

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

MINUTES

May 18, 2017

Clayt Ertel, Vice Chairman called the meeting to order at 8:15 a.m.

Present at the meeting were Susan Ballard, Elaine Wolfe, David Schuster, Michael Buettner, Mary Powell, and Clayt Ertel. Chris Kempton was absent as he was out of Town. Also present were Peter DiCostanzo, Councilman/Liaison to the CIDA, Paul Leone, Larry Meckler, Nathan Neill, Steve Bengart, Kimberly Ignatowski and Cynthia Rosel. Guests were Darlene F. Williams, Loan Officer of Premium Mortgage and Patrick O'Brien, a Town resident.

Public Hearing:

4401 Transit Road Project – Premium Mortgage Corp.

Clayt Ertel called the public hearing to order and turned the hearing over to Paul Leone. Mr. Leone gave the details of the project. Premium Mortgage is requesting agency assistance in the form of a lease with mortgage transaction in an amount not to exceed \$2,945,000.00. Agency assistance would include a mortgage tax abatement, sales tax exemption on any materials and/or equipment purchased for incorporation into Project, property tax abatement on value added as a result of the project in the form of the standard seven year PILOT. Premium Mortgage is also requesting assistance for the acquisition of a 15,830+/- Sq. Ft. building located at 4401 Transit Road on a 1.14+/- A of land, formerly a Key Bank retail banking facility that has been vacant for a number of years. They will be renovating the existing building and will be acquiring machinery, equipment, furnishings and fixtures required in connection with a back office mortgage origination facility. The Project will allow the Corporation, which has its headquarters in Rochester, to expand its operations in Erie County. Premium Mortgage will be relocating its existing office and employees in the Town of Amherst to the new location in Clarence to allow Premium to be competitive in its industry because the current location which is only 8,000 square feet, is too small to accommodate its needs and cannot be expanded. Premium was unable to locate a suitable alternate location in the Town of Amherst. The alternative to the Project would be to have them expand its operations outside of Erie County.

Mr. Leone added that a letter has been sent to the Town of Amherst Supervisor notifying them of the move. This would qualify under adaptive re-use of a building that has been vacant for a number of years and it is also in an Enhancement Zone. Mr. Leone added that if there are any questions, he would be happy to address them.

Mr. Ertel asked if there were any comments or questions. Mr. Patrick O'Brien of 6126 Blossom Court spoke in favor of the project. He talked about branch banking shrinking around and leaving empty branches all around the country. There are several vacant former bank branches on Transit Road. He supports Premium coming in to a vacant building and bringing well-paying

jobs to the area. Premium Mortgage Corp. has been named a top employer by Buffalo Business First and the Rochester Democrat and Chronicle. It is a type of business, as a Clarence resident, he supports coming into the area employing Processors and Underwriters, well-paying jobs and helping to attract financial services to the area.

Darlene Williams was present representing the applicant. She is the Branch Manager for Premium Mortgage. Premium Mortgage is a mortgage lender and just do mortgages at this particular point. They believe in planting roots in the community they locate in as being very important and that is why they are purchasing the building. The business has grown and will be approximately 30% ahead this year. They service between 700 to 1200 customers per year. Their customers will come in to Clarence, stop and shop at local business, restaurants and coffee shops. They believe in the community. They have out grown the current location and have no more room to expand.

Mr. Neill said that the building has been vacant for a long time. Mr. Leone said that this project could have gone to Rochester. Mr. Schuster had a question about related businesses as referred to in the application. Are those Premium businesses or are you going to be leasing. Ms. Williams said no...they are looking to expand in the same area...all Premium Mortgage related business. They have been approved to sell direct to Fannie Mae and eventually look at depository relationships and banking services.

Mr. Ertel thanked Ms. Williams for coming in and Mr. O'Brien for coming in to lend his support.

There being no other questions there was a motion at to close the public hearing by Susathe Ballard with a second by David Schuster.

Vote: Ayes: Ballard, Wolfe, Schuster, Buettner, Powell, Ertel. Opposed: None
Recuse: None Absent: Kempton.

Minutes of April 20, 2017.

There was a motion to approve the minutes of the April 20, 2017 meeting by David Schuster with a second by Michael Buettner. There was nothing on the question.

Vote: Ayes: Ballard, Wolfe, Schuster, Buettner, Powell, Ertel. Opposed: None
Recuse: None Absent: Kempton.

Treasurer's Report.

David Schuster gave the financial report. Mr. Schuster went over the Balance Sheet reporting on the balances in the savings and checking accounts. A public hearing fee was received from Premium Mortgage Corp. in the amount of \$500.00. Total expenses to date are \$35,285.21. Interest earnings total \$276.12. The net income to date is -18,089.36. Mr. Schuster asked Kim if she could add a column on the Profit and Loss Statement that will just reflect the current month activity so you do not have to go through the whole page. Hopefully, it will be next month.

Mr. Buettner wanted to ask a question regarding the difference in amounts from 2016 to 2017. He did not understand difference. It was explained about the cost of the study and when it was paid and the comparisons on the profit and loss statement. If he needs further explanation, Ms. Ignatowski will be happy to go over it with him. Mr. Dicostanzo also explained it to Mr. Buettner and he was okay with the explanation. There was nothing further regarding the financials to May 18, 2017.

There was a motion by Susan Ballard with a second by Elaine Wolfe to accept the financial report to date. There was nothing on the question.

Vote: Ayes: Ballard, Wolfe, Schuster, Buettner, Powell, Ertel. Opposed: None

Recuse: None Absent: Kempton.

Correspondence.

None to report.

New Business.

4401 Transit Road – Premium Mortgage Corp. was next on the agenda to consider inducing the project. A motion was made by David Schuster with a second by Elaine Wolfe to adopt the the inducement resolution as prepared by Nathan Neill. On the question, Mr. Ertel read the notice of public hearing into the record. Mr. Ertel also gave a synopsis of the prepared IMPLAN study on the project. The project will retain 32.5 jobs and add 7 new FTE's. Mr. Leone added that the project is ready to go as they have everything in place including the mortgage. The benefit to the applicant would be \$182,783 with a benefit to the community of \$1,923,186. Mr. Leone asked if there were any questions on the IMPLAN study.

Vote: Ayes: Ballard, Wolfe, Schuster, Buettner, Powell, And Ertel. Opposed: None

Recuse: None Absent: Kempton.

(NOTE: The inducement resolution and the IMPLAN study will be filed in the minute book with the minutes of this meeting.)

B. 4015 Casilio Parkway-Seal and Design submitted an application and is asking for agency assistance in the form of an installment agreement for sales tax only. The benefit is below \$100,000. They will be adding more equipment for the new addition. The Project is in the amount of \$300,000. They will be adding an additional 3 FT positions and have retained 88.5 jobs. The benefit to the applicant will be \$26,250.00 with a community benefit of \$6,831,707.00. Mr. Ertel asked if there were any questions on the IMPLAN study. There being none a motion was made by David Schuster with a second by Susan Ballard to adopt the resolution as prepared by Nathan Neill for sales tax benefits only to Seal and Design. There was nothing on the question.

Vote: Ayes: Ballard, Wolfe, Schuster, Buettner, Powell, And Ertel. Opposed: None

Recuse: None Absent: Kempton.

Old Business.

Mr. Ertel brought the Board up to date on the Main Street Study Project. There was a meeting with the Discover Main Street Group this week. They are spear heading the exposure on the project. There is going to be another forum on August 12, 2017. The purpose of this event is to present the “Vision Main Street” Study. This event happens to fall at the same time that Williamsville is having their summer festivities. Mr. Ertel said that Mr. Kulpa has worked it out that people can be trolleyed to the Clarence site from the Williamsville site. There will be a couple of food trucks to draw people in. There will be a tent set up and the event will take place on Nottingham Terrace. It will start about 4:00 p.m. Updates will be given at the next meeting. Mr. Ertel is asking for the members support by attending. There may be music also. There will be visuals on display that will show the transition that is planned for Main Street. Mr. Ertel also talked about expenses and hoped that the Town could come up with some funds to help defray costs. The next meeting of Discover Main Street is May 31, 2017 here at the Town Hall and anyone can attend.

Jonathan Bleuer was at the meeting and discussed what the Town is working on in conjunction with the Vision Main Street Study. He talked about the Zoning and the Sewer study. The Sewer Study is underway and the Town will be funding it. Funding for a Comprehensive Zoning Change for Main Street will be applied for in the form of grants. If the CIDA applies for the Economic/Marketing Study then all three components will be in place to go forward. Mr. Meckler believes that the CIDA would be able to fund the consultant for the Economic/Market Analysis. The CIDA would not be able to fund the event.

Mr. Ertel wanted to solidify the preparation of an RFP. After discussion, Mary Powell volunteered to prepare a draft RFP and would run it by the Attorneys and Jonathan. She will bring it to the June meeting for review and input.

There was no further discussion.

There was a motion by Susan Ballard with a second by Michael Buettner to adjourn the meeting.

Vote: Ayes: Ballard, Wolfe, Schuster, Buettner, Powell, And Ertel. Opposed: None
Recuse: None Absent: Kempton.

The meeting was adjourned at 9:20 a.m.

Respectfully submitted,
Cynthia M. Rosel