added that Niagara Produce project has started to move along.

Mr. Leone is still negotiating with the parties on the two Sheridan Drive proposed projects. One of the projects may not go through CIDA.

Old Business.

Cindi Rosel reported that Mr. Schuster has a laptop that he is going to donate to the CIDA. He is in the process of removing his information from the computer.

Seminar Update.

Mr. Hartzell brought in a copy of the slinger and the ad for the seminar for the Board to look at. The slingers should be going out today, if they have not already. The ad will run in the Bee on November 20th, about a week before the seminar. The speakers are on board and the catering is all set. He added that the cost of the ad may be a little over what was approved in order to add the color print. The Board agreed that color would be better. The ad will include RSVPING for the Seminar. Mr. Hartzell encouraged the members of the Board to attend to be available for questions. Mr. Leone also suggested inviting a representative from one of the companies that received CIDA benefits to attend to speak on how the CIDA helped their business. He also invited some of the Banks to attend.

Report on Pilot Payments.

Christine Fusco reported that two projects are delinquent on the School Tax portion of the pilot payments that were due in October. They are David DeMarie Studios and 4125 Transit Road Project. These projects were delinquent last year also. The 4125 Transit Road did make payment in full, with late fees. There was discussion on what to do about the delinquencies. It was decided that a letter should be sent to the David DeMarie Project. Mr. Bengart will draft a letter.

Software.

Mr. Kempton discussed the need for updated software for the accounting program. The program we have now is crashing and that is why some of the items on this month's report had to be

inserted by hand. He would like to have approval to purchase new software. Mr. Kempton moved to approve an amount not to exceed \$500 to purchase updated accounting software. There was a second by Elaine Wolfe. There was nothing on the question.

Vote: Ayes: Wolfe, Buettner, Kempton, Powell, Ertel, Hartzell. Noes: None
Absent: Schuster. Recuse: None. Motion carried.

John LaFalce, Chairman of the ECIDA.

John LaFalce, Chairman of the Erie County Industrial Development Agency and former Congressman, attended the meeting at the invitation of the Board. He was introduced by Mr. Leone and welcomed by Chairman Hartzell. Mr. Hartzell asked Mr. LaFalce if he would give his thoughts on the Adaptive Re-Use Policy. The ECIDA recently made some amendments to its policy.

Mr. LaFalce thanked the members for inviting him to the meeting. Mr. LaFalce spoke about his view on IDA's. Chairman LaFalce would like to work very closely with each individual IDA.

Mr. LaFalce said that he thinks Economic Development and Community Development are about the most important things an IDA can do. He spoke about the importance of creating new jobs and retaining jobs.

Mr. LaFalce said that Adaptive Re-Use is one of the most significant policies that IDA's have as there are so many abandoned structures available that could be renovated for all types of businesses. The Chairman went on to say that he strongly believes in Neighborhood Enhancement Community Development. Mr. LaFalce also said that he would like to see a change in the name of the ECIDA and other IDAs that would include something along the lines of Investment Development in the title. He added that would have to be changed by legislation and will take time to go through the process. He also spoke about changing some of the policies. He would like to involve the other IDA's on this issue.

Mary Powell brought up the Leadership Council and how they worked to develop the joint policies. The Leadership Council consists of all the IDA's working jointly on policies. There has not been a meeting in several months.

Mr. LaFalce would like the ECIDA to be looked at as a user friendly organization. He feels that the IDA's are being looked at unfairly. He would like to see that the benefits a company would receive are spelled out in the inducements when projects are approved. This would make it clearer to the public as to what the community would gain by these projects, what the benefit to the community would be.

Mary Powell and Paul Leone added that the CIDA does this for its projects. An Impact Analysis is done on most major projects.

Mr. Ertel said that he has been a proponent of the name change of IDA's for several years. He would like to see the name include business development. There was discussion about retail projects. Mr. LaFalce said these types of projects should be looked at on a case-by-case basis.

Mr. LaFalce also talked briefly about Enhancement Zones. There is an analysis being done by Maria Whyte's office on this topic. Mr. Leone added that the ECIDA opted out of Enhancement Zones. Ms. Powell said that the Enhancement Zones in Clarence are reviewed periodically.

Mr. Buettner had a question about the structure of the ECIDA. He wanted to know why the other IDA's are not represented on the ECIDA. Mr. Leone and Mr. LaFalce replied that it is dictated by state legislation. In order for that to be changed, the legislation would have to be changed.

Mary Powell mentioned that Chairman LaFalce was the first member of the ECIDA to attend a CIDA meeting to meet the members and thanked him for coming to meet the members. Mr. LaFalce said it was his pleasure to meet with the members and is looking forward to working with the CIDA.

Mr. LaFalce had another meeting to attend and thanked the members for inviting him to the meeting. Mr. Hartzell and Paul Leone thanked him for coming.

Mr. Hartzell reminded the Board members that the Transactional Statement of Disclosure Forms are to be filled out and filed with the Town Clerk whenever a member has to recuse themselves regarding a project.

Mr. Leone addressed Towne Mini Expansion proposed project. The Board discussed this project briefly at the last meeting and no action was taken. Mr. Leone explained that the project is expected to generate about \$656,000.00 more annually in current sales tax. It is in an Enhancement Zone. The question is would the project go forward without the benefits. Horace Gioia, Attorney for Towne Mini, said that the CIDA benefits were contemplated for this project from the beginning. There seems to be a misunderstanding regarding that. David Downing also said that the benefits were contemplated for this project and are a very significant component. They need expansion space and are land locked at the present location. They would not get any assistance from Towne Mini for the expansion. They have been considering this for about three years. They expect to create an additional 11 new jobs and increase their sales. They would pay more in property taxes than the \$8,000 that is being paid now. They believe that the project warrants the benefits from the CIDA. The two structures have been demolished and the land is now vacant. Mr. Downing said that the property was decrepit and the appraisal that they had done shows that the property is now worth more as one parcel than when it was separated. The expansion was considered contemplating the CIDA benefits. They are facing the option of taking on additional expenditures on the potential gain that could be had or pull back and take the safe route in this economy and say what they have is just fine. Mr. Leone added that the pilot would be looked at with the 485-b equivalent which starts at 50%. There would also be the mortgage tax and sales tax benefit. Ms. Powell asked where the project is in the Town process. Mr. Bengart said that everything is approved. There was no formal action taken at the last meeting. The application has not been formally introduced. Mr. Hartzell said that in the interest of time, the Board can think about it and discuss at the next meeting if they so choose. Mr. Leone thanked Mr. Gioia and Mr. Downey for coming in to speak about the project to the Board.

Motions.

There was a motion by Chairman Hartzell to approve the payment of the renewal of the Crime Shield Insurance Policy for Government Entities for 12-1-12 through 12-1-13 in the amount of \$956.00 with a second by Christopher Kempton.

Vote: Ayes: Wolfe, Buettner, Kempton, Powell, Ertel, Hartzell. Noes: None
Absent: Schuster. Recuse: None. Motion carried.

To authorize Chairman Hartzell to sign the engagement letter with Drescher & Malecki LLP to provide independent accounting and auditing services for the CIDA for the year ended December 31, 2012.

Vote: Ayes: Wolfe, Buettner, Kempton, Powell, Ertel, Hartzell. Noes: None
Absent: Schuster. Recuse: None. Motion carried.

There was a friendly motion to adjourn by Mr. Hartzell. Meeting adjourned at 9:14 a.m.

Respectfully submitted,
Cynthia Rosel

Next meeting: December 20, 2012