

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

**MINUTES
OF
MEETING
OF
August 21, 2008**

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

Guests: Samantha Palmerton
Joseph Latona

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

A Public Hearing was held at 8:01 a.m. on the 2008 - Buffalo Filter, Inc. - Harris Hill Road (at Roll Road) Project.

Paul Leone introduced Samantha Palmerton representing Buffalo Filter, Inc. She will be available for questions. Joseph Latona, P.E., Town Engineer was present to explain about the road that will be going in and answer any other questions. The Buffalo Filter Project address is Harris Hill Road at Roll Road in the Clarence Central School District. The project amount is \$3.1. Buffalo Filter is a medical device manufacturer with a primary focus on manufacturing of product for the evacuation and filtration of surgical smoke generated during electrosurgical and laser procedures. The project entails the purchase of approximately 14 acres of land and the construction and equipping of a 40,000 sq. ft. building. This is a special 20 year pilot. The current employment is 57 with a projected creation of an additional 5 employees the 1st year and an adding an additional 5 jobs the 2nd year. The projected employment figure in the next 3 to 5 years is approximately an additional 50 to 75 jobs.

Mr. Neill added that the size of the building has been increased to 50,000 sq. ft. Mr. Leone noted the additional sq. footage for the record. Mr. Neill explained that the additional 5 years on the special pilot is dependent that the additional employment will be reached and maintained within 15 years. If that does not occur, then the tax effects will end after 15 years. If the employment goal is reached by the 15th year, there would be the additional 5 years abatement.

Mr. Leone added that all the appropriate governmental agencies have been involved and have been approved. Mr. Leone asked Mr. Latona to speak about the road. Mr. Latona explained that Town has approved the site plan with the infrastructure for the project which includes a new roadway

coming in with the extension of Harris Hill right into the project. That will be the permanent road and that also includes a new bridge going over the creek which we re in a public comment period for approximately two months. The project is into FEMA for approval. In order to get the project moving, Buffalo Filter has proposed a temporary construction road which will be coming in through the Gypsum property to allow them to start construction on the building until the approval from FEMA. The water, sewage and drainage have all been approved by the Town. Mr. Ertel asked how soon the approval would be obtained and would it be within the next 6 months to a year. Mr. Latona answered that would be whenever we get complete approval and have satisfied FEMA, hopefully, within the next 6 months. Mr. Bylewski, for the record, asked Ms. Palmerton that if Buffalo Filter, Inc. would not obtain CIDA financing, what other recourses they would have. Mr. Bylewski added he understands that they were looking elsewhere and asked if she would address that. Ms. Palmerton said that they were looking at Virginia and Tampa, Florida and have visited sites there. Since they did not get Empire Zone approval, they are now trying to see what they else can do to stay here. They have been looking at grants, loans and working with the CIDA to make up some of the losses. Mr. Bylewski asked if Mr. Neill would talk about the Implan Pro Analysis he e-mailed to everyone. Mr. Neill went over the analysis and what affect the Buffalo Filter Project would have for the area. Mr. Neill said that it is interesting to look at the spin off affects that one project has on other businesses in the area. Mr. Bylewski said that he would be interested in seeing the formulas behind it. Mary Powell thanked Mr. Neill for doing the analysis. Mr. Neill added that he would like to do this on all projects. Mr. Leone asked if there were any other questions. Being none, he asked that the public hearing be closed.

There was a motion by Scott Bylewski to close the public hearing on the Buffalo Filter project with a second by Clay Ertel. There was nothing on the question.

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

A public hearing was held at 8:15 a.m. on the 2008 - 4125 Transit Road Project.

Mr. Leone presented the 4125 Transit Road project as being a building of approximately 3600 sq. ft. on 5 acres of land in the enhancement area. The plan is to renovate the existing building, construct an addition and to acquire and install equipment, furniture and fixtures for commercial and professional office space. There will be a second floor added. Mr. Leone would like to add that the project amount would be approximately \$850,000 for a 10 year pilot. Mr. Ertel asked where the project location is, where it is near. Mr. Leone said it is the vacant building in front of Toys-r-Us. Mr. Ertel said that he and Mr. Leone met with the architect said that this would be turning a building that has been eye-sore for years and turning it into a beautiful building when finished. Mr. Kempton asked if this was a Canadian company and Mr. Leone answered yes. This location had been home to many forms of businesses and has been vacant for some time. Mr. Bylewski asked what would happen if they did not obtain CIDA funding. Mr. Hartzell they would go elsewhere. The applicant is not present as noted by Mr. Bylewski. Mr. Leone added that the applicant could not be here. Mr. Bylewski is concerned that the applicant is not present. All agreed that an applicant should be present to answer any questions the members may have on the project but that we would go forward with this public meeting. Unfortunately, there was no one available.

There was a motion by Scott Bylewski with a second by Clayt Ertel to close the public hearing on the 4125 Transit Road Project. There was nothing further on the project.

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

Website

Mr. Hartzell introduced Tony Coriglione of AT technology, Inc. Mr. Coriglione introduced Bill Even, who gave a short presentation on how the CIDA could re-vamp and improve its website. He would make some recommendations on how to make it more dynamic and more compelling and easier to navigate. Mr. Hartzell liked the ability to track where the leads are coming from and how that could create the potential for more projects coming to the CIDA. This would help in our marketing and advertising decisions. Mr. Bengart asked how we will know that the leads are coming from the website. Mr. Hartzell said that it tracks the hits. Mary Powell said to think about the using the internet as the ease of doing business, the ease of the persons using the internet and how helpful that it. There were some questions by the Board about.. Mr. Bengart added that it may be a good idea to see how many hits we are getting on the site now. Mr. Bylewski asked that either Mr. Even or Mr. Coriglione contact Karen Jurek, the Town's Network Service Coordinator, about the website. Mr. Hartzell thanked Mr. Even and Mr. Coriglione for their presentation and said that the CIDA will definitely talk about the presentation and get in touch with them. Mr. Ertel added that 80% of people, who contact his business, go on the website first.

MINUTES

Mr. Hartzell asked if everyone reviewed the minutes off July 17, 2008 and if there are any questions on the minutes. Mr. Bylewski will recuse himself as he was not at the meeting. A motion was made by Kempton with a second by Ertel to approve the minutes of the July 17, 2009 meeting. There was nothing on the question.

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

TREASURER'S REPORT

Chris Kempton gave his treasurers' report. He said that he will be looking at the 3 month CD that is in the amount of \$200,000 which is at 2.7% as it will be coming due soon. Mr. Kempton reviewed the rest of the financial statements and asked if there were any questions. There being none, there was a motion made by Scott Bylewski with a second by Mary Powell to approve the treasurer's report. There was nothing on the questions.

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

2009 BUDGET

The proposed budget was distributed at the August meeting and Mr. Kempton asked if any one had any comments to e-mail them to Cindi Rosel. There were no comments received. Mr. Bylewski said that he was comfortable with the proposed budget and added that as far as the last ad that was published, were received about seven calls on that ad. Mr. Bengart said that Cindi Rosel would normally field those calls and record on the log. The messages are relayed to Paul Leone for follow-up. Mr. Leone added that he receives the messages from Cindi and responds as quickly as he can. Mr. Leone and Mr. Hartzell, as a result of the latest ad, met with an architect from Clarence that picked up on that ad and wanted to know if there would be benefits for some of the projects he has in the works. Mr. Hartzell added that there were 4 projects. Mr. Ertel that the ads can generate calls a few months down the line and you do not always get the hits on an ad right away. Mr. Kempton continue that we need to knock down some of the expenses with the suggestion to take the interest income down to should take interest earnings down from \$25,000 projected to \$18,000 due to the drop in rates. We probably won't get more than 3%. Mr. Ertel said that he agrees with this conservative approach. Mr. Bylewski asked about the EDO position. There was further discussion and some further adjustments made. There are still some projects that will most likely close this year. The budget will be presented to the Town Board for a 20 day comment period. Motion made approve the preliminary budget by Clayt Ertel second by Buettner. There was nothing on the question.

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

New business:

Inducement Resolutions:

BUFFALO FILTER, INC – HARRIS HILL/ROLL ROAD PROJECT - Nathan Neill passed out the resolutions for the Buffalo Filter, Inc. – Harris Hill Road Project. There was some discussion on the special pilot. The sales tax exemption was approved at the last meeting. Mr. Neill explained again that the pilot is for 20 years and there is an increase in the size of the building from 40,000 sq. ft. to 50,000 sq. ft. Mr. Bylewski moved to adopt the inducement resolution as written with a second by Chris Kempton. On the question, Mr. Bengart added that all the discussion from the public hearing are to be incorporated in the minutes. Mr. Bylewski also added that all prior discussions had on anything relating to the special pilot be incorporated also. Mr. Neill added to include the Implan discussion also.

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

Mr. Ertel added that this is the beginning stage, the infancy of a larger commercial project. Mr. Leone added that the he and Mr. Bengart have been working on this project for over 2 years.

4125 TRANSIT ROAD PROJECT - Mr. Neill went over the resolution. Sales tax exemption was approved at the July meeting. Mr. Neill made a correction to the size of the parcel which is .05 acre parcel not a 5 acre parcel. Motion made by Clayt Ertel with a second by Michael Buettner to adopt

the inducement resolution as written. On the question, Mr. Bylewski stated that his preference would be that the applicant be present at public hearings and be available for any questions. He understands the information that has been relayed by Mr. Hartzell and Mr. Leone who met with the applicant. Mr. Bylewski added that if an applicant is asking for benefits from the CIDA, the applicant be made to appear.

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

Extension of Projects – There was discussion at the last meeting relative to allowing Paul Leone to extend projects for a short period of time for sales tax benefits only. Mr. Neill said that sometimes projects are delayed for some unforeseen reason and the project is not finished within the time frame. Mr. Bylewski moved to allow Paul Leone to extend projects for a six month period of time with a second by Mary Powell Mr. Bylewski corrected his motion to say...for up to a six month period of time. Mary Powell seconded. There was further discussion. Mr. Neill added that extension does not change the project is, just gives them more time to get the project done. Mr. Neill explained that the inducements are for a period of one year but sometimes projects need a little more time to get the project completed. They may not know till the last minute that they need more time. There may be some large piece of equipment that is needed and is essential for completion that is on back order for example. Mr. Hartzell added that in the past they would have to otherwise wait for approval at a regular meeting. Mr. Bylewski added that we had one or two earlier on this year. Mr. Neill added that anything more than six months would have to come back before the CIDA. Mr. Bylewski amended his resolution to authorize Paul Leone to extend a project for a one, six month extension for sales tax benefits only without having to obtain additional approval from the CIDA. The amended resolution was seconded by Mary Powell. There was nothing further on the question.

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

New Business

Mr. Leone reported that he and David met with Bill Henderson, an architect from Clarence to talk about different projects. He also has a letter dated August twelfth from a company called Gibraltar Chimney International out of Tonawanda. They met with Mr. Nolan and he is looking to relocate to Clarence or Clarence Center. If anyone knows of any sites available, please let Paul know. Mr. Nolan has budgeted approximately \$400,000 to \$500,000 for a facility. He would be asking for CIDA assistance supplementary help in funding and sales tax. Mr. Nolan is looking for an existing building with 2500 to 3500 sq. ft. office and 4500 to 7500 sq ft. for warehouse space, or about 10,000 sq. ft. total.

Mr. Leone said that we are also working with a company called Promotional Images that sells t-shirt with names and logos etc. on them. They would be relocated from Williamsville. They put an offer

on the vacant building across from the Waterford Bank. Mr. Leone is expecting an application from them as well. This project will be in the amount of about \$300,000 to \$400,000.

Mr. Leone also reported that there is a date set for the “Growth Opportunities for Small Business Seminar” for October 8, 2008 from 6:30 p.m. to 9:30 p.m. at the UB Center for Tomorrow. Mr. Leone will be presenting the first part of the seminar on “Financing and Tax Credits”. Part II is “Acquiring Work Force Services” and ends with a Q/A session. It is sponsored by the SCORE, Business First and all the IDA’s.

Mr. Hartzell said that in the past, the CIDA has sent out flyers advertising the seminars to every business in the Town of Clarence with Paul’s picture on it encouraging them to attend and wanted to know if the Board wanted to do the same thing for this one. Mr. Bengart said that thought that we would want to do that again. Mr. Ertel added that we should have something about the CIDA included in the flyer perhaps as a reprint of one of the news articles to promote the CIDA. Mr. Hartzell agreed with the concept of promoting the CIDA. Mr. Hartzell said that he will work on that with John Arlington. Mr. Leone said that we could say that representation from the CIDA will be presenting part of the seminar.

Mr. Leone said that he would also go with Mr. Bengart’s suggestion to do another seminar in the spring just for Clarence businesses brining in insurance representatives and the SBA.

Mr. Hartzell said that there needs to be a vote on this. It will under \$2500 and usually runs around \$1800-\$1900, it varies. There was further discussion with Mr. Buettner adding that he thought that we should use the Dynabrade ad. Mr. Hartzell added that we have a set format we use for the flyers. Mr. Ertel said that he is suggested to include one of the ads in with flyer because it tells the story of the CIDA and what it can offer to area businesses n the Town or that may want to relocate or start up a business in Clarence. Mr. Ertel suggested since the ads are costly, we could use them to promote the CIDA as a “bang for the buck” we spend. Mr. Hartzell said that was a great idea and that he will get a copy of the ad to include with the slinger. Buettner added for the record, if anyone did not hear it on the radio, Scott Bylewski did a good job defending the Dash’s project. Mr. Hartzell agreed and thanked Scott Bylewski and the rest of the Board agreed. Mr. Bylewski thanked Mr. Buettner and the rest of the Board. Mr. Leone added that this type of project is done was done in the City of Buffalo and there were not any negative comments about that. Mr. Hartzell asked for a vote approving sending out the flyer and on an amount. Mr. Hartzell added that we should up the cost since we are adding the ad flyer to an amount not to exceed \$3,000. A motion was made by Clayt Ertel to approve the mailing of the flyer to all of the businesses in the Town of Clarence at a cost not to exceed \$3,000 for printing and mailing that would include the Dynabrade ad that is coming up. There was a second by Michael Buettner. On the question, Mr. Kempton said that this cost would be considered a marketing promotion under the budget.

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

Mr. Bengart informed the Board the Mr. Henderson had a project before the Town Board that did not pass. Mr. Bylewski said that may be on the next Town Board agenda, but he would have to check on that. Mr. Hartzell said that Mr. Henderson has about four projects he is working on.

There was further discussion on the procedure to follow when conducting public hearings and having the applicant present. The Board agreed that there should be some sort of policy regarding public hearings and the presence of the applicant or representative of the applicant at the hearing to answer any questions about the proposed project. There will be further discussion on this subject at the next meeting.

Mr. Ertel said that we should discuss the future of the EDO on the next agenda. Ms. Powell said that if anyone had someone in mind for the position to make that suggestion. Mr. Bylewski has someone who may be interested. Mr. Hartzell asked Cindi to put the EDO on the agenda for next month.

Also, Mr. Hartzell asked that the photography project and the update of the website be put on the agenda.

There being nothing further, Mr. Harzell adjourned the meeting at 9:26. a.m.

The next meeting is September 18, 2008