

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

MINUTES

Meeting of June 21, 2007

Present: David C. Hartzell Paul Leone
 Clayt Ertel Nathan Neill, Esq.
 Mary Powell Pam Smith, CFO
 Peter DiCostanzo Steven B. Bengart, Esq.
 Christopher Kempton Cindi Rosel, Secretary
 Michael Buettner
 Kathleen E. Hallock

Absent: Wayne Drescher, CPA

The meeting was called to order by Chairman David Hartzell at 8:03 a.m.

Minutes - Mr. Hartzell asked if everyone had a copy and reviewed the minutes of the previous meetings: April 19; May 17 and the May 31, 2007 Special Meeting.

Mr. Hartzell called for a motion to approve the minutes of the April 18, 2007 meeting.

Motion made by Clayt Ertel, second by David Hartzell to approve the minutes of the April 19, 2007 meeting. Vote: Ayes: All Opposed: None Motion carried.

Kathleen Hallock had a correction to number 9 of the minutes regarding the motion to approve S. Bengart as Counsel to the CIDA. It should be amended to read “seconded by David Hartzell.”

Motion made by Clayt Ertel, second by Kathleen Hallock to approve the minutes of the May 17, 2007 meeting as amended. Vote: Ayes: All Opposed: None. Motion carried.

Mr. Hartzell asked if everyone reviewed the minutes of the May 31, 2007 – Special Meeting. Mr. Hartzell asked for a motion to approve the minutes of the Special Meeting of May 31, 2007.

Motion made by Clayt Ertel, second by David Hartzell. Vote: Ayes: All Opposed: None. Motion carried

Treasurer’s Report – Christopher Kempton, Treasurer gave his monthly report to the Board. Mr. Kempton was able to get a higher rate on the money market account with HSBC. Mr. Kempton also recommended that the checking account balance at the Bank of Akron be brought down to \$25,000 and transfer the balance to the money market account to take advantage of the higher interest rate. There was also discussion regarding the bonding of the treasurer and other Board members of the CIDA with Joseph Floss of the Floss Agency. It was suggested that Mr. Floss obtain quotes on bonding relative to the CIDA and will get some information to Chris Kempton. There was further discussion regarding the report and listing the name of the project

next to the amounts received for fees on the CIDA projects. Pam Smith will have the reports reflect the project names going forward. Mr. Hartzell asked for a motion to approve the treasurer's report.

Motion made by Peter DiCostanza, second by David Hartzell to approve the treasurer's report. Vote: Ayes: All Noes: None. Motion carried.

Insurance Discussion – Mr. Hartzell recognized Joseph Floss of the Floss Insurance Agency who was invited to the meeting to discuss CIDA coverage relative to hiring of the CEO, CFO, and secretary to the CIDA and the EDO. Mr. Floss went over who is and who is not covered under the Public Official Policy. There was further discussion and Mr. Floss was asked to get quotes for. Mr. Floss will get back to the Board.

Old Business - EDO Progress – We are in the process of scheduling interviews.

New Business – David Hartzell asked Paul Leone to discuss the upcoming CIDA projects. Paul Leone said that there are three projects for sales tax exemption Greatbatch Ltd., Barnes and Noble, and Larry Reid. Paul is asking the Board to approve all three for sales tax only. There is no public hearing required as benefits are all under the \$100,000 threshold. The applications were just submitted. Nathan has prepared the necessary resolutions. There will be a public hearing on the Greatbatch Ltd. project on July 19, 2007. They are asking for sales tax exemption at this time only. Clayt Ertel explained that Larry Reid is the owner of Home Town Cleaners on Main Street who will restore the building to its original state.

Barnes and Nobel, Inc. - Mr. Leone discussed the Barnes and Nobel, Inc. application. The applicant is moving to a 30,000 square foot space located within the Clarence Mall and is asking for sales tax exemption only. Nathan Neill advised the Board that the applicant's lease at their present location is expiring and there is not room for the expansion they would like to make to the business. Paul Leone asked for approval on Barnes and Noble.

Motion made by Clayt Ertel, second by Michael Buettner that the CIDA approve the request of the applicant, Barnes and Noble, for sales tax exemption only from the CIDA. On the question Mr. Bengart wanted to incorporate all the discussion by the CIDA Board regarding this project into the motion and that it was the understanding, through discussions with the applicant, Barnes and Noble, that they were not going to renew its present lease and may have moved out of the area if not for the CIDA inducement and that they are doubling their space. Mr. Leone added that he made the Amherst IDA aware of the relocation. Mr. Neill will be providing a letter to Jim Allen and to Satish Mohan that this will be occurring. There being no further discussion Mr. Hartzell called the motion.

Motion made by Clayt Ertel, second by Michael Buettner that the CIDA approve the request of the applicant, Barnes and Noble, for sales tax exemption only.

Vote: Ayes: All Noes: None Absent: Christopher Kempton.

Motion carried

Read Main Street Properties LLC - Mr. Leone explained the Larry Read project at 8525 Main Street. Mr. Read will renovating the building and the surrounding area to restore the property to its original state. He will be redoing the sidewalk, repaving the driveway and restoring the entry-

way for the Harris Hill area. This is the site where the Home Town Cleaners is located. Mr. Bengart said they hope to have this done before the Town of Clarence Bicentennial. There was further discussion on the fee for this project. This will be a small project. Paul Leone asked for approval of the Larry R Read Project.

Motion made by Clayt Ertel with second by Kathleen Hallock to approve the request of the applicant, Read Main Street Properties LLC for sales tax exemption. On the question Mr. Bengart suggests the discussion by the Board on this project prior to motion be incorporated as a basis for approving the request by the applicant. This project is in the enhancement zone. Clayt Ertel also added that there was a question of either renovating or moving to another location if not for the CIDA incentive. This is one of the oldest buildings in Clarence and has significant historical value as one of the oldest buildings in Clarence. Kathleen Hallock added that it is a Landmark, that it is Asa Harris's house. Clayt added that there are caves below the building that were part of the Underground Railroad. Mr. Hartzell added that this is a great project for the Town of Clarence as well as Main Street. There being no further discussion, Mr. Hartzell called the motion.

Motion made by Clayt Ertel with second by Kathleen Hallock to approve the request of the applicant, Read Main Street Properties LLC for sales tax exemption.

Vote: Ayes: All Noes: None Absent: Kempton

Motion carried.

Greatbatch LLC - Paul Leone presented the Greatbatch LLC project. There will be a public hearing on July 19, 2007 for the entire project which is \$9,800,000. Greatbatch is requesting sales tax only at this time so that they can start the project. Peter DiCostanzo asked wanted to know how CIDA got the project instead of the ECIDA. Mr. Leone explained that he spoke to the new president and informed them of the CIDA fee structure which was the selling point. Mr. Bengart added that the CIDA has been doing all of the Greatbatch Projects. Nathan explained that there are two resolutions. One is the Negative Declaration. Mr. Leone asked for a motion to approve. Mr. Neill, Bond Counsel, read the a resolution asking for the adoption of a resolution of the Town of Clarence, Erie County Industrial Development Agency adopting a negative declaration in connection with the application for project financing by Greatbatch, Ltd. Kathleen E. Hallock so moved. On the question, there was discussion regarding the procedure as to the CIDA adopting a Neg Dec. The applicant submits a short EAF to the CIDA. It is an unlisted action. There was also discussion regarding the fees. We will be getting the 1% fee on the entire project. There being no further discussion, Ms. Hallock asked if there was a second for the motion. Second by David Hartzell. On the question Mr. Bengart asked that all the discussion by the CIDA Board made prior to the motion be incorporated. Mr. Hartzell asked for a vote.

Motion by Kathleen Hallock to adopt a negative declaration in connection with the application for project financing by Greatbatch, Ltd.

Vote: Ayes: All Noes: None Recuse: Mary Powell Absent: Chris Kempton.

Motion carried. (Mary Powell recusal based on applicant being a tenant of her company)

Mr. Neill presented the second resolution for the sales tax for Greatbatch, Inc. limited to \$100,000. This allows the applicant to get started with the construction of the project.

Motion by Ertel second by Hartzell to approve the request of the applicant Greatbatch, Inc. for sales tax exemption only.

On the question, Mr. Bengart wanted to be sure that we are incorporating and that this decision is based on all the discussions had prior to the first motion regarding this matter.

Vote: Ayes: All Noes: None Recuse: Mary Powell Absent: Chris Kempton.
(Mary Powell recusal based on the applicant being a tenant of her company.)

Paul Leone reported on two new projects that he has been working on. He has met with a company called is Cyber Cartel International Inc. will be building a 20,0000 sq foot building on Transit and Casey. We are waiting for the application. This company manufactures costume jewelry.

Paul is meeting with a Mr. Steve Keiffer of Rockledge Professional Park today after this meeting. They have 4 acres of land on Sheridan Drive at the Easter Hills Mall entrance and they want to build four buildings, about 23,000 square feet at a cost of \$2,100,000. Paul will be giving him the application today.

Erie Pennsylvania Company is still on hold for the motel/hotel at Sheridan and Transit. Paul has not received anything from them yet as of today. The Town is in the review process on this project.

There was further discussion on the Cyber Cartel project. It is on the Clarence side of Transit Road and according to the applicant is vacant land.

Paul also discussed the SBA seminar and brought some literature is anyone wanted to review.

There was also some discussion on the seminar on Monday, June 25, 2007

Kathy Hallock reminded all the members that if there is a recusal, a transactional form must be filed with the Town Clerk. Cindi Rosel will e-mail everyone a copy of the form.

David Hartzell asked Steve Bengart to review the “Framework for Regional Growth” and present his report at this meeting. Mr. Bengart presented his report. The final report was made public in October of 2006. The report was developed because of the belief that local and regional actions were occurring without any regional planning. Especially in the areas of location and pace of development, extension of sewer and water services, parks and major public facilities improvements, infrastructure and transportation. What they wanted to see was a fifteen (15) year plan. Mr. Bengart continued with the challenges presented in the report and that the main idea is that “We all need to work together, not isolated or independent.” His discussion also continued with the challenges presented and outlined the most significant topics addressed in the report by the committee down to the action plan recommended. There was further discussion by the members on the report.

There being no further business the meeting was adjourned at 9:30 a.m.

The next meeting will be held on July 19, 2007 at 8:00 a.m.

Respectfully submitted.