

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

**MINUTES**

**MEETING OF APRIL 16, 2009**

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

Excused:       Christopher Kempton

Guest(s):      Jim Collins, Sr.                     Ronald Maurer  
                  Jim Collins, Jr.

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

Mr. Hartzell wanted to note for the record that there was not a quorum present. Roll call was taken by David Hartzell. Present at the time were, Clayt Ertel, and Chairman Hartzell. No one else was present at the time of roll call. Michael Buettner and Mary Powell arrived at 8:04 a.m. along with Mr. Bylewski.

Mr. Hartzell asked Clayt Ertel to report on the photography project and asked if he and Mary Powell had a chance to talk briefly about listing contacts for the properties on the website. Mr. Ertel added that when the pictures are taken at random and there is a for sale sign on that property, it does not always mean that the property is still on the market and that the name on the sign is the contact. He and Mary are trying to work something out to eliminate any confusion. Mr. Ertel said that we should take the pictures anyway but they have to sort out how to come up with an easy, less confusing way, to list contacts. They would have to look at the pictures and go forward from there. Mr. Hartzell said that we do have the pictures on the properties available on Main Street from Transit to Davison Rd. and thanked Mr. Ertel for his report.

Mr. Hartzell asked Cindi Rosel if there were any calls as a result of the ad in Business First. Ms. Rosel replied that there were none at this time.

Michael Buettner, Mary Powell and Scott Bylewski arrived at 8:04 a.m. so there was a quorum present.

**8:04 a.m. Public Hearing – County Road-MCI Ventures, LLC Project**

Mr. Hartzell opened the public hearing at 8:04 a.m. Mr. Leone began the public hearing which was for the MCI Ventures, LLC project on County Road. The representatives from the company attending were Ronald Maurer, James Collins, Sr. and James Collins, Jr. The project is located on County Road in the Clarence Central School District. MCI Ventures, LLC is the real estate holding company established by Milherst Construction, Inc. to develop the project. Milherst Construction, a full service site and utility contractor specializing in water, sewer and storm lines, earth moving, asphalt paving and road construction, will occupy the facility. The proposed

project entails the construction of an 18,000 sq. ft. single story office/shop facility. The project amount is \$1,835,350. They have applied for sales tax exemption for all the construction equipment and materials and for 15 year property tax abatement. There are currently 47 employees and they expect to create approximately an additional 5 positions. Mr. Leone added that he and the applicant will be happy to answer any questions. Mr. Hartzell asked if there were any questions. Mr. Neill had a question and asked if it was correct that there will actually be three buildings totaling 18,000 sq. ft.? James Collins, Jr. replied that there will be three separate parts of the building but they will be connected in the 18,000 sq. ft. Mary Powell asked if there will be three separate phases? Mr. Collins answered, no; the construction will take place all at one time. There will be an office, maintenance shop and cold storage that are connected. Mr. Bylewski asked if this was similar to the Kelkenberg style buildings? Mr. Collins said that it was. Mr. Bylewski also asked the applicant that if they did not receive CIDA benefits, what would happen with the project. Jim Collins, Jr. said that they probably couldn't go forward Mr. Buettner asked what kind of jobs would be created. Mr. Maurer said that they would be operators or maintenance staff for the facility. There being nothing further, Mr. Leone recommended that the Public Hearing be closed. Mr. Hartzell closed the hearing. Mr. Leone thanked the applicants for coming in.

### **Minutes – March 26, 2009 Meeting**

Chairman Hartzell asked if everyone had a chance to review the minutes of the March 26, 2009 meeting and if there were any comments or questions. There being none, a motion was made by Scott Bylewski with a second by Clayt Ertel to approve the minutes of March 26, 2009. There was nothing further on the question.

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

### **Treasurer's Report**

Mr. Kempton was excused from the meeting and Pam Smith went over the Balance Sheet, Profit and Loss Statement and the Profit and Loss Budget vs. Actual comparison sheet. Ms. Smith had question on Marketing and Promotion line and accrual and Advertising and how that should be broken out. Mr. Bylewski said that has been happening after the last few meetings where Mr. Kempton, after voting and approving the expenditure, instructed where that amount should be taken out of, such as advertising or marketing expense. Mr. Ertel asked if they could be both under the one line item. Mr. Bylewski recalled that the Advertising line item was for print ads and all other expenditures would be under Marketing and promotions. There was some discussion about the CD line by Ms. Powell and Ms. Smith replied that we do not have CD's at this time because of the interest rates being so low. Ms. Smith added that CD's are not paying anymore than the money market account. Mr. Hartzell also reminded that investing in Bonds was going to be researched. Mr. Bengart said that he has not finished he research. There was a question regarding collateralization. Mr. Buettner asked why can't we ladder the money further out than 12 months as we may get a better rate? Ms. Rosel reminded the Board that this was discussed at a previous meeting (she thought in February) and that the Board moved to grant the Treasurer the discretion to make a decision when there appears a reason to put the funds into a CD. Mr. Buettner said that he had heard that Key Bank was giving a higher rate for special customers for a 2 year CD. He thought we could maybe get 3% if we go out a litter farther than

12 months. There was further discussion about the rates and it was decided that Mr. Buettner would research the rates and the time periods. Mary Powell asked if anyone had contacted HSBC. There was also discussion about collateralization. Ms. Smith said that she could research the rates. Mr. Buettner thought it would be worth it to see what rates are out there. Mr. Bylewski said that if this is done appropriately, it would be worth it. There was also further discussion about looking at where we can invest this money in the future. Mr. Hartzell said that we can do that a little more in depth at the next meeting. Mr. Hartzell asked if there were any more questions on the Treasurer's report? There being none, a motion was made by Clayt Ertel with a second by Mary Powell to approve the Treasurer's Report as presented. There was nothing on the question.

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

### **Correspondence**

Ms. Rosel reported that we received the proposal from Don Festaiuti Photography/Video for the streaming video and the photo montage project. Mr. Hartzell said that the photo montage is on hold until Clayt and Mary sort it out. He also included the \$50/per property for Harris Hill, Sheridan Drive and Clarence Center.

We did receive the application for the increase in the Crime Policy and it has been filled out with the help of Floss, Pam Smith and Cindi Rosel. Mr. Hartzell needs to sign so we can submit.

Ms. Rosel also reminded the Board about the SBA "Matchmaker Luncheon & Expo" on May 6<sup>th</sup> at the Convention Center. There are reservations for ten. If anyone cannot make it at the last minute, please let Ms. Rosel know.

Mr. Bylewski asked if he could go back to the CD issue discussed earlier on the agenda relative to the CD's. Mr. Kempton was asking for discretion to make a decision where there appears to be a reason to put the CIDA funds into a CD. Mr. Bylewski looked at the previous minutes and in January he moved to grant the Treasurer that discretion as it relates to Certificates of Deposit and the motion was seconded by Clayt Ertel. On the question Mary Powell said that we should be conscience of the time and not go over 12 months. Mr. Kempton does have that discretion granted back in January.

### **Requests for CIDA Funds.**

Mr. Hartzell opened the discussion with the ideas proposed by Mr. Kempton at the March meeting. Mr. Kempton's first suggested that the award of funding be completed by April 1<sup>st</sup> each year. All the written requests are to be submitted by January 1<sup>st</sup> and the decisions made by April 1 of each year. The other idea Chris had is that rather than looking at each request as a blanket proposal for a particular request, we should take a look at all the subsections of the proposals and vote on those applications that would help business in general, that would be business specific. Mr. Hartzell had the Board look at the chart provided at the meeting. He added that we need to determine if there is can't miss project. The award cap for 2009 is \$14,000. Mr. Hartzell asked if the Board wants to award all of the \$14,000 now. The Board was in agreement that the \$14,000 should be disbursed all at once. There was discussion on how and

if this should be done at all. Mr. Bylewski said that we have developed a policy in consultation with the CIDA Attorney's and it was determined that this was something that could be done. There was further discussion regarding how to determine who would get some of the funding, what would benefit the community as a whole. Mr. Ertel said that we should go forward but be prudent in how we proceed. Mr. Buettner questioned why there were so many similar organizations. Mr. Ertel and Mr. Bylewski added the there were separate groups because of the different business areas that want to focus on their particular niche market. It was suggested that a portion of the \$14,000 be awarded to the Clarence Chamber, a portion to the Hollow Association, and Meet in the Center Projects. Ms. Powell said she thought we should give something towards Clarence Center Association clock project also. Discussion followed suggesting different amounts for each submitted project. The Board decided that it would award the Chamber \$10,000; \$1,250 to Meet in the Center; \$1,250 to Clarence Hollow Association and \$1,250 to the Clarence Center Merchants Association.

There was a motion made by Scott Bylewski to award the funds budgeted for 2009 as follows:

- i) the Clarence Chamber of Commerce would receive \$10,000 to be used exclusively towards the Upgrade of the Electronic Equipment and Software project for the Chamber;
- ii) the Clarence Center Community Association would receive \$1,250 to be used exclusively towards the purchase of the Street Clock.
- iii) the Clarence Hollow Association \$1,250 to be used exclusively for the Business Development Plan for the Clarence Hollow Area; and
- iv) the Meet in the Center Merchants Association would receive \$1,250 to be used exclusively towards the promotion and advertising of Clarence Center merchandizing of the Clarence Center Business District.

There was a second by and nothing further on the question.

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

(Mr. Hartzell recused as he is president of the Clarence Chamber.)

There was some discussion regarding a policy of how to disperse funds in the future. Mr. Hartzell suggested that in the future, all requests for funds be submitted to the CIDA between April 1st and December 31<sup>st</sup>. Mr. Bengart asked if the money we just awarded available immediately. The answer was yes. Mr. Hartzell asked about his suggestions for the future for dispersing the awards. It was suggested that we table this until the next meeting and make any amendments to the fund policy then. .

Mr. Bylewski added that we have a policy manual and still have some policies that need to be adopted. We should come up with a time table to adopt those that still need to be voted on. Mr. Neill said that we have samples of policies that were distributed previously. Some of them have been adopted. Mr. Bengart said that we could adopt the policies today and go back and make amendments where needed.

## **Inducement on the MCI Ventures LLC Project on County Road.**

Mr. Neill passed out the SEQR-Neg Dec resolution. A motion was made by Scott Bylewski with a second by Clayt Ertel to approve the Neg Dec as set forth in the resolution. There was nothing further on the question.

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

Mr. Leone presented the inducement resolution. There was a motion made by Scott Bylewski to approve the inducement as set forth in the resolution to adopt and a second by David Hartzell. On the question Ms. Powell had some questions on the 15 year abatement. Mr. Leone said that there were eligible for the 15 year abatement because it was a single tenant.

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

Paul Leone continued with new business. There will be a public hearing on May 21, 2009 for the 10120 County Road – Four M’s Development LLC project. A copy of the notice of public hearing is included in the packet. The SEQR has been done by the Town and a Neg Dec has been issued.

Mr. Leone has also been in contact with John Wabick from West Herr. There is a proposed, major expansion for the corner of Main and Transit for the dealership regarding Toyota. It would be approximately be a \$2M to \$2 1/2 M dollar project. He does not have an application as of yet.

Mr. Leone also reported on the Buffalo Filter Project and there is nothing new and he is not sure of the status.

On May 15<sup>th</sup> there will be a presentation titled “No More Business as Usual” with Davis Rusk regarding Economic Development. Mr. Leone has the information if anyone is interested.

Mr. Leone noted that the Hoyt bill has been introduced in the State Senate by Antoine Thompson. Mr. Leone added that ECIDA is trying to meet with different lobbyists and have settled on, he believes at this point on Carl Calabrese. They do not have a proposal yet. Mr. Neill added that there has been a request by the ECIDA proposing to have all the IDA’s collectively participate with a contribution of \$3,500 per month to hire a lobbyist. Mr. Neill added that they have not worked out the portionality of it, who gives what. He also suggested that the CIDA authorize an amount up to \$5,000 towards this effort, for the year. If there is more needed, the CIDA can authorize to adjust this amount in the future if need be. There was further discussion regarding what a lobbyist would do, what other IDA’s throughout the State are doing and what the CIDA should do. Mr. Bengart added that he would think that members of the CIDA would also have to lobby in Albany, personally. Several members said that they would be willing to do that. Mr. Hartzell said that the CIDA could, as suggested by Mr. Neill, approve to contribute an amount not to exceed \$5,000 toward the contract over the next 12 months, pending receipt of a concrete proposal from Dave Mingoia of the Amherst IDA to the CIDA describing exactly what they are going to do with the money and what they expect for it. The CIDA is not going to spend the

money without having some kind of an acceptable proposal. Mr. Bengart asked if that was in the form of a motion and Mr. Hartzell answered that it was. Mr. Leone added that it is not the Amherst IDA but the ECIDA that would actually be putting the actual general contract in. Mr. Ertel said that we would not be meeting for another month so we really need to decide on this today. Mr. Bengart added that he would suggest that the Board consider adding to the motion that the Board would give the Chairman the discretion to spend the funds without waiting for the next meeting as that may be too late. Mary asked what they have from Calabrese now. Mr. Leone said that they are waiting for Calabrese to present the scope. He does not know if they have that yet. Mr. Bengart said that this is certainly relevant and writing the scope or the IDA's. There was further discussion and Mr. Bengart said that there is a motion on the table. Ms. Powell asked that the motion be stated again. Mr. Bengart said that the motion made by Chairman Hartzell to approve an amount not to exceed \$5,000 from the CIDA to contribute towards the proposed hiring of a lobbyist proposed by the ECIDA, regarding the Hoyt legislation, pending receipt and review of a concrete proposal and review of the scope of the proposal, and to authorize the Chairman to spend the funds at his discretion. Mr. Hartzell added that he would e-mail whatever he receives to the Board. There was a second by Clayt Ertel. There was nothing further on the question.

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

Mr. Bylewski had an item under New Business. Earlier in the year Mr. Bylewski talked about a branding effort of the Town in conjunction, at the time, with the Chamber and some other interested individuals to try to and get an overall Town brand image and marketing going on. Further discussions have gone on but he does not have proposal yet to bring forward to the CIDA for a roll out of the logo of the slogan. It looks like it would be a version of Doug Kohler's six word history, something to the effect of "Greenspaces, caring faces and historic place," to try and market the Town once they do have a proposal that would be propionate to bring before the CIDA he will do so. It would be long term media campaign. It would be multi use information that could be used by the Chamber, the Hollow and other organizations to promote the Town. Mr. Bylewski wanted to present this today to get things started.

Mr. Hartzell called on Nathan Neill regarding bringing the CIDA Policy manual up to date. Mr. Bylewski made a motion to adopt the Policy Manual as presented in total by Nathan Neill. There was second by Chairman Hartzell. There was nothing further on the question.

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

Mr. Neill said that the one policy that is not in the packet and is on the agenda today is the Real Property Acquisition Policy. It needs to be adopted. There was a motion by Scott Bylewski to adopt the Real Property Acquisition Policy as stated and designating the Assistant Secretary as the Agency's Contracting Officer. There was a second by David Hartzell. There was nothing further on the question.

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

Mr. Leone has a copy of the letter from Carl Calabrese, a proposal if you will, to Jim Allen outlining what Mr. Calabrese would be doing for the IDA's. The outline includes is to work with the local IDA's to develop an agenda to advance to State Government, track legislation, work with political strategies, presence in Albany development of a government action plan and develop a work plan. There is more in the letter and if anyone would like a copy they can have one. There is also a copy of a letter that Jim Allen drafted to send to

There was a brief discussion regarding prevailing wage and IDA projects.

Mr. Hartzell asked Scott Bylewski if he knew if there are any other municipalities doing Six Sigma Training. He thought it was great that Scott was taking the initiative in bringing the Training to the municipal level in Clarence.

There being no further business the meeting was adjourned at 9:11 a.m.

Respectfully submitted:      Cynthia M. Rosel

The next meeting is May 21, 2009.