

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

MINUTES MEETING OF

NOVEMBER 17, 2011

Present: David Hartzell Paul Leone
 Clayt Ertel Nathan Neill
 Chris Kempton Pam Smith
 Mary Powell Cynthia Rosel
 Michael Buettner Robert Geiger
 Scott Bylewski
 David Schuster

Guests: Andrea Kimbriel, Clarence Bee News
 Matt Glynn, Buffalo News

Meeting called to order at 8:00 a.m. by Chairman Hartzell

Chairman Hartzell asked Ms. Rosel to take the roll. Present were David Schuster, Scott Bylewski, Michael Buettner, Chris Kempton, Clayt Ertel and Chairman Hartzell. Mary Powell arrived at 8:16 a.m. Also present were Paul Leone, Steven Bengart, Pam Smith, Cynthia Rosel, Robert Geiger, and Andrea Kimbriel from the Clarence Bee and Matt Glynn from the Buffalo News.

Minutes.

Mr. Hartzell asked if everyone had a chance to review the minutes from October 20, 2011. There was motion by Scott Bylewski to approve the minutes of October 20, 2011 with a second by Chris Kempton. There was nothing on the question.

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

Mr. Hartzell asked for a motion to approve the minutes of the July 21, 2011 meeting. Clayt Ertel moved to approve the minutes of July 21, 2011. There was a second by David Schuster. On the question Mr. Bylewski still believes that those statements that were discussed at prior meetings should be included and unless those are included, he will be voting no on the minutes. Mr. Hartzell said that's fine, we can include them. Mr. Bylewski said we would need to amend the motion to include those statements. Mr. Ertel moved to amend his original motion to approve the minutes to include the statements. Mr. Schuster seconded the motion. There was nothing further on the question.

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

Treasurer's Report.

Mr. Kempton passed out the report through November 17, 2011. He went over the balance sheet and the profit and loss statements. The total fees received to date are \$43,075.93. Interest income was \$2,541.90. There is a negative net income of \$17,026.60. 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. Ertel asked if there is anything significant outstanding in the way of fees. Mr. Leone said that we should receive a fee on the David Huck project. Mr. Bengart said that CIDA and ECIDA are working on together. Mr. Kempton added that we are well within budget for 2011 regarding expenses. Mr. Hartzell asked if there were any questions. There was nothing on the question. Mr. Ertel made a motion to accept the Treasurer's Report. There was a second by Scott Bylewski.

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

Mr. Hartzell welcomed the two guests, Andrea Kimbriel of the Clarence Bee and Matt Glynn from the Buffalo News.

Correspondence.

Cindi Rosel reported that there was correspondence in the form of a letter from Masiello Martucci Calabrese and Associates with an update on the progress the Coalition for Community Building has been making. A copy of the letter was e-mailed to the Board members as well as Mr. Bengart, Mr. Neill and Mr. Leone. We also received a letter from them regarding signing on to their lobbying effort.

New Business:

Perry's Ice Cream Project.

Mr. Leone had several conversations with the Nathan Neill, ECIDA and the Attorney for Perry's Ice Cream. This would be joint project with the ECIDA and CIDA in the amount of \$500,000 and would be for sales tax only. The ECIDA would do the project and work with the CIDA. The CIDA project would be at the warehouse located at 11,358 Main Street. This was done to save costs for the project applicant to do as one transaction instead of two separate ones. The project will be on the ECIDA Board agenda next Monday. Mr. Leone asked for the Board's approval for the project.

Mr. Bylewski made a motion to adopt the resolution as written. There was a second by David Schuster. There was nothing on the question.

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

5841 Transit Road.

Mr. Leone received an application for the opening of a closed restaurant located at 5841 Transit Road, formerly Pietro's Restaurant. They would be redesigning and modernizing the property. They are asking for sales tax only so there is no need for a public hearing and there is no property tax abatement. They anticipate having 20 full time employees. They are grandsons of Russell Salvatore, but he is not involved in this project. Mr. Kempton asked if this qualifies because it is in the Enhancement Zone on its own. Mr. Leone answered yes. It could also be adaptive re-use as it is a closed restaurant. Mr. Bylewski asked if we have had any other projects that were restaurants that were provided CIDA benefits. The closest to this project that he can think of would be Dash's. Mr. Leone answered Hayes Fish. Mr. Kempton mentioned the Clarence Pizza Company. Mr. Buettner said that those projects were total rehabs. Mr. Ertel they were also reconstructions. Mr. Buettner added that is different...this is already there. Mr. Neill said that the applicant does not own the building ...that they are just leasing that section. Mr. Ertel also said it is still in the Enhancement Zone. They still qualify. Mr. Leone added that it is a closed restaurant and they would be re-opening it as an active restaurant. He asked for the Board's approval. Mr. Hartzell added that he thinks that it is a great project. There was a motion by Chris Kempton to approve the project with a second by Clayt Ertel. There was nothing further on the question.

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

9280 Main Street.

Mr. Neill had another resolution for a sublease approval for the Domachowski, Kempisty and Salvatore, CPA PC project (DKS) at 9280 Main Street that the CIDA did in 2004. Tronconi Segarra & Associates LLP (TSA) has purchased the assets of DKS, which is dissolving. TSA is asking the consent of the CIDA to sublease the property from 9280 Main Street. Mr. Bengart added that it is an existing project and all we are doing is changing the sublessee. Mr. Neill added that it is for the same purpose as before and the same people are going to be working there. Mr. Bylewski added that it is a change in name. He also said that we have done this before with other locations. Mr. Bylewski moved to approve the sublease to TSA and there was a second by Michael Buettner. There was nothing on the question.

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

Mr. Leone received a call from Bob Jaus from Hayes Fish. He is going to be buying some new equipment. Mr. Leone does not have an application yet.

Mr. Leone also talked to the people at Paula's donuts. He has not received anything from them yet. They are looking at properties somewhere on Main Street. Mr. Bengart said there is a location in Tonawanda.

Mr. Hartzell added that there has been talk within the ECIDA about re-adaptive use...is it good...is it bad. Mr. Hartzell added that if you have an abandoned building whether it is a restaurant or a jewelry store, the trick is to bring them back on line and convert an abandoned

building into an active business. Mr. Neill said that the question becomes how long to you give abatement for and what kind of Pilot should they get. We had this discussion as part of the whole group. It helps this type of project to have sales tax on the reconstruction and mortgage recording tax abatement. Mr. Hartzell agreed with Mr. Ertel that the CIDA should be the Clarence Commercial Development Agency because we get so much of chance to help Commercial businesses and not so much the Industrial businesses.

Mr. Ertel added that retail is one of the biggest industries in WNY. The term should be changed. it is antiquated with antiquated purposes.

Mr. Ertel read from the EDC Memorandum from October 11, 2011. Mr. Ertel said this is taken from the IDA statute - General Municipal law (GML) Article 18-A that was adopted in 1969. "Under the Ida statute, the purpose of an IDA is to promote, develop encourage and assist in maintaining and attracting certain types of facilities (including but not limited to industrial , warehousing and commercial facilities) and thereby, advance the job opportunities, health, general prosperity and economic welfare of the people of the State. To carry out the aforesaid purposes and IDA has, among other powers, the power to make contracts, and to do all things necessary to carry out its purposes."

Mr. Ertel added that the way he reads it, there is nothing in the law that says that IDA's cannot do retail.

Mr. Neill said that there was one provision that required that there were certain findings but that section was sunset and does not exist any longer. It has been at least three years since that was required. There is no retail restriction at this time.

Mr. Ertel added that anything that we have done has been in an enhancement zone.

Old Business:

Mr. Neill discussed the letter received from Masiello Martucci Calabrese and Associates giving an update on the progress the Coalition for Community Building has been making on a number of priority projects. Mr. Ertel said that the ECIDA has just joined their lobbying effort. Mr. Ertel would like the Board members to pay special attention to the paragraph that refers to IDA's. Mr. Ertel also drew attention to the support that IDA's should be consolidated into one. Mr. Ertel believes that the CIDA should become a part of the efforts of this firm to lobby on behalf of the IDA's. Mr. Hartzell agreed that we need a voice in Albany and it would money well spent to join the lobbying effort and hire the CCB to speak on our behalf. Mr. Bylewski added he thought that we should reach out to Assemblywoman Jane Corwin before spending tax payers' dollars on a lobbying effort to basically preserve our existence when we have someone in Albany who is already doing that. Mr. Buettner suggested that we invite her to the next meeting to discuss this further.

Mary Powell explained that she was just at a meeting about another group that is trying to get funding and they were told that they would have to go to Albany to speak for them. She said that it is going to take a lot of effort on the Board members to Mr. Hartzell asked that Assemblywoman to come to the next meeting. He believes that we need both Ms. Corwin's efforts and CCB.

Mr. Kempton asked what the fee would be to hire the CCB. The cost would be \$500 per month. Mr. Neill thought that the more agencies that sign on, that the fee would drop. He does not know if this is still the case.

There was further discussion regarding the future of IDA's and the need for lobbying in Albany.

Mr. Schuster discussed that he had some issues with hiring the CCB because of the other members they represent.

Mr. Ertel does believe that CCB would represent us and the other IDA's. They are professionals that are experienced.

There was discussion on the signing on with CCB for a period of six months. Mr. Bylewski added that we should also have Mr. Calabrese at the next meeting to discuss their efforts and what we can expect from the firm if we do hire them.

Ms. Powell added that Mr. Calabrese has been here several times to speak to the Board. There is a meeting at ECIDA on November 29, 2011 at 9:00 a.m. Mr. Leone suggested that the Board should attend to hear the presentation to see what is going on the CCB. Ms. Powell asked if they can just show up. Mr. Leone would call Mr. Calabrese to let him know that some Board members would be interested attending to see what CCB does. Mr. Hartzell also said that the Board should feel free to call Mr. Calabrese with any question they may have about joining the CCB Lobbying efforts.

It was decided that this discussion would continue at the next meeting and a decision made at that time.

RFP's

Ms. Powell suggested that the Board should review. She mentioned that she thought a committee was going to meet to discuss the fees and what CIDA was going to spend on the Marketing effort.

Mr. Schuster discussed the Authorities Budget office comments on the donation to the Chamber adding that it could lead to further criticism regarding funds spent on the marketing effort. Mr. Schuster does think this would be a tenuous point with them. Mr. Bylewski said he did raise that issue with Ms. Corwin and suggested that she could discuss the Authorities Budget Office when she comes to the meeting.

There was also discussion regarding the Town of Lockport letter and the lack of projects having bonds. Mr. Neill said that there is a proposal out there from the New York State group of IDA's regarding legislation to correct that issue.

There was also a brief discussion regarding the creation of the LDC. It was decided to wait until there is a purpose to form the LDC before spending the funds to do so. Mr. Bylewski said he did speak about this issue to Ms. Corwin also.

Ms. Powell, in getting back to the marketing issue, wanted to know if she should pursue this further. Mr. Schuster thought that it would be better to wait until Ms. Corwin comes in and we hear what she has to say.

Strategic Planning. (CK)

Mr. Kempton said that at the last meeting we had Mr. Callahan and Mr. Packard come in to identify the areas in the Town that can be developed for commercial or industrial purposes. It was suggested that the Board meet again with them to help the CIDA select the areas where CIDA might want to put funds. Mr. Kempton said that he thinks that the focus seems to be on the sewer project.

It was decided that there should be another session on this issue to discuss this further in February of 2012. Mr. Bylewski also suggested that when they have the meeting the Board should have specific questions for Mr. Callahan and Mr. Packard.

There was nothing further. Mr. Hartzell asked for a friendly motion to adjourn and thanked all present for attending.

Meeting Adjourned at 9:54 a.m.

Respectfully submitted,

Cynthia M. Rosel