

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

MINUTES

May 20, 2010

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

Guests: Anthony Gutkowski, Vice President Key Bank
 David Saleh, Esq.
 Michael Murphy, DDS

Absent: David Schuster

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

Mr. Hartzell asked Cindi Rosel to take the roll. Present were Scott Bylewski, Michael Buettner, Christopher Kempton, Mary Powell, Clayt Ertel and Chairman Hartzell. David Schuster was absent as he was out of town. Also present were Nathan Neill, Paul Leone, Pam Smith and Mr. Bengart arrived at around 8:40 am.

Mr. Hartzell spoke briefly about the SBA Expo and Luncheon and thanked everyone who attended. The recipients of the CIDA awards were Doodle Bugs and Stick-n-Ball at the Mall. He thanked Cindi Rosel for getting the plaques. The recipients were very pleased with them.

Mr. Hartzell introduced Anthony Gutowski, VP from the Fountain Plaza Branch of Key Bank. Mr. Gutowski spoke briefly about the products Key Bank has to offer to businesses. Key Bank has helped several businesses in the Town of Clarence with financing for with their creative loan programs. They have a great deal of information on line for potential and present customers. He thanked Mr. Hartzell for having him today and added that if anyone had questions, they can contact him at his office.

Public Hearing – 9645 Wehrle Drive - At the Lock/ InLighten Project

A public hearing was held at 8:05 am to consider CIDA approval of the 9645 Wehrle Drive - At the Lock/ InLighten Project. Mr. Leone introduced David Saleh, Esq. who was representing the applicant. The project is located at 9645 Wehrle Drive on approximately 3.63+/- acres of land. The company is requesting Agency assistance in the form of a lease only or lease with mortgage transaction in an amount not to exceed \$3,225,000. The assistance contemplated by the Agency will include mortgage tax abatement, sales tax exemption on any materials and/or equipment purchased and real property tax abatement in accordance with a special pilot that would involve a ten year freeze on the real property assessment. The company has 70 employees and

anticipates 20 to 30 new hires over the next two years. Nathan Neill will address any questions on the special pilot. Mr. Bylewski asked Mr. Saleh what would happen to the project if the company did not receive the CIDA benefits. Mr. Saleh said the project would not be able to go forward. The approval of the project by the CIDA is a very necessary and important component of the transaction. Mr. Bylewski asked Mr. Neil if there was anything as to the terms of the application the Board should be made aware of. There was an issue regarding fees that were in the application and that issue has been resolved to the satisfaction of both parties.

8560 Main Street - Infinity Eye OD, PLLC d/b/a Clarence Eye Care Project

There is no public hearing required. The applicant is requesting sales tax benefits only for between \$100,000/150,000. Mr. Leone introduced Dr. Michael Murphy who was present to explain the project and answer any questions. They are requesting Agency assistance to acquire install and operate the Project for purposes to expand employment in the Town of Clarence in a larger facility. The business provides vision care and the doctors are Optometrists. The proposed new location is 1900+/- square feet, tripling the size of the operation. They now have 1 full time employee and 3 part time employees. Dr. Murphy explained that with the expansion they anticipate having 3 full time and 2 part time employees. They have a budget and he does not think the project could go forward without the CIDA approval for the Agency benefit of a sales tax exemption. Mr. Hartzell commented that he thinks that this is a great project and a great opportunity to help small business. It is in an Enhancement Zone.

Minutes – April 15, 2010

Mr. Hartzell asked if everyone had a chance to review the April 15, 2010 minutes. Scott Bylewski moved to approve the minutes of April 15, 2010. There was a second by Chris Kempton. There was nothing further on the question.

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

Treasurer's Report

Chris Kempton passed out the report as of May 20, 2010. He went over the Balance Sheet and the Profit and Loss Statement. CD rates are still low and will continue to be monitored by Pam Smith. Interest income is down and fees collected to date are \$11,155. Mr. Kempton also reminded the Board that some of the budget items are at almost 100%. There will be an adjustment for the expense for the SBA Expo and luncheon to the Marketing and Promotion budget line. Mr. Bylewski asked if there are any projects closing soon. There should be at least two closings coming up in the near future. Milherst should be closing soon also. There are some other expenditures that are coming up such as insurance. Funds will have to be transferred to the Operating Account to cover that expense. Expenses are exceeding income at this time. Mr. Hartzell asked if we should transfer some funds to another bank. Mr. Kempton said that with the collateralization, that takes away the need to do that. Mr. Bylewski added that the Town recently sent out a RFP for banking services and they pretty much came in the same. The Town uses several different banks. There was a motion by Scott Bylewski with a second by Clay Ertel to approve the Treasurer's Report. There was nothing further on the question.

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

Correspondence:

A Notice of Public hearing from the Town of Amherst IDA was e-mailed to the Board members regarding Northtown Automotive Companies, Inc. on Sheridan Drive that is scheduled for May 21, 2010 for the Lexus dealership.

Scott Bylewski received a letter from the State Assembly regarding the Public Authorities Reform Act and the MWBE program that have not as yet been successful. They would like a response on how the CIDA will meet the new standards to implement the reforms and fully comply with MWBE. He does know why the CIDA was included because it speaks about State contracts. Mr. Neill and Mr. Leone said that all the IDAs received the letter.

Mr. Bylewski met Janine Tramont at the SBA luncheon who received an award that day. She is with the Business Development & Special Programs at UB. She is working on connecting up businesses with different programs, different avenues. He would like to invite her to the next meeting to give a presentation to the CIDA. This will give us another avenue to make the public aware that the CIDA is here to help business to locate to the Town of Clarence. Mr. Hartzell added her to the June agenda.

Mr. Hartzell received a letter from a coalition formed to educate and advocate policies supporting growing private economy in Upstate New York. The letter was distributed to the Board for review and discussion at the next meeting if they wish.

Committee Reports.

Mr. Kempton asked that the Audit Committee be put at the end of the June Agenda as a reminder that the Committee will meet immediately after the June CIDA meeting.

New Business:

Inducement Resolutions:

9645 Wehrle Drive – At the Lock/InLighten Proposed Project

Mr. Leone said that public hearing that was held earlier was for the project located at 9645 Wehrle Drive on approximately 3.63+/- acres of land. Mr. Saleh is still present to answer any questions if there are any. The company is requesting Agency assistance in the form of a lease only or lease with mortgage transaction in an amount not to exceed \$3,225,000. The assistance contemplated by the Agency will include mortgage tax abatement, sales tax exemption on any materials and/or equipment purchased and real property tax abatement in accordance with a special pilot that would involve a ten year freeze on the real property assessment for Town/County and School Taxes. The company has 70 employees and anticipates 20 to 30 new hires over the next two years. Nathan Neill will address any questions on the special pilot. Mr. Neill has prepared a resolution which the Board has in the packet for review. Mr. Bylewski asked that it be noted that Mary Powell is recusing herself from any discussion or voting on the

project and is leaving the meeting. Motion made by Chris Kempton with a second by Clayt Ertel to approve the inducement resolution as written. There was nothing further on the question.

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

8560 Main Street - Infinity Eye OD, PLLC d/b/a Clarence Eye Care Project

The applicant is requesting sales tax benefits only for \$150,000. They are requesting Agency assistance to acquire install and operate the Project for purposes to expand employment in the Town of Clarence in a larger facility. The business provides vision care and the doctors are Optometrists. They will be leasing a new location of approximately 1900+/- square feet, tripling the size of the operation, which was in a 750 +/- space now. They now have 1 full time employee and 3 part time employees. Dr. Murphy explained that with the expansion they anticipate having 3 full time and 2 part time employees. They have a budget and he does not think the project could go forward without the CIDA approval for the Agency benefit of a sales tax exemption. Mr. Hartzell commented that he thinks that this is a great project that shows that CIDA has an impact in the community. It is great opportunity to help small business expand and fill a vacant building in an abandoned office plaza. The project is an Enhancement Zone. There was a motion made by Chris Kempton with a second by Scott Bylewski to approve the resolution granting Agency benefits as written. There was nothing further on the question.

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

Mr. Leone met with Piccone Development regarding a facility on Main Street. They are purchasing Antique World and are putting up an office/warehouse complex. There would be 3 or 4 different buildings located 10995 Main Street. That is all Mr. Leone has on the proposed project at this time.

Mr. Hartzell and Mr. Bylewski are members of the Six Sigma Committee. It is a business advisory committee consisting of representatives of the business community and the Town that will meet once a month to discuss Six Sigma projects within local businesses and the Town. The group attended a tour of the County projects. Greatbatch is also involved also. Mr. Hartzell moved that the CIDA pay for the luncheon for a future meeting of the Committee in an amount less than \$200. Motion made by David Hartzell to provide lunch for the Six Sigma Committee meeting with a second by Clayt Ertel. On the question Mr. Bylewski noted that he would like to have it noted at the time of the meeting that it is being sponsored by the CIDA. Mr. Kempton added that this would fall under the Marketing and Promotion budget line. There was nothing further on the question.

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

Mr. Hartzell also received a letter from the Curious Minds Montessori project requesting that the CIDA run an ad advertising the project. The cost would be around \$1,000. The consensus of the Board was that the applicant should come back when the building is finished and they are open.

There was some discussion regarding advertising after the projects are done. The Board also discussed medical and professional type projects.

Mr. Hartzell went back to the company that was going to prepare the new mailing list for mailings. The area for the list has been increased to include all of Clarence zip codes. The cost will be \$621.52. Motion by Clayt Ertel with a second by David Hartzell to approve the cost for purchasing the new mailing list. There was nothing on the question.

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

Mr. Hartzell introduced Carl Calabrese who gave a presentation on MMCA (Masiello, Martucci, Calabrese Associates) a professional lobbying and consulting company. He will be meeting with other IDA's in the next week. Beginning in the fall, an agenda committee will meet to formulate the next legislative session. The agenda could change based on the new makeup of the coalition especially with IDA's joining in the efforts. The retainer rate is \$500/mo. The cost could be reduced with the increase of new members. Mr. Kempton asked if there are other organizations that lobby on behalf of small businesses. There was discussion regarding the New York Economic Development Council which an independent counsel. The IDA's are a part of that. Mr. Ertel has not seen this group to be very effective especially to Upstate.

The coalition has five members now including the AIDA (Amherst IDA), LIDA (Lancaster IDA) and HIDA (Hamburg IDA) as well as BNBA (Buffalo Niagara Builders Association) and BNAR (Buffalo Niagara Association of Realtors). Mr. Bylewski asked how much time MMCA spends lobbying for the coalition in Albany, especially, on IDA issues. Mr. Calabrese answered that he cannot put a percentage on it at this time. Mr. Leone added that the Lancaster IDA committed to three months as well as the Hamburg IDA. Mr. Kempton asked if we are affiliated with any other lobbying group. Mr. Ertel said that we are not. Mr. Hartzell thanked Mr. Calabrese for coming in. Mr. Calabrese thanked the Board for the opportunity to make his presentation.

Mr. Hartzell asked for a friendly motion to adjourn and Mr. Kempton so moved. Mr. Hartzell thanked everyone for volunteering their time and adjourned the meeting.

Meeting adjourned at 9:05 am.

Next Meeting –June 17, 2010

Respectfully submitted,
Cynthia M. Rosel