

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

**MINUTES**

**MEETING OF SEPTEMBER 17, 2009**

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

Guests:        Tom Kelkenberg  
                  Andy Kelkenberg  
                  Charles Kelkenberg, Sr.  
                  John Sansone

Absent:        Nathan Neill

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, Clayt Ertel, Chris Kempton and Chairman Hartzell. Mary Powell and Michael Buettner arrived at 8:03 a.m. Also present were Steven Bengart, Paul Leone, Pam Smith and Cynthia Rosel. Nathan Neill was out of Town.

**Public Hearing:       Kelkco, LLC – 10060 County Road, Clarence, NY.**

Chairman Hartzell opened the Public Hearing at 8:02 a.m. Paul Leone explained that this project was approved on September 20, 2007. Tom Kelkenberg was present to answer questions. The project log listed the address as 10060 County Line Road. The correct address is 10060 County Road. Kelkco, LLC is owned by Tom Kelkenberg, Andy Kelkenberg and Charles Kelkenberg, Sr. and has been in operation since 1990. They have been developing multi-tenant facilities for quite sometime. The proposed project entails the construction of three (3) approximately 6,000 sq. ft. buildings for lease to multiple tenants. The project amount is \$900,000. Mr. Leone added that this is a renewal of a previously approved inducement and they are asking for the Boards approval again. There would be a property tax abatement and sales tax exemption on construction material and equipment. Mr. Leone asked Tom Kelkenberg to explain to the Board about the delay in the project. Mr. Ertel added that for the record he is disclosing that he and Tom Kelkenberg have done business together in the past, approximately between 3 and 4 years ago. Mr. Ertel wanted to make it a matter of record that he is not involved in this project. Mr. Kelkenberg explained that the project was delayed because it took a little longer than he expected to go through the Town process and they were also waiting because of the state of the economy. They do have a tenant for the first building so they are ready not to go forward. Mr. Bengart added for the record that the first public hearing was held on September 20, 2007. The

previous inducement was on October 18, 2007. Prior to the inducement, the Clarence Town Town had issued a Negative Declaration on October 10, 2007. The CIDA followed through with its own Negative Declaration on October 18, 2007 on this project. All that part is in order. Mr. Leone added that it should be noted that Tom Kelkenberg paid the initial ¼ of 1/% when originally billed for this project for the Administrative Agency Fee. He will be billed the \$500 for this public hearing. Mr. Leone asked if there were any other questions. Scott Bylewski asked the applicant that if they did not receive the extension for the inducement, what would happen, is it likely not to go forward? The applicant answered yes, they would not be able to go forward. The Public hearing was concluded. There was a motion by Scott Bylewski with a second by Clayt Ertel to close the public hearing. There was nothing on the question.

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

Mr. Leone also added that the representatives from Triple AAA are present. There is no public hearing needed as they are asking for sales tax exempt benefits only. This will be covered under new business.

Mr. Bengart noted that Mr. Buettner and Ms. Powell were present. Mr. Bylewski added that they were present for the public hearing.

#### **Minutes – August 20, 2009 meeting.**

Mr. Hartzell asked if everyone had a copy of the minutes and if there were any questions.

While the members were looking over the minutes, Paul Leone also added we received the \$6,000 from Evans Bank for the fee agreement and the \$4,000 for the fee agreement from Stick & Ball at the Mall, LLC.

Mr. Hartzell asked again if everyone reviewed the minutes. Mr. Bylewski moved to approve the minutes with a second by Chris Kempton. There was nothing on the question.

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

#### **Treasurer's Report.**

Mr. Hartzell asked for the Treasurer's Report. Mr. Kempton reported on the Profit and Loss Statement and the Balance Sheet. The CD will be maturing before the end of the year. The detail page was also attached. There was a motion by Clayt Ertel to approve the Treasurer's Report with a second by Michael Buettner. There was nothing on the question.

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

## **Budget.**

The year-to-date and the adopted 2009 budget was distributed. Mr. Kempton reminded the Board that the 2010 proposed Budget was discussed at the last meeting. There are no major variances in the budget. There was discussion on some of the budget lines. The consultant line includes the stipends for Paul Leone, Bob Geiger, Chris Fusco and Don Festaiuti. We may have to break this line up in the future. Mr. Kempton also is asking to increase the stipend for the CFO from \$2000/yr to \$2,250/yr. Ms. Smith will be looking at the CD rates on a regular basis. Mr. Hartzell added that the salary for Cindi Rosel, secretary should be reviewed also each year. There was a motion made by Scott Bylewski to approve the CIDA 2010 Budget with a second by Clayt Ertel with the increase for the CFO. On the question Mr. Bylewski thanked Chris Kempton and Pam Smith for preparing the budget in the multi-year format. There was nothing on the question.

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

## **Correspondence.**

Mr. Hartzell asked if there was any correspondent. Ms. Rosel reported that there was none.

## **New Business.**

Mr. Leone reviewed the project log as presented at the public hearing and asked for approval of the Kelkco, LLC Project located at 10060 County Road. There will be a 10 year pilot because they are spec buildings. Mr. Ertel asked Mr. Leone how many buildings total will there be at the site. Mr. Leone answered that there will be three buildings. Mr. Bylewski made a motion to adopt the inducement resolution as written with a second by Chris Kempton. On the question Mr. Bengart added that the minutes from the public hearing this morning as well as any applicable minutes from the previous public hearing on September 20, 2007 be incorporated to form the basis for the Board's decision. Mr. Bylewski added to incorporate the minutes of the meeting on October 18, 2007 adopting the first inducement resolution. Mr. Bengart agreed adding that should be on the record as part of the on the question discussion.

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

Triple AAA of Western New York & Central New York Project-8120 Main Street, Clarence NY

Mr. Leone distributed the project log to all. Mr. Kempton disclosed that he has had a business relationship with Triple AAA as a client as recently as about a year ago. He has nothing with them at the present time. Mr. Bengart said that he may want to recuse himself. Mr. Leone also passed out the Regional Impact Analysis for this project also. There were representatives from Triple AAA present. Triple AAA Western & Central New York is an affiliate of AAA and services members throughout the Western and Central New York Counties. Services included

automobile repair, travel and insurance. The proposed project entails the purchase of equipment in connection with a new AAA Clarence Superstore located at 8120 Main Street in the Town of Clarence, NY which will provide auto repair maintenance services. The amount of the project is \$695,840. Sales Tax is based on 100% of the estimated equipment purchases. The company estimates the sales tax savings to be \$59,850. They are asking for Sales Tax only. The owner of the building is Benchmark. Mr. Leone added that the expansion will add 14 new jobs and new payroll. Mr. Bylewski added that the analysis shows that the benefit to the applicant is a little under \$60,000 where the benefit to the community is almost \$1.4 million. Mr. Ertel asked is the building is the one behind Dunn Tire. Mr. Leone answered yes. Mr. Leone asked if there were any other questions. Mr. Buettner asked how this relates to the Triple AAA in Amherst. This will be an automotive store. Mr. Bengart added that the project is in an Enhancement Zone. This is not a franchise. All the jobs will be new, not transfers from another location. Mr. Leone is recommending approval. There was a motion by Clayt Ertel with a second by Michael Buettner to approve the resolution as written for the AAA Western & Central NY Project.

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

Mr. Hartzell asked the Board if we want to open up our insurance to bid. Mr. Bengart said that he thinks it would be a good idea to this periodically put our insurance coverage out to bid. Mr. Ertel thought that we should review the insurance annually. Mr. Ertel did speak to some other companies and they could not compete with what we have now. Mr. Bylewski said that we should go out to bid every few years. Mr. Hartzell added that the Floss Agency does a great job for the CIDA. It was decided that the CIDA would put the insurance coverage out to bid every three years in May of 2011. Ms. Rosel reminded Mr. Hartzell that Mr. Floss will be at the October meeting to review the insurance coverage that renews in December.

#### IMPLAN Reports

Ms Rosel reminded the Board that the three projects they requested IMPLAN's on were distributed at the last meeting. The Board was going to review them and discuss at the 1 IMPLAN Reports that Mr. Leone distributed at the August meeting. Mr. Hartzell asked if anyone had any comments. Mr. Ertel said that they are clean and concise and provide valuable information.

Ms. Fusco was not present and has been having computer problems so her report may not be ready for this meeting. Mr. Kempton asked if she has completed the audit.

Mr. Hartzell asked if there anything else other than agenda items for discussion.

Mr. Leone just received an application from Chaffee Ward, a service and sales business of steam cleaners, pressure washers, compressors, generators and water cleaning systems and industrial fans. He is asking for CIDA assistance for an addition. It will have to be reviewed to see if it fits the criteria. They are located on Bodine Road in the Town of Clarence. It is a very small project and not in an Enhancement Zone. The amount of the project would be \$57,000.

Mr. Leone and Chairman Hartzell will be meeting with representatives from Benchmark to discuss Phase II of the Clarence Mall. One of the tenants would be Triple AAA. Mr. Bylewski was wondering what Phase II was it just that, the building they salvage or if it is for the buildings behind. Steve Bengart thinks it is for the buildings behind, nothing new has come before the Town on that. Paul said we do not have the application yet.

The SBA meeting will be on October 21, 2009 at the Center for Tomorrow. NYSERTA will be doing a presentation on all the new energy incentives that are coming down the line. The IRS and the Federal Government will give a presentation on the stimulus projects that are going to be happening and how companies can get stimulus funds. Mr. Hartzell asked if we voted on doing a flyer on this last month. They did not. Mr. Ertel suggested that the Chamber put the flyers in with their slingers as an insert. Motion to send out the usual slinger to advertise the SBA program for the "Growth Opportunity for Small Business Seminar" at a cost not to exceed \$3,000 with a second by Clayt Ertel.

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

Mr. Leone asked Mr. Bylewski if he any further information as to location on the Leaping Frogs Facility. Mr. Bylewski did not have any further information at this time.

Mr. Leone also discussed Buffalo Filter. He spoke to Dave Kulbacki the developer or builder for Mr. Palmerton. They are looking are still looking for locations in the Town. Mr. Bengart spoke to Mr. Palmerton after he had done some running around to look at possible locations. There are a couple of possible locations on Sheridan Drive.

Mr. Leone also had some information on how the ECIDA is advertising who to do to for information on IDA benefits.

Chris Fusco did come to the meeting and there was discussion on the CIDA pilots. She explained how the School Districts gets information from her as to the numbers and when to start billing for pilots. If the numbers don't agree, the district should call her. Sometimes a project is not finished when the pilot is supposed to kick in. She will make sure that amended pilots go out on these. She also discussed how the billings would be done for the Town/County taxes. The Schools will bill and collect themselves and then send Chris a report for unpaid pilots. Chris Kempton wanted to know whose obligation it is to follow up on unpaid pilots. Mr. Bengart said it would be the IDA's. There was further discussion regarding how the amount of tax may be different from year to year. Ms. Fusco and Mr. Bylewski explained that the taxes may go up or down as the rates increase or decrease. The assessed value may stay the same, but the tax rate may have changed. Ms. Fusco will bring a spread sheet to the next meeting so that everyone can see how it is calculated. The audit is completed. The bills will be sent out by Chris for the Town and the County. The School will send out their bills. Mr. Hartzell asked if the Board would like her to come back at the next meeting. Chris said she would have a partial report. Mr. Hartzell thanked her for coming today.

Mr. Bylewski said that he was approached by the Chamber about having a booth at the event on October 3, 2009. It could be with the CIDA. The Town would have the branding brochure. Mr. Bengart asked if we should do a 15 minute CIDA presentation. There was further discussion regarding the cost and who would man the booth. Mr. Bengart, Mr. Ertel and David Hartzell said they could man the booth for a couple of hours. They would work out the schedule with each other. Mr. Kempton said that we could take the money from the Marketing and Promotion. There was a motion made by Scott Bylewski for the CIDA reserve a booth for the Clarence Chamber of Commerce Business Expo-2009 at Eastern Hills Mall on Saturday, October 3, 2009 at a cost not to exceed \$200 with a second by Chris Kempton. There was nothing on the question.

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

**Old Business:**

Mr. Kempton thanked Mary Powell for sending the update on the Strategic Plan and suggested that the Board discuss one part of the Plan over the next three meetings. There could be a discussion of about 15 minutes focusing on each part individually. Everyone agreed. Mary Powell asked that Cindi Rosel forward a copy of the updated plan to everyone about a week before the before the October meeting.

Chris Fusco made a copy of the spread sheet and passed it out to the members.

Mr. Hartzell thanked everyone for coming as they are volunteers and their time is appreciated.

Meeting adjourned at 9:12 a.m.

The next meeting is October 15, 2009.

Respectfully submitted by:

Cynthia M. Rosel