

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

MINUTES

January 15, 2009

Organizational Meeting

Present: David C. Hartzell Paul Leone
 Clayt Ertel Steven B. Bengart
 Christopher Kempton Nathan Neill
 Mary Powell Pamela Smith
 Michael Buettner Cynthia Rosel
 Scott Bylewski

Guests: Marta Carney
 Elaine Wolfe
 William Henning

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

Mr. Hartzell asked Cindi Rosel to take the roll call. Present were Chris Kempton, Michael Buettner, Clayt Ertel, and David Hartzell. Mr. Hartzell advised that Scott Bylewski and Steve Bengart would be a little late as they had another 8:00 meeting. Mary Powell asked to be excused (but she arrived at 8:30 a.m.).

Requests for Financial Assistance.

Mr. Hartzell began the meeting introducing Marta Carney and asked her to present the “Meet in the Center” Project. Ms. Carney asked if everyone had a chance to see the information that was submitted previously. There have been some changes to the budget lines. They are now a 501(c) 6 entity. They are looking for start-up funds for a consortium of businesses to promote economic activity, enhance employment opportunities and to improve the aesthetic appeal of Clarence Center while preserving its historic character. They are especially interested in a “Meet in the Center” website. The focus would be on Clarence Center and the website would have information for all areas of the Town of Clarence and special events throughout the Town. The proposed start up costs would be \$10,000 for everything and would include the website. Mr. Hartzell thanked Ms Carney for coming to explain the project and that she will be hearing from him about the Boards decision.

Elaine Wolfe gave a synopsis of the request of the Clarence Hollow Association. They are looking for funds in the amount of \$45,000 for various proposed projects. Each project would have a different cost. Ms. Wolfe introduced William Henning, Architect, to give insight on what

the goals of the Clarence Hollow Association are trying to achieve. One of the goals is to work on bringing businesses to the Hollow area and assist those businesses in start up. They are looking for funds to be used to help with this endeavor. Ms. Wolfe thanked the Board for giving her the chance to come before the CIDA to explain the project. Mr. Hartzell suggested that perhaps it would be a good idea to have all of these small groups get together once a month to discuss what each group is doing for each area to promote Clarence and make it a unified effort. Mr. Hartzell thanked Elaine Wolfe and Bill Henderson for their presentation adding that he will let them know of the Board's decision.

Mary Powell arrived at 8:30 am. Along with Mr. Bylewski and Mr. Bengart.

There was a motion by Clayt Ertel with a second by Chris Kempton under section 105(f) to go into Executive Session.

The Board exited executive session at 8:37 a.m.

The officers of the CIDA for 2009 will be David Hartzell as Chairman, Clayt Ertel as Vice Chairman, Christopher Kempton, Treasurer and Mary Powell, Secretary.

Treasurer's Report.

Mr. Kempton reported on the Money Market Account, Checking Account and the CD's. The two CD's matured on December 26, 2008 and the rate dropped considerably to anywhere between 1.6 to 1.7%. The Money Market was at a 1.2% and he decided to move the funds into that account and monitor the CD rates before deciding on where to put the funds. He asked if the Board would give him the discretion to make a decision when there appears a reason to put the funds into a CD. He would not go beyond 12 months. Mr. Bylewski moved to grant the Treasurer that discretion as it relates to Certificates of Deposit with a second by Clayt Ertel. On the question Mary Powell said that we should be conscience of the time and not go over 12 months.

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

Mr. Kempton continued with his report going over the balance sheet and profit and loss statement. He reminded everyone to review the details. There was a fee received in January 2009 on the Benchmark Project in the amount of \$16,500 and no expenses have been incurred for 2009 to date. Mr. Kempton said again that the monthly reports should reflect the line items on the budget to compare where we stand on a monthly basis and that he would work with Pam on getting that on the monthly statements. He asked if Pam would begin this in January or February. There being nothing further, there was a motion from Mr. Bylewski with a second by Mr. Ertel to approve the Treasurer's Report. There was nothing on the question.

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

New Business:

BMW Showroom Expansion Project - Paul Leone introduced Mr. Tim Connelly, CFO and the applicant is the Downing Family Real Estate LLC. They are asking for sales tax only. The project is in an Enhancement Zone. There may another major expansion in the April of May. BMW has asked that the location be upgraded. Mr. Ertel will recuse himself and left the meeting. Mr. Bylewski asked if they did not receive the benefit of sales tax from the CIDA what would his company do? Mr. Connelly stated that need to expand the showroom per BMW to make room for new models. If they do not, they will not have the room for display of those new models. Mr. Bengart asked if it was fair to say that it would be a hardship if the sales tax benefit was not approved and Mr. Connelly said that it would they would have to move ahead. There being nothing further, a motion was made by Chris Kempton with a second by Mary Powell to approve the sales tax exemption only for the BMW Showroom Expansion Project. On the question, Mr. Buettner asked if the benefits to be received were under \$100,000 and Mr. Leone said that was correct.

**Vote: Buettner, Bylewski, Hartzell, Kempton, Powell. Noes: None
Absent: None. Recuse: Ertel**

Uniform Tax Exemption Policy.

Mr. Hartzell began the discussion on the proposed Uniform Tax Exemption Policy that has come before the IDA Leadership Council and asked Mary Powell if she thought this benefits the CIDA in anyway? Mary Powell did not have her notes, but she said her one big concern is that when the CIDA is evaluating projects that any of our projects would fall within a reasonable abatement schedule. As she has said from the beginning, she would still like to see the same schedule used as we have for past projects, that it be retained and not taken from us. Mr. Neill said that this compresses the schedule from 10 year abatements to 7 years with the same value of abatement and the 15 year going to 10 with the equivalent amount of abatement. He went on to discuss further some of the comparisons that were discussed on the schedule handout. He talked about the reporting requirements of the State. He said that there is not a single project that we had in the past that would not qualify for the 7 years abatement. Mr. Kempton asked what if the CIDA does not agree with the policy? Mr. Neill said that we would not have to follow the schedule unless we adopt it. There was continued discussion regarding the Abatement Schedules. Mr. Hartzell wanted to know if the Board wanted someone to come in to discuss this Policy further or would the Board like to vote on it. Mr. Ertel said that he does not think we need to vote on it. Mr. Leone said that concerns have been expressed about the abatement schedule. It was decided that this would be discussed further after the next IDA Leadership Council meeting.

Mr. Neill discussed the Pilot payments and how they are being billed. He was suggesting that because billings were being done incorrectly using incorrect formulas when all the taxing jurisdictions are involved. The thought is to have the Assessor, Christine Fusco, do the billings by using the same procedure as she did for the Town of Lancaster. She would have to be compensated. The CIDA would have to come up with a figure. She would be willing to do it. This would insure that the billings would be correct and there would be a way to verify that the

payments have been billed and received. This will be discussed and decided and the February meeting.

Donation and Fund Policy

Mr. Hartzell thanked Scott Bylewski and Cindi Rosel for drafting the policy and asked if everyone had a chance to review it. Mr. Buettner asked who made the additions. They were approved at the last meeting. Mr. Bylewski added that it is now in written form and ready to be put in the policy manual. Mr. Buettner said he thinks 2% is too low and would like it to be at 5% or more for the types of projects would be visible in the community and would like that on the record. Mr. Hartzell thanked him for his comments.

Mr. Leone has received a request for an application from Milherst Construction for a project for a new storage building on County Road.

There is also a new project that Greatbatch, Inc. is proposing and Mr. Neill said that he is negotiating with their attorneys on this project.

There was some other discussion regarding a project with Dominic Piestrak for the Roll Road project and there will be further information at the February meeting.

Mr. Leone discussed the pending Buffalo Filter project briefly. There was also a question about the building on Wehrle Drive and what happened to that project. Mr. Leone said that it fell through because of the assessed value. They did not pursue the project.

Mr. Bylewski added that we need a resolution relative to the appointments that were made for the CEO, CFO and secretary to the CIDA. It should be noted that the appointments were made at the budgeted rate of pay.

Mr. Ertel discussed "Claw Back Policy" that was discussed at the IDA Leadership Council. Mr. Hartzell asked that Clayt put that on the agenda for next month regarding the CIDA adopting a policy.

Cindi Rosel reminded all the Board members to get in there Annual Statement of Disclosure Forms that were mailed out.

There being nothing further the meeting was adjourned at 9:34 a.m.

The next meeting will be February 26, 2009 because there would be several members out of Town.

Respectfully submitted,
Cynthia M. Rosel

Executive Session – January 15, 2009

Action Taken

Motion made by David Hartzell with a second by Christopher Kempton to reappoint the following Nathan S. Neill, Bond Counsel; Steven B. Bengart, Counsel/Assistant Secretary; Paul Leone, Consultant; and Wayne Drescher, CPO.

**Vote: Buettner, Bylewski, Ertel, Hartzell, Kempton, Powell. Noes: None
Absent: None. Recuse: None**

Motion made by David Hartzell with second by Christopher Kempton to appoint Paul Leone, CEO; Pamela Smith, CFO; and Cynthia Rosel as secretary at the 2009 budgeted rate of pay.

**Vote: Buettner, Bylewski, Hartzell, Kempton, Powell. Noes: None
Absent: None. Recuse: None**