

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

MINUTES

MEETING OF JULY 16, 2009

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

Guests: Pat Ball, HSBC Bank

Excused: Clayt Ertel
Steven B. Bengart

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

Chairman Hartzell asked Cindi Rosel to take roll call. Present were Scott Bylewski, Michael Buettner, Christopher Kempton, Mary Powell and Chairman Hartzell.

Minutes – June 18, 2009

Chairman Hartzell asked if everyone had a chance to review the minutes of the June 18, 2009. There was a motion made by Scott Bylewski to approve the minutes as presented with a second by Chris Kempton. There was nothing on the question.

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

Treasurer's Report

Chris Kempton reviewed the Treasurer's report as of July 16, 2009. He went over the Balance Sheet, the Profit and Loss Statements and added that the detail sheet is attached along with the Budget comparison. The money market is still yielding interest at .5%. The CD with HSBC has about 8 months to go at 1.06%. Mr. Buettner wanted to discuss the interest rates. He still thinks that we could be getting a better rate. Mr. Kempton said that Mr. Ball from HSBC will discuss this after the Treasurer's Report as he may have a solution. Mr. Leone added that the down payment from West Herr was received in the amount of \$5,000 and the \$250 extension fee for 8755 Main Street. Motion by Bylewski with a second by Hartzell to approve the Treasurer's Report through July 16, 2009. There was nothing further on the question.

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

Chairman Hartzell asked Pat Ball from HSBC to talk about the CD rates. Mr. Ball said that he and Chris Kempton had discussions regarding interest rates on the CIDA accounts. Mr. Ball has been doing some research. There have been some promotional offers on longer term Certificates of Deposit. Mr. Hartzell asked how far out the CIDA can go on a CD. Mr. Kempton said that the longest term is twelve months. Mr. Kempton added that the CIDA accounts are in the Government sector and asked if we can go through the business section. Mr. Ball spoke to Courtney Schaffer of HSBC who informed him that the CIDA money is public funds and therefore, must remain in the Government sector. Mr. Buettner was looking at the retail sector and the rates that were being offered. These would not apply to the CIDA. There is special bonding and collateralization involved for government agencies. Mr. Ball was also able to find better rates in the commercial sector when he did his research. Those rates would not be available to the CIDA either. The funds must remain in the Government sector. It was decided that Mr. Ball and Chris Kempton will try to work something out and report back at the next meeting.

Correspondence

There was no correspondence.

New Business:

Paul Leone met several times with Samantha Palmerton regarding Buffalo Filter. They are still looking for a new location. They are looking at a building in Cheektowaga and have also looked at property in Clarence. There is nothing really new or concrete to report on this project.

Paul Leone met with Dr. Khalid S. Mahran, who specializes in Kidney Care. His office is located at 2121 Main Street (Sisters Hospital) in Buffalo. He is looking for a 4,000 square foot building for office space, medical supply distribution and warehouse space for approximately \$1,500,000. Paul Leone and Cindi Rosel are researching vacant land available in Clarence. Paul also asked Mary Powell to see what is available. Last year, Dr. Mahran was working with Buffalo Kidney Center on this project but is now looking in the Town of Clarence because that is where he lives.

Paul and David have a meeting scheduled at noon with representatives regarding a new project "New Era Park Indoor Baseball/Softball Facility." The facility would consist of a 60,000 +/- square foot facility that will offer a central indoor location for baseball practice. The company had a market study done and would also offer a community center at the site. At 1 p.m. Mr. Hartzell and Mr. Leone will meet with Eastern Hills Mall leasing representatives regarding this proposed project regarding leasing the space from the Mall. Chris asked if the project applicant was the same as the New Era Cap Company. Paul said it was. He also said that this project would bring more people into Eastern Hills Mall. Mary wanted to know if this would be inside or outside. David Hartzell answered that this is an indoor facility. Paul added that you will be able to enter the Mall through the facility. Paul and David will report back at the next meeting on the meeting.

Paul also reported that there will be another seminar with Amherst at UB sometime in October. The last seminar was very successful. Chairman Hartzell said we will talk about the brochure in August or September.

Mary Powell discussed the proposed road behind the Eastern Hills Mall. Some of the signs have been taken down. She said that it is a shame that the expansion in the back of the Mall is being held up. There was some discussion regarding the grant monies that were slated for this project. Mary Powell asked if the CIDA could do anything to promote this project.

There was discussion on the upcoming Leadership Council Meeting regarding the proposed changes in the pilot program under discussion before the Council. Mr. Neill said that if the changes are approved, each board of each individual IDA would have to decide if they want to adopt the changes. The Leadership Council will be most likely vote on this at the next meeting.

David Hartzell discussed hiring Bob Geiger to work for the CIDA. Mr. Geiger would do the research on the available commercial properties including vacant land in the Town of Clarence and provide the information for the website (location, contact, owner, particulars etc.). Mr. Hartzell spoke to Don Festaiuti regarding updating the pictures of vacant commercial property and land. Mr. Festaiuti will update and will be doing the whole Town, not just Main Street. Don Festaiuti would be working with Mr. Geiger. The cost for Mr. Geiger to do this would be \$3,000 per year, prorated for this year. Mary said that it would be a good idea to have a comprehensive list of all the properties and buildings available. Mr. Bylewski agreed and reminded the members that the Strategic Plan should be revisited. The CIDA needs to implement the Plan. Mr. Hartzell agreed and suggested that this be done in steps. The Board should stay on top of it. Motion made by Chairmen Harzell to approve Bob Geiger's proposal to work for the Clarence IDA at an amount not to exceed \$3,000 per year, prorated for the balance of 2009, to identify all available commercial properties in Clarence and to contact Don Festaiuti to take the photographs of the property and submit to Karen Jurek to post on the CIDA website. Second by Chris Kempton. Chris added that we can do a Memorandum of Understanding for Mr. Geiger. On the question Paul Leone wanted to know if this would help him. Mary Powell said that it isn't perfect but it is a good beginning and will help him. Mr. Buettner would like a job description prepared outlining what the job will entail. Chris said that the description is in the motion itself. Mary Powell asked if this will be voted on annually and Mr. Hartzell answered that it would. Mary also wanted to put on the record that Mr. Geiger can contact her if he has any questions. Mr. Kempton also added that fee for this would be coming out of the advertising budget line.

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

David Hartzell will work out the details of the proposal with Mr. Geiger for the next meeting.

Mr. Kempton had one piece of business regarding the donations and the budget for administrative purposes. Mr. Kempton made a motion to transfer \$10,750 from the 2009 EDO-Contributed Share budget line to the 2009 Community Relations budget line. Motion second was by David Hartzell.

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

Mr. Hartzell had one more item regarding the proposed ad on the Roy Jordan projects. Unfortunately, Mr. Jordan does not have before and after pictures...so the ad would be sparse. Chairman Hartzell added that he would like to go with the format used in previous ads highlighting three, before and after stories under the headline...adapted for use...one being Roy Jordan, another being Hayes Fish and whatever other project the Board would like to do. Mr. Bylewski brought in the picture of the ad showing the before and after pictures of Dash's, Pizza Inn and DKS Accountants. Mr. Leone suggested using the Phoenix Development Project on Transit Road. Mr. Hartzell agreed. Mary suggested the Dr. Altman property. Mr. Hartzell said that would be worth a phone call to see if he Dr. Altman has pictures.

IMPLAN PROGRAM

Paul Leone introduced David Mingoi, Deputy Director of the Amherst IDA. Mr. Mingio gave a brief synopsis of the IMPLAN economic impact modeling system that the ECIDA and AIDA have been using for about a year. The IMPLAN is used to create, extremely detailed Social Accounting Matrices and multiplier models of local economies. Mr. Mingio added that this software is used by more than 1,000 public and private institutions including several New York agencies. The software allows the input of information on wages, revenue, taxes, etc. and generate complete economic impact of project. Mr. Mingoia also added that this program is a standardized cost benefit template across the entire county that uses federal census data and is widely recognized and respected in economic industrial development and by economists.

Mr. Mingoia prepared the analysis for the CIDA on past projects and more recently on the 8129 Main Street Project. The CIDA would like to have the analysis done on future projects. Mr. Mingoia said that he could do this on a per application basis for approximately \$300-350. He could come up with a Memorandum of Understanding that would spell out the services provided and the cost of same. There was further discussion on the benefit of having the analysis prepared for certain projects. Mr. Bylewski suggested that a complete analysis be done at least once, just to see what information goes into it.

Mr. Buettner would like to see an analysis be done for some past project and suggested Dash's, Hayes Fish, and the Roy Jordan projects. Mr. Leone thought that Dynabrade would be good project to feature. It was decided that Paul and Mr. Mingoia would look at the projects and come up with three to prepare an analysis for and get back to the Board at the next meeting. Leone further suggested Dynabrade, Greatbatch and Dash's. Mr. Neill said that the Board should decide that going forward, the cost would be \$300 or \$350 per analysis prepared. Mr. Buettner said that he would like to make a motion to have the three analysis done for \$1,000. Mr. Bylewski wanted to know how long it would take to get a MOU done for review by the agency attorney. They would like to do this at the next meeting. Mr. Kempton suggested that the fee for the analysis should be part of the application fee. Mr. Neill added that we should approve the analysis for the three projects and one for the New Era project. Mr. Kempton suggested that we wait for the MOU before we approve analyses for future projects. Mr.

Bylewski seconded the motion adding to approve \$1,000 for three projects to be determined based on the discussions between Chairman Hartzell, Paul Leone and David Mingoia. There was nothing further on the question.

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

Mr. Hartzell thanked Mr. Mingoia for coming in.

Mr. Neill discussed the application and the tier incentive structure. Mr. Neill said that the application needs to have the proper and enough information in order to do an accurate analysis. Mary Powell suggested that Paul Leone could do that. Paul agreed. There was some further discussion regarding the tier program changes. Ms. Powell wanted to make sure that qualifying projects are not getting less benefits than are presently in place. There was some discussion regarding the CFO of the Town signing off on certain projects.

There was motion made by Chairman Hartzell to adjourn the meeting and thanked everyone for coming.

The next meeting is August 20, 2009

Respectfully submitted by:

Cynthia M. Rosel