

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

**MINUTES**

**January 26, 2012**

**Organizational Meeting**

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

Mr. Hartzell asked Cindi Rosel to take the roll call. Present were David Schuster, Michael Buettner, Chris Kempton Clayt Ertel and Chairperson David Hartzell. Mary Powell arrived at 8:06 a.m. Also present were Paul Leone, Nathan Neill, Steven Bengart, Pamela Smith, and Cynthia Rosel. Guests were Attorney Domenic Migliaccio, Robert Geiger, Councilman, Matt Glynn from the Buffalo News and Stephen Lelinski, VP, Key Bank.

Before the first agenda item, Mr. Hartzell said that Nathan Neill and Steven Bengart had an item to discuss. Mr. Neill said that it has to do with the Laura Wade Project. The project is getting ready to close and an issue regarding the amount of the liability coverage came up. The agency normally requires a minimum of \$2,000,000 under the general liability covering the agency. The applicant has \$1,000,000 and the builder has \$1,000,000 for general liability. They would like to know if the CIDA would waive the \$2,000,000 provision in this situation. This is strictly a leasehold project. In the past we have always taken fee title that creates much more exposure. The project is almost complete. Mr. Bengart said the cost of the project would increase by \$4,000 for the insurance. He suggested that if the Board decides to waive that provision on this project, that they should do it with the idea to review the whole Agency policy over the course of the next several months. Mr. Ertel was in agreement to waive the requirement for this project. Mr. Hartzell was also in agreement. There was a motion by Mr. Ertel to waive the \$2,000,000 requirement on this particular project and instead allow for \$1,000,000 and to review the Agency policy before the next meeting or as soon as possible. There was a second by Mr. Kempton. There was nothing further on the question.

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

**CIDA discussion and election of Officers for 2012.**

There was brief discussion regarding the nominations for the officers of the CIDA for 2012.

**Chairperson.**

There was a motion by Clayt Ertel to nominate David Hartzell as Chairperson for the coming year. There was a second by Chris Kempton. There was nothing on the question.

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

**Vice-Chairperson.**

Motion by Chairperson Hartzell nominating Clayt Ertel as CIDA Vice Chairperson for 2012 with a second by Chris Kempton. There was nothing on the question.

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

**Treasurer.**

Motion made by Chairman Hartzell to nominate Chris Kempton as CIDA Treasurer for 2012. There was a second by Mary Powell. There was nothing on the question.

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

**Secretary.**

Motion by Mr. Hartzell nominating Mary Powell as CIDA Secretary for 2012 with a second by Chris Kempton. There was nothing further on the question.

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

**Appointments.**

Motion by Chairman Hartzell with a second by Michael Buettner to enter into Executive Session pursuant to section 105[1] (f) of the Open Meetings Law – matters leading to the appointment and employment of particular persons at 8:14 a.m. There was nothing on the question.

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

Motion to exit Executive Session at 8:54 a.m by Hartzell with a second by Kempton,

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

Motion to re-enter the regular meeting at 8:55 a.m. by David Hartzell with a second by Clayt Ertel.

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

**Counsel/Assistant Secretary.**

Appointment to be made at the next meeting.

**Bond Counsel.**

Chairman Hartzell made a motion to re-appoint Nathan Neill as Bond Counsel for 2012. There was a second by Clayt Ertel. There was nothing on the question.

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

Chairman Hartzell made a motion to appoint Drescher and Malecki LLP as CPA/Auditors, Paul Leone as Business Consultant and CEO, Pamela Smith as CFO, Cynthia Rosel as Staff Secretary, and Christine Fusco as CIDA Billing Administrator all at the budgeted rate for 2012. There was a second by David Schuster. There was nothing further on the question.

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

Mr. Hartzell added that candidates may come in to interview for the Counsel/Assistant Secretary position at the meeting next month and the current Counsel/Assistant Secretary will hold that position as a hold over until the Board meets in February.

**Minutes of December 15, 2011.**

Mr. Hartzell asked if everyone reviewed the minutes of the December 15, 2011 meeting and if there were any questions. Mr. Buettner said that the Board was supposed to get a description of the EDO position from other Towns. Mr. Neill did send a description to Mr. Hartzell who will forward it to the rest of the Board. The Town of Lockport has an EDO.

Mr. Kempton moved to accept the minutes of December 15, 2011 and there was a second by Clayt Ertel. There was nothing further on the question.

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

**Treasurer's Report.**

There were two reports, the year-end through December 31, 2011 and the other through January 26, 2012. Mr. Kempton went over both reports going over the Balance Sheet and Profit and Loss Statements. The 2011 Budget shows that revenues anticipated were not met for 2011. Therefore, recognizing the fact that revenues were not going to be as budgeted, expenses were kept down as much as possible. There was a small net loss for the year. As of January 26, 2012, there have been no checks written. The budget for 2012 will be with the financials next month. There was no activity for that period. There was a motion by Clayt Ertel to accept the Treasurer's Reports for December 31, 2011 and January 26, 2012. There was a second by David Schuster.

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

There was a payment received on the David Huck Project that will be reflected on the next Treasurers Report.

**Correspondence.**

Ms. Rosel reported that there was a letter from the Clarence Central School Federal Credit Union requesting funds.

**New Business.**

**8304 Main Street Pearl Holdings, Inc. Project.**

Mr. Leone has an application for Sales Tax only for the 8304 Main Street Pearl Holdings, Inc. Project. They are a Real Estate Holding Company. The property is an Enhancement Zone. The tenants will be: **Architecture Unlimited**, a traditional Architectural firm serving clients throughout western New York owned by Ken Pearl that has 3 employees; and **RV Rhodes**, an organizational development consulting firm serving a global client base owned by Amy Pearl that has 4 full time and 2 part time employees. Mr. Leone is asking for approval. There was a motion by Chris Kempton with a second by Clayt Ertel to approve the project for sales tax only. On the question, Mr. Bengart added that all discussion had prior to the second will be incorporated in the motion. There was nothing further on the question.

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

**8560 Main Street Paula's Donuts Project**

Mr. Leone is asking for approval for sales tax only for the 8560 Main Street Paula's Donuts Project. Paula's donuts is located in the Village of Kenmore and has been in business for about fifteen years. This would be a new, second location. This will be a full bakery operation and they will carry a full line of baked goods. They will need all necessary equipment as well as remodeling this location that is a vacant store. They are expecting to have approximately 26 employees, 12 full time and 14 part time. Mr. Ertel asked if this is in an Enhancement Zone. Mr. Leone answered that it is and it is a vacant building. Mr. Ertel added that it would also be adaptive reuse. Mr. Leone said that would be correct. There was a motion by Clayt Ertel to approve the project for sales tax only with a second by David Schuster. On the question, Mr. Bengart added that all discussion had prior to the second will be will be incorporated in the motion. Mr. Ertel added that it is an Enhancement Zone and is adaptive reuse. Mr. Hartzell also added that we need to look at what we approve and be more cognizant than we ever have before so that we are not putting businesses in competition because they are so close to each other. We are here to help business. Mr. Buettner said that the CIDA does a good job relative to that point and have been very careful with that and do what is positive. Mr. Ertel said that this project does qualify. Mr. Bengart said that they have to look at every project on a case-by-case basis. The CIDA has done a very good job in doing just that. There was nothing further.

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

**8175 Rockledge Professional Park Project.**

Mr. Leone received a call from the applicant. The project was approved in 2008 and they are asking for another extension. They want to break ground in the spring of 2012. There has been no action on this project for Mr. Leone is asking them to submit a new application so that the Board can look at it because it has been so long.

**Laura Wade Project.**

Mr. Neill said that there is an amendment needed to the resolution for this project. We would be increasing the mortgage authorization. There was a motion by Chris Kempton to approve the amended resolution as written and prepared by Mr. Neill to include the change in the mortgage amount with a second by David Schuster. There was nothing further on the question.

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

Mr. Leone had one more item for “New Business.” Formative Recovery Capital Limited 8205 Main Street in Williamsville in the Town of Clarence and is a collection agency may be submitting and application. It would be for sales tax only. Mr. Leone He is waiting to hear from the consultant to get back to him.

**Old Business.**

**Strategic Plan.**

Mr. Hartzell asked Mr. Kempton if he would be alright, in the interest of time, to move this item to the February Agenda. Mr. Kempton was in agreement.

**Outreach Coordinator.**

Last year Mr. Schuster gave a presentation at a Chamber of Commerce function and it was very well received. Mr. Schuster met with Mr. Hartzell to discuss this and asked if he might be able to do that for the CIDA on occasion functioning basically as a spokesperson for the CIDA. Mr. Schuster is willing to do this as a volunteer. Mr. Hartzell would like to have a position as CIDA Outreach Coordinator and have Mr. Schuster be the Outreach Coordinator. If we have something that the CIDA should be at, he can give a presentation at that function to promote the CIDA. Paul Leone or Mr. Hartzell could accompany him or anyone else from the CIDA if they would like to. This is a great way to make the public aware of what the CIDA does, the benefits offered by the CIDA to bring business to the area and how it benefits the Town.

Chris Fusco let the Board know that the pilot billings have gone out and she has a spread sheet that will be circulated via e-mail with that information for the Board to look at.

Mr. Kempton would like to have a discussion to take a look at the fee schedule and fee structure policy as it has been brought up several times. It was agreed that they will look at this at a future meeting.

Friendly motion to adjourn at 9:31 am.

Next meeting is February 16, 2012.

Respectfully submitted: Cynthia M. Rosel