

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

MINUTES

April 19, 2012

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

Roll call was taken and present were Elaine Wolfe, David Schuster, Clayt Ertel and Chairman Hartzell. Mary Powell arrived just after roll call was taken. Michael Buettner and Chris Kempton arrived around 8:03 a.m. Also present were Paul Leone, Nathan Neill, Larry Meckler, Steven Bengart, Pamela Smith, and Cynthia Rosel. Guests were Matt Glynn of the Buffalo News and Kim Johnson.

Minutes of March 15, 2012.

There was a motion by David Hartzell with a second by David Schuster to approve the minutes of the March 15, 2012 meeting. There was nothing on the question.

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

Treasurer's Report.

Mr. Hartzell went over the report through April 19, 2012. He reported on the balances in the checking and money market accounts and reminded the members that the detail sheet was attached. There is a negative net income of \$5,700.31. There were no fees received since the last statement. There was a motion by Clayt Ertel with a second by David Schuster to approve the Treasurer's report. There was nothing on the question.

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

Correspondence.

Public hearing notices from the Town of Amherst and the Town of Hamburg were e-mailed to the members along with an invitation from the Chamber of Commerce for the "Open House-Ribbon Cutting" to be held at the new location on 8899 Main Street on April 24, 2012. All are invited. The members were asked to RSVP by April 20th. Mr. Hartzell also received correspondence from Assemblyman Ryan. A copy of the letter from the Assemblyman and Mr. Hartzell's response was e-mailed to the members.

New Business.

Chairman Hartzell briefly discussed that the ECIDA is considering a moratorium on hotel projects until September 2012. The ECIDA is expected to ask the five other IDA's to go along with the freeze on such projects. The Clarence IDA did grant sales tax exemption benefits only to the 2009-Staybridge Hotel-Buffalo Suites Project on Sheridan Drive and Transit Road that was an abandoned, blighted site. There was no Pilot. Further discussion included that this was a good project for the area that created jobs, tourism and supports local businesses. The members agreed that the CIDA should keep its options open for such projects in the future. The ECIDA has not contacted the CIDA regarding the possible moratorium and supporting same.

Mr. Leone will discuss a proposed project in the Hollow. Clayt Ertel stepped out of the meeting and has to recuse himself from any discussion on this proposed project as he involved in the transaction. Paul Leone said an application may be submitted for the May meeting regarding two buildings in the Clarence Hollow area. Elaine Wolf said that the buildings are next to the Farmer's Market parking area and one is the original site of Olson's Bakery. They have become an eyesore to the area. Mary Powell asked what they are planning for the site. Mr. Leone said they would be renovated for a spec office building and retail purposes. It is in an Enhancement Zone. Mr. Leone is just letting everyone know. Ms. Wolfe asked if this would also fall under adaptive reuse and Mr. Leone said it would. Ms. Wolfe would be very much in favor of doing this project. It is in the "Heart of the Hollow." Mr. Leone added that it would be redaptive reuse, it has been vacant for some time, it is in an Enhancement Zone and fits under the policy. He hopes to have the application for the next meeting.

(Mr. Ertel re-entered the meeting.)

Mr. Leone asked on the progress of the Niagara Produce project regarding the wetlands. Mr. Bengart answered that the wetlands issue has not been dealt with by the DEC yet but the Zoning Board passed the changes that they needed. Mr. Meckler added that the wetlands issue still has to be resolved. The Zoning Board approved the physical layouts of the structures on the site. There were several changes to the applicants plan to comply with the DEC requirements.

Mr. Leone has an application for the Rockledge Professional Park project. It was induced in 2008, was extended several times and the project was put on hold. The applicant is now ready to go forward. They had to submit a new application. There will be a public hearing at the next meeting. Mr. Kempton asked if there is a question about policy with this project...is it in an Enhancement Zone? Mr. Leone said it is and the policy allows for spec office buildings. Mr. Leone said that this makes space available to proposed tenants that may want to move into the area. The CIDA approves the tenants and sublease tenants. There was additional discussion regarding tenants moving from place to place. Mr. Neill said that tenants move for different reasons...more space, less space, better space or whatever the need may be. There is cost involved...it is very expensive. It takes at least three years to re-coup the costs between the move and cost of rent. Mr. Schuster asked if there is a need for office parks. Ms. Powell said that there is need although there may not be a great need. Mr. Meckler asked if the applicant understands what kind of tenancies would be approved and not approved. Mr. Leone answered that it is part of the application. . It also increases the tax base.

Mr. Leone also added that there has been some publicity regarding the Mini-Towne project. We have not received an application. There has also been some press about Gabes Collision which has been before the planning board. There is no application on this project either.

Mr. Hartzell wanted to have an economic analysis done on Paula's Donuts Project. Mr. Leone said he would have that for the next meeting. The cost is \$250. There was a motion by David Hartzell and a second by Clayt Ertel to have an Economic Impact Analysis prepared by David Magoi on Paula's Donuts for an amount not exceed \$250. There was nothing on the question.

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

Mr. Neill has a resolution to approve the mortgage for the 4125 Transit Road Project. They were induced and received the sales tax exemption also. When it closed, there was not mortgage commitment. The mortgage has already been authorized when the project was induced. It has taken a year to get the financing in place. Mr. Neill wanted to make it clear to the applicant that all of his obligations need to up-to-date before he would bring this to the Board. When this closes the agency will be able to collect the fees he owes. There was a motion by David Schuster with a second by Clayt Ertel to approve the mortgage resolution as presented with the condition that the applicant must come up to date with all the fees in order to receive the mortgage tax abatement. There was nothing further on the question.

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

Strategic Plan.

It was decided that the meeting date will be moved to May 10, 2012 to be held at the Transit Grille as all the members would not be able to attend. It will be at 5:30 p.m.

Donation Policy.

There was a brief discussion about the current donation policy. There were three requests received. One from the Chamber, one from the Clarence Central Schools Federal Credit Union and the Clarence Post No. 838. The Credit Union is asking for support to promote the Financial Literacy Program in the schools and throughout the Clarence Community. They have a Youth Saving Program in all the Clarence Schools and also present seminars on Financial Literacy.

There was discussion regarding the Policy. Mr. Bengart said that we need to make sure that the donations need to stay within the parameter of the CIDA purpose. Mr. Meckler added that he thinks that the policy is legal and acceptable, but the fact that there has already been criticism from the Public Authorities Budget Office, any donation made, what-so-ever, would most likely be specifically reviewed by the Public Authorities Budget Office because they previously have done so. Before a donation is made, we may want to run it by the Public Authorities Budget Office office if it is in a gray area. If it is clear that it is promoting the policy of the Agency, he

does not think there is an issue. If it is in any gray area, just run it by the Public Authorities Budget Office.

The question is whether or not the members want to donate this year. Ms. Wolfe asked about the Chamber donation. What was the issue. There was further discussion regarding the PABO report and the CIDA policy. Mr. Meckler added that there were probably more Budget Office opinions regarding donations, not just the one on the CIDA donation. He suggested looking at this at the Strategic Plan meeting and come up with a decision going forward as to what would be consistent with their analysis of their donation program. There was a motion by Chairman Hartzell to postpone decision regarding donating to an eligible project for the next 90 days in order for the Board to review the donation policy and then bring the applicants in for the members to interview them at a future meeting. There was a second by Clayt Ertel. There was nothing on the question.

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

Mr. Ertel read an article regarding concerns about small businesses.

Mr. Hartzell thanked everyone for coming and made a friendly motion to adjourn at 8:55 a.m.

The next meeting is scheduled for May 17, 2012

Respectfully submitted,

Cynthia M. Rosel