

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

MINUTES

MEETING OF AUGUST 20, 2009

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

Guests: David Nasca, President of Evans Bank
 William Glass, Chief Lending Officer Evans Bank

Absent: Mary Powell

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

Chairman Hartzell asked Cindi Rosel to take roll call. Present were Michael Buettner, Clayt Ertel and Chairman Hartzell. Chris Kempton arrived at 8:02 a.m. and Scott Bylewski arrived at 8:03 a.m. Mary Powell was absent.

Evans Bank, N.S. Assignment and Assumption/Sales Tax Benefits

In the interest of time, Mr. Hartzell started the meeting by having Paul Leone introduce the representatives from Evans Bank. David Nasca, President/CEO and William Glass, Chief Lending Officer of Evans Bank N.A. were in attendance to request agency assistance for sales tax only. Mr. Nasca gave a brief history of Evans Bank and explained that they were the successful bidders to acquire the Waterford Village Bank. Evans Bank was established in the 1920, before the deprecation, in the Town of Evans. The Bank branched out into the North towns and has opened five new branches within the last six years. Evans is a community bank and plan to participate in the Clarence community. Mr. Nasca thanked the Board for having them at the meeting. Bill Glass, Chief Lending Officer added that he is the retail and commercial lending end of the Bank. The Bank is looking forward in working with the businesses in the Clarence Community and forming new banking relationships in Clarence.

Mr. Neil said that there are two transactions that will be taking place today. The CIDA has a leasehold interest in Waterford Village Bank and has to approve the Assignment and Assumption of that interest by Evans Bank, NA. Evans Bank will take over where Waterford was in the Pilot and continue with the same benefits. As part of the acquisition, Evans has to purchase Waterford's equipment, furnishings, fixtures and equipment which is subject to sales tax. Mr. Nasca informed the Board that they do not have an option; they either buy it all or nothing. The purchase is bundled, building and equipment. They are also asking for sales tax benefits for equipment they need to purchase for the conversion and compatibility with their computer systems. They are also asking for sales tax benefits for equipment they need to purchase for

compatibility with their systems. Mr. Leone added that there will a 1% agency fee for the sales tax. They will also need new signage for the building.

There was a motion made Chris Kempton with a second by Clayt Ertel to approve the Assignment to and Assumption by Evans Bank, N.A. of the Leasehold interests of Waterford Village ban in the 2008 – 8411 Main Street Project of the Agency. There was nothing further on the question.

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

Mr. Neill said that the second resolution is for the sales tax exemption benefits. Mr. Leone will send a fee agreement in the amount of \$600,000 and the 1% fee will be \$6,000. The application is under that amount. Mr. Ertel made a motion to revise the application to an amount not to exceed \$600,000 and to approve the resolution as written for sales tax benefits to the applicant There was a second by Chris Kempton. Nothing further on the question.

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

The CIDA went into executive session under attorney client privilege at 8:20 a.m. The Board resumed the regular session at 8:26 a.m.

Minutes – August 20, 2009 Meeting

Mr. Hartzell asked if everyone had a copy and reviewed the minutes from the August 20, 2009 meeting.

Chairman Hartzell asked if everyone had a chance to review the minutes of the July 16, 2009 meeting. There was a motion by Scott Bylewski to approve the minutes. There was a second by Chris Kempton. There was nothing further on the question.

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

Treasurer's Report

Mr. Kempton gave the Treasurer's Report going over the Balance Sheet and the Profit and Loss Statement There were no agency fees collected since the last meeting. There is about 7 months left to go on the CD. There was nothing further. There was a motion to approve the Treasurer's report by Clayt Ertel with a second by Michael Buettner. There was nothing further on the question.

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

Budget

Mr. Kempton said that proposed Budget put together by Pam Smith. He will not recommend that the Budget be approved at this meeting. It must be approved at the September meeting. Mr. Kempton called the supplies line item to the attention of the Board. There was discussion on compensating the Town for supplies and postage. It was agreed that the CIDA should reimburse the Town for the supplies that have been used by the CIDA in amount of \$200 for 2009. The suggested budget amount for 2010 will be \$500. The large mailings are taken out of the CIDA budget advertising fees. Public hearing costs are part of the Agency Fees collected. Mr. Kempton made a motion to reimburse the Town of Clarence for the supplies and postage used for the calendar year of 2009. There was a second by Clayt Ertel. On the question, Mr. Buettner questioned the \$200 cost. There was some discussion regarding this cost. Mr. Buettner recommended to pay the \$200. There was nothing further.

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

Getting back to the Budget discussion, Mr. Bengart suggested that the Board may want to consider revisiting the Legal Services line item. Mr. Kempton discussed the line item for the EDO contribution. He suggested separating out the fees for Mr. Geiger and Mr. Festaiuti relative to providing all of the information for the real properties to be available on the website. That should go under the consultants line item. Mr. Buettner had a question regarding Mr. Geiger. Mr. Kempton reminded Mr. Buettner that the hiring of Mr. Geiger was approved at the last meeting as reflected in the minutes. Mr. Geiger will provide a Memorandum of Understanding outlining the services that Mr. Geiger will be providing. There was also discussion regarding the Assessor doing the Pilot billings. Mr. Kempton wanted to know if this should also be another line item. Mr. Ertel had a question if this was part of her duties to send out the Pilot billings. Mr. Bylewski answered that is not part of the Assessor's duties to send out the billings. There was discussion on the IMPLAN services that will provided. Mr. Bengart said that it did not look like there was a definite decision on the amount of the fee that would be paid. The Memorandum of Understanding has a fee of \$350 per report. There was further discussion regarding where this fee should be put in the budget.

Mr. Kempton also suggested that Pam Smith be authority to do the research on CD rates. She already does this for the Town and could do this for the CIDA. There was some discussion regarding the By-Laws and if this was function that Ms. Smith could do. Mr. Bengart reviewed the By-Laws and said that she could do this under the supervision of the Treasurer according to the By-Laws ("...the Treasurer shall exercise and supervise the CFO..."). Mr. Bylewski reminded the Board that Mr. Kempton had already been authorized, previously relative to the investing in CD's when better yields are available, to do so. In order to take advantage or better yields for the CIDA funds, Ms. Smith be authorized to do the research on rates and handle the documentation on the CD's going forward, under the supervision of Mr. Kempton. Otherwise, we may miss out on a better rates resulting in better yields.

Mr. Kempton added that we will not be approving the Budget today and the Board should review same for the September meeting. The Board will vote on it then.

Ms. Smith asked about the \$2,000 fee to be paid to Christine Fusco, Assessor to do the Audit on the Pilot payments. Ms. Rosel said that the Board approved the payment to Ms. Fusco to perform the Audit in February of 2009. It was agreed that this needs to be paid before the end of the year. Ms. Rosel will ask Ms. Fusco about the result of the Audit and if she has completed same. This will be taken out of the Consulting budget line as suggested by Ms. Smith.

There was discussion regarding the appropriation to Ms. Fusco for 2010. Ms. Fusco will receive this appropriation as an employee. Payment will be made to the Town.

Correspondence

There was no correspondence.

New Business

Stick & Ball In The Mall

Mr. Leone passed out the Project Log for this project. Stick & Ball at the Mall, LLC is an entity formed to operate an indoor sports facility to be located at the Easter Hills Mall. The 60,000 sq ft. facility will include batting cages, pitching machines and video/analysis as well as other services. They are asking the Agency for sales tax benefits relative to the purchase of equipment field turf, batting cages, pitch machines, batting net, video/analysis, radar guns and office equipment in connection with the operation of an indoor sports facility.

Mr. Hartzell pointed out that the applicant is not present. Mr. Bengart reminded Mr. Leone that the Board had decided that that the applicant should present, or at least have a representative at the meeting if CIDA benefits were to be considered, whether or not there was a public hearing. Mr. Leone explained that a representative was to be here this morning but a problem came up at the last minute to prevent him from doing so. Mr. Bylewski noted that in light of the circumstances It was decided to go forward since Mr. Hartzell and Mr. Leone had met with the applicant prior to today's meeting. Mr. Leone also passed out the IMPLAN that was prepared. Mr. Neill noted the community benefit far outweigh the benefit to the applicant. Mr. Leone asked that Board to consider the sales tax benefits for this project. This project will be going into the Easter Hills Mall where the RV's have been on display. Mr. Neill also added that this will bring more traffic to the Mall. There was a motion by Clayt Ertel with a second by Scott Bylewski to approve the resolution as submitted by Nathan Neill for agency benefits for sales tax only. There was nothing further on the question.

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

Mr. Leone handed out the three Regional Impact Analysis for Dash's Main Street Clarence, LLC, Dynabrade, Inc. and Greatbatch Ltd. that have been prepared at the Board's request. Mr. Hartzell asked everyone to review these for discussion at the next meeting and ask Ms. Rosel to put it on the September Agenda.

Mr. Leone reported that he has been contacted by Chris Palmerton regarding the Buffalo Filter Project. They are, once again, talking about located to Clarence and are interested in the Sheridan Drive area. Mr. Leone advised Mr. Palmerton that the process would have to start at the beginning with a new application. He will report back at the next meeting.

Paul Leone has also been contacted by Kelkco, LLC regarding the project. This was first induced in 2007 but the time has run out. They will have to submit a new application and there will have to be a new public hearing. Mr. Leone will advise as soon as he has the documentation needed to go forward. Mr. Buettner asked what the problem was. Mr. Neill said that they just were not ready to move forward. It is well over a year. They are now ready.

Mr. Leone was contacted by Benchmark and AAA. They are talking about putting in a new center for Triple AAA behind Eastern Hills Mall. It would be a new diagnostic service center where they would make Triple AAA services available to the residents of Clarence Mr. Leone is waiting for the application. He does not have the description of the lease yet. This would be for sales tax only. Mr. Bylewski asked if this was going to be a new build. Mr. Leone thinks it may be a new build with Benchmark.

The next item for new business is Chaffee-Ward Corporation located on Bodine Road in the Town of Clarence. They have been in business for 45 years selling and servicing water cleaner equipment. They are talking about new structure for 1,140 sq. ft. on the first floor, putting on a second floor and a new service bay. It would be a small project of approximately \$60,000 to \$65,000. It would be a manufacturing project. It would be a question if this can be done within the Town zoning requirements.

Mr. Leone has not heard back from Dr. Khalid S. Mahran on the Kidney Care medical supply distribution and warehouse project.

Resource Partners

Mr. Hartzell went to a meeting of the ECIDA where they talked about a program, "Resource Partners." The idea is that they are trying to reach out to all businesses and say "what can we do to help you out as an IDA or what can we do to help you as an agency of Erie County or as a Chamber of Commerce. The idea was that the ECIDA would send out letters to all the businesses in Erie County that says if you need help with something get in touch with your local

resource partner, which in Clarence would be the Chamber or the CIDA. Mr. Hartzell spoke with Pau Leone who thought it would be a good idea but that the letter should come from the CIDA to the local businesses in the Town of Clarence. Mr. Hartzell agrees. He wanted to present it to the Board for their thoughts. Mr. Leone said that the letters have already been going out. He has not seen a copy of the letter. He does not know if any have gone to Clarence businesses. Mr. Hartzell will report back to Mr. Cappalino that the CIDA would prefer the letters to come from the CIDA. Mr. Buettner was not clear on what they were doing and was this a separate entity or is it the County. Mr. Hartzell said it was the ECIDA who invited all the IDA's and other organizations who help businesses to this meeting to see if they would like to be part of the "Resource Partners."

Mr. Bylewski spoke about the "Branding of the Town" project. There will be a generic brochure. This is just starting and Mr. Bylewski is trying to get approval from everything. There have been comments by several of the departments and Mr. Bylewski is trying to get everyone on board. Mr. Kempton asked if this could go along with the CIDA branding.

Mr. Bylewski also reminded the Board that they need to look at and develop the Strategic Plan.

Mr. Bengart said we need to go back to the Memorandum of Understanding for the IMPLAN projects. Mr. Neill said that they should be done on a case-by-case basis. It was agreed that they do not need one for the Evans Bank project. The CIDA will have to decide which projects they will need an impact analysis on. Mr. Bengart suggested this become part of the process when looking at a project. The Board would make that determination based on the project, on whether or not to have an IMPLAN done. The fee could be made part of the application process. Mr. Bylewski made a motion to approve the Memorandum of Understanding subject to the approval of the CIDA attorney and authorize Chairman to sign same. There was nothing further on the question.

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

Mr. Neill discussed that the CIDA might want to think about purchasing land within the Town for industrial purposes. Mr. Ertel added that the industrial areas within the Town do not have sewers. There was further discussion and it was decided to discuss further at a future meeting

Old Business:

Insurance – Crime Policy

Cindi Rosel reported that the Board needs to make a motion to approve payment of \$123 for the increase in the amount of coverage in the Crime Policy from \$500,000 to \$1,000,000 limit.

Motion by Clayt Ertel with a second by Buettner to pay the additional premium for the increase in coverage for the Crime Policy. There was nothing further on the question.

Vote: Ayes: Buettner, Bylewski, Ertel, Hartzell, Kempton. Noes: None

Absent: Powell Recuse: None Motion carried.

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

Meeting adjourned at 9:30 a.m.

The next meeting is September 17, 2009

Respectfully submitted by:

Cynthia M. Rosel