



the area allowing women to get appointments sooner to speed up the process to get the needed services quicker.

This project has to do with Dermatology. They will be doing research and will also provide medical services treating patients. Mr. Ertel asked if the tenant is doing research in that area and Mr. Huck answered yes. He will be bringing others in to work with him in this field.

Mr. Bylewski asked, for the record, what other places is the potential tenant is looking at. Mr. Huck said both in State and out of State. They are looking at Orchard Park, Dallas, Florida and North Carolina. Mr. Bylewski asked what would happen if the project did not receive CIDA approval to provide the benefits. Mr. Huck answered that the potential tenant is just starting out and cost is a concern. He did let Mr. Huck know that the other areas offers are attractive. He does not know what those offers are. That is why Mr. Huck why he came to the CIDA to request the benefits. Mr. Bylewski asked Mr. Huck, from his stand point, if it would be safe to say that if Mr. Huck did not receive the financing, this project would not go forward. Mr. Huck said that it is a strong possibility. Mr. Ertel added that the CIDA can assume that the primary function would be for a research facility...that research would be the primary function as well as a medical practice.

Mr. Leone was about to read excerpts from the e-mails into the record and asked if everyone had a copy of them. The one has an attachment that is 79 pages and Mr. Bylewski will mention a couple of items that the article talks about.

Mr. Schuster asked how much of the 8,000 square feet would the proposed tenant would be using. Mr. Huck said that the proposed tenant will be renting entire space but will be working with other people that will take some of the space.

Mr. Bylewski asked about the proposed job creation for the project. Mr. Leone said that it is all spec jobs now but it is in the application and he will be reading that into the record. Mr. Ertel said the application said 78 full time jobs.

Mr. Leone read an excerpt from the e-mail from Dr. Robert J. Connelly Jr. DMD of East Amherst as follows: "This type of project is not in keeping with the mission of the IDA. There is no shortage of medical office space in the Transit Road area and this type of project will only result in relocation of medical/dental practices from one town to another. Job gains in Clarence will be at the expense of job losses in neighboring towns. You are merely reshuffling the job deck. I strongly urge you to not approve this project or others of its type. If this project is truly economically viable, then it will go forward without IDA grants."

Mr. Leone also read from the e-mail from Megan Connelly, Director of Programs and Development for the Partnership for the Public Good. Mr. Leone asked if anyone knew what that was. Mr. Neill said he has seen articles from them in the paper. They are pretty much against anything.

Mr. Leone read from the e-mail "...I am writing to you in opposition to the proposed subsidy for the medical office building on Transit Road. Subsidizing medical office building doesn't make

sense. We're wasting precious tax dollars on projects like supermarkets, car dealerships, hotels, and medical offices.”

Mr. Ertel read this portion of the e-mail for the record: “In the future, please consider scheduling your Public Hearings at a time that is more convenient to those who are employed during regular business hours.”

Mr. Leone said that is a common complaint that all IDAs get. They have been at all times and get complaints. Mr. Neill added that you move the time and no one shows up. Mr. Ertel added that we hold the public hearings at 8:00 a.m. which is before most places begin business hours.

Mr. Bylewski read from the attachment to her e-mail found on page 5 and 6 as follows:

“Problem: IDAs overlap, compete with one another, and give rise to expensive and inefficient multiple bureaucracies.”

“Solution: Merge IDAs so there is only one per economic region, or, at most, one per county. Reduce the nine IDAs in Buffalo-Niagara to one or two.

Mr. Bylewski continued pointing out that Mr. Leone works for all the local IDAs in bringing projects to the Towns to avoid that sort of competition that is being alleged in this report. Mr. Leone did speak about that at the presentation he gave at Auction Direct about IDAs that Mr. Bylewski said was very good.

Mr. Bylewski continued reading from the report from page 37 as follows: “...It would be one thing for the Town of Clarence to subsidize a Dash's supermarket with its own money; it is quite another thing for it to subsidize the market with money from the school district, county, and state. Similarly, residents of Buffalo help foot the bill when Clarence subsidizes the: New Buffalo Shirt Factory former located in Buffalo, now located in Clarence. To add insult to injury, the Clarence IDA took out full page ads in the Buffalo News touting their success in subsidizing these two projects. Who paid for those ads? Ultimately, all the taxpayers of the state and county.

That is the most direct quote taking a shot at the Clarence IDA.

Ms. Rosel will forward that e-mail with the attachment to everyone. It was not sent to the CIDA until 10:40 p.m. last night.

Mr. Leone wanted to let the Board know that any projects, before being schedule for a Public Hearing, are thoroughly looked at and screened by Nathan Neill and Steve Bengart working closely with Paul Leone. Mr. Leone said that we try to clear the air of anything that might be questionable. The applications are also e-mailed to all the Board member beforehand also.

Mary Powell asked if this is a relocation of an existing business Mr. Huck answered no, that it is a brand new. Mr. Bylewski also added that the purported tenant has made attempts to look out of state to locate. Ms. Powell asked if the tenant is new business or is the tenant relocating. Mr. Huck said it is coming out of a research program and starting a new business. Ms. Powell asked if it was an incubator. Mr. Huck said no. Mr. Kempton added that it is a new business.

They were working for someone else and starting his own business. He is not moving a legal entity he is starting his own company. Mr. Kempton asked if Mr. Huck knew where the revenues would be coming from, would they be coming from patients or are they going to be receiving grants to provide the research. They get grants now but wants to generate some of his own revenue. They will be doing research and direct care. Mr. Kempton asked what the primary business is, research or direct care. Mr. Huck was not sure but they have both.

Mr. Leone asked if there were any other questions. Ms. Powell asked if medical office is a primary care office. It is specialty group. Mr. Bylewski said it would be skin related specialty group. Mr. Huck added Dermatology group. Mr. Bylewski added that the questions were a little more probing because of the e-mails and the allegations and accusations made on the Amherst side with Doctors offices moving and the tax breaks that have been offered with respect to them.

There was a motion to close the Public Hearing by Mr. Bylewski with a second by Mr. Schuster. On the question Mr. Bylewski wanted it noted for the record that the Board did go over the two pieces of correspondence, both e-mails from the Connelly's as well as the attachment that it could all be part of the record of the public hearing.

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

Mr. Ertel convened the meeting and asked Ms. Rosel to take the roll. Present were David Schuster, Scott Bylewski, Michael Buettner, Chris Kempton, Mary Powell and Vice Chairman, Clayt Ertel. Chairman, David Hartzell was absent as was Steven Bengart. Also present were Paul Leone, Steven Bengart, Pam Smith, Cynthia Rosel and Robert Geiger.

## **Minutes.**

### **September 22, 2011 and July 21, 2011 Minutes.**

Mr. Ertel read the minutes from September 22, 2011 and July 21, 2011 and understands that the July 21, 2011 minutes were not accepted and there was some discussion about that.

Mr. Bylewski moved to approve the minutes of the September 22, 2011 meeting with a second by Chris Kempton. There was nothing on the question.

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

Mr. Ertel asked for a motion for the July 22, 2011 minutes. Mr. Bylewski, said that given that there is a lot of discussion here and one of the people present at that meeting is not present today, who had some strong thoughts on that, unless there is a strong feeling to go ahead made a motion to table the minutes of the July 22<sup>nd</sup> meeting. Mr. Ertel asked if there was a consensus or any comments. Mr. Buettner and Mr. Kempton agreed to table since Mr. Hartzell was not present. There was a second by Michael Buettner. There was nothing on the question.

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

### **Treasurer's Report.**

Mr. Kempton passed out the report through October 20, 2011. He went over the balance sheet and the profit and loss statements. There is a net negative balance which was reduced by interest income. The details were attached. Mr. Kempton asked if there are any projects that may close or that we may receive fees for in the near future. Mr. Leone said that we should receive a fee on the project from this morning if it is approved by the Board. Motion made by Michael Buettner to accept the Treasurer's Report as presented with a second by David Schuster. There was nothing further on the question.

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

### **Correspondence. (CR)**

Cindi Rosel reported that she e-mailed some flyers that came in advertising seminars.

### **New Business:**

Paul Leone is asking for approval of the 6085 Transit Road Project that was the subject of the Public Hearing held this morning. Mr. Neill reported that the Planning Board approved an updated Neg Dec last night for the change in plans because of the change in the size of the building. The original project was approved in 1998. The Town had to do an amended SEQR finding. Mr. Leone is asking for approval of the SEQR resolution as prepared by Nathan Neill. There was a motion by Chris Kempton with a second by David Schuster. On the question, Ms. Powell did not understand why we have to approve SEQR. Mr. Neill said that it is included in the resolution. The resolution says that CIDA is approving the Town's findings, that we agree with the Town's findings. Ms. Powell said she agrees as long as the motion includes that we are approving the Town's findings of the SEQR. Mr. Bylewski asked Mr. Callahan if the Planning Board vote was unanimous with respect to SEQR. Mr. Callahan answered that it was. The project was amended from its original concept so the Planning Board has the responsibility to approve that amendment. Before they took that action they did take an action under SEQR to identify that there was no significant impact to the environment and then approve that amendment. The motion would include that the CIDA is approving the Town's SEQR.

Mr. Buettner asked where this project is exactly. Mr. Huck said that it would be to the left of the old Beauty Pools Building. They are the lot directly to the North of that. There was nothing further on the question.

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

Mr. Leone is asking for approval of the 6085 Transit Road Project. It would be for a 10 year property tax abatement and tax exemption. Mr. Neill said that he put in 7 years for the abatement. The resolution will have to be changed as he was not sure how Mr. Leone qualified the 10 year abatement. Mr. Leone said he is recommending the 10 year Pilot but the CIDA will make the determination of the type of Pilot. The amount of the project is \$1,900,000 for the construction of an approximately 8,000 square foot building for office space and the acquisition and installation of machinery, equipment, furnishings and fixtures required in connection with providing a research and clinical facility.

Mr. Kempton wanted to reconfirm that this project meets the definition of an eligible project.

Mr. Leone answered that it an Enhancement Zone and it is a new building.

There was discussion regarding the length of the Pilot. Mr. Neill said that he can add in the resolution a contingency based on the research component regarding the 10 year Pilot. If the research component is not provided, then it would revert back to the 7 year Pilot.

A motion was made by David Schuster to approve the project with the contingency as outlined by Mr. Neill with a second by Mary Powell. There was nothing further on the question.

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

Mr. Ertel thanked Mr. Huck for expanding his business in Clarence. Mr. Huck thanked the Board.

Insurance Presentation:

Joseph Floss gave a presentation on the insurance coverage for the CIDA. He handed out a copy of the Insurance Review for the Town of Clarence IDA. He Premiums have remained stable for the last 6 or 7 years. He added that it is a great policy. He went over the amount of coverage for the Crime and D & O Policy. Mary Powell asked what computer crime is. Mr. Floss said that would be transferring of funds from one account to another. He gave some examples. The schemes are more sophisticated today than can be imagined. Even though you have checks and balances, separation of duties and yet there is still fraud, forgery and transfer of assets to the wrong people.

The one coverage that the CIDA does not have is Privacy and Security coverage that used to called Cyber Liability or Data Breach. Mr. Floss explained this briefly. Ms. Powell asked about the application process. Mr. Ertel asked what the cost would be. Mr. Floss said it would be around \$800 +/- . Mr. Floss understands that there are laws on the books to see what exposure the CIDA may have and then determine whether or not to have coverage.

Mr. Floss will get back to the Board on who is covered regarding independent contractor.

There was a motion by Scott Bylewski to renew the insurance policies as set forth in proposal the Insurance Review for the Town of Clarence IDA as presented by Joseph Floss. There was a second by Mary Powell. There was nothing on the question.

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

Mr. Floss thanked the Board. Mr. Ertel thanked Mr. Floss for coming in.

James Callahan, Director of Community Development and Brad Packard, Assistant Planner of the Town of Clarence, gave a presentation on various available areas of commercial development in the Town. He discussed the Main Street corridor, the Harris Hill area, the Hollow area and the overlay, the TND Zone, mixed of use of some areas with an overlay, growth constraints, wetlands and flood zone.

Mr. Callahan went over the sewer map that shows the existing districts. Heise Brookhaven Line did take care of the Hollow but did not have the immediate impact hoped for to trigger investment in that area. Long term, they believe that is going to happen. Transit Road area is served by ECSD 5. He said that we are limited because of capacity in ECSD 5. There is no capacity in the system to allow for extending the sewer line to areas that are not serviced.

He discussed the components of the Master Plan, sewers and community goals. He discussed the opportunities for expansion. Brad Packard explained the projects that could possibly come into play for development and potential residential development in the pipeline.

Mr. Ertel asked about the capacity in the Town of Amherst. There was discussion regarding the cost to expand the sewer line.

There was discussion regarding potential solutions to the sewer issues. Ms. Powell added that the reason that Mr. Callahan and Mr. Packard were here today was to help to provide information and insight into where the CIDA would invest to have the most impact to create revenue.

It was decided to have Mr. Callahan and Mr. Packard back to discuss this further in the near future

Mr. Neill informed the Board about funds that were received from a settlement for Bristol Village. The check was made out to the CIDA. Mr. Neill needs authority to endorse the check over the property entity. We did not know who to send it to. We are in title to the building. The money belongs to the project. It has to go to the proper party as required by the Bond requirements. This was a suit brought by NYS Attorney General and other AG's from other state on other projects. It would have to go to the Trustee for Bristol Village. Mr. Kempton moved to endorse the check over to the appropriate party. There was a second by David Schuster. There was nothing further on the question.

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

Further on this issue, Bristol Village is in the process of changing Trustees. We need a motion to approve the Trustee that is chosen by Bristol Village as long the Trustee meets the requirements. There was a motion by Chris Kempton with a second by David Schuster. There was nothing further on the question.

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

Mr. Neill also had a letter to the Lockport IDA regarding bonds and the IDA legislation. The CIDA does have tax exempt bonds. We may want to think about doing at least one bond per year.

**RFP discussion.**

Ms. Powell said that there is not much time today. She would like to sum it up today. You cannot decipher on the submitted material as everyone did the fees schedules differently. She would like a committee to meet with the companies to clarify the fee schedules. It was decided to have all three companies come in. She asked if they should come before the Board or have a committee. It was decided to have Ms. Powell, if it fits in the next meeting. to have them come in for a short explanation of the fees if it can be arranged.

**Strategic Planning**

Further discussion on the Strategic Plan was tabled till the October meeting.

Motion made to adjourn the meeting by David Schuster with second by Mary Powell.

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

Meeting Adjourned at 9:55 a.m.

Respectfully submitted,.

Cynthia M. Rosel