

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

MINUTES

January 17, 2013

Organizational Meeting

Mr. Hartzell called the meeting to order at 8:01 a.m.

Present at roll call were David Schuster, Clayt Ertel and Chairperson David Hartzell. Chris Kempton arrived at about 8:02 and Mary Powell arrived at 8:05 a.m. Elaine Wolfe and Michael Buettner were absent as they were out of Town. Also present were Paul Leone, Nathan Neill, Steven Bengart, Pamela Cuviallo, Cynthia Rosel and James Rash. Guests were Robert Geiger, Councilman and Matt Glynn from the Buffalo News.

Mr. Hartzell began the meeting with item 6 on the agenda as there was not a quorum present,

Correspondence.

Carl Calabrese sent a summary outlining what the Coalition for Community Building has done on behalf of the IDA members for 2012. Mr. Hartzell said he would like to wait until the rest of the Board is present to discuss it. Chairman Hartzell passed out copies of the summary.

New Business.

Paul Leone informed the Board that the 1% Agency fee in the amount of \$10,000 has been paid in full by Mini Cooper.

He is also expecting an application from Lavocat Landscaping but does not have any details to report today.

Mr. Leone spoke with Karen Kurst, a realtor, regarding 8565 Roll Road. The project applicant would have been Albert Roth a building contractor. The project was very small and Mr. Leone could not offer him assistance at this time. Mr. Roth may be coming back in about a year with a much larger project.

Paul Leone will be meeting with Doug Webster this morning regarding 8969 Sheridan Drive. Mr. Webster is looking at the property for his business but was not able to secure a loan to purchase it. He is now looking at leasing the property. He will come back to the CIDA if he is able to work out the Lease. Paul is meeting with him to see if he can get some county loan funds.

Mr. Leone said that there have been several calls and he has been speaking with several potential applicants.

Mr. Leone has had several meetings with Kittinger. The project was supposed to be on the agenda in February for a public hearing. Paul has been in touch with the ECIDA regarding this project. Mr. Neill and Mr. Leone will speak about this later in today's meeting in more detail.

Mr. Leone also received a request from Mr. Picone for a 6 month extension on the sales tax exemption for his project at 10995 Main Street. The project is not completed yet. The Clarence Chamber will be doing a ribbon cutting when the project is completed and the CIDA will be invited.

Mr. Kempton arrived and there was a quorum present. The next item was the election of Officers for 2013.

CIDA election of Officers for 2013.

Chairperson.

There was a motion by Clayt Ertel to nominate David Hartzell as CIDA Chairperson for 2013. Mr. Hartzell thanked Mr. Ertel and accepted. There was a second by Chris Kempton. There was nothing on the question.

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

Vice-Chairperson.

Motion by Chairperson Hartzell nominating Clayt Ertel as CIDA Vice Chairperson for 2013 and Mr. Ertel accepted. There was a second by Chris Kempton. There was nothing on the question.

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

Treasurer.

Motion made by Clayt Ertel to nominate Chris Kempton as CIDA Treasurer for 2013. Mr. Kempton accepted. There was a second by David Schuster. There was nothing on the question.

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

Secretary.

There was a motion by Mr. Hartzell nominating Mary Powell as CIDA Secretary for 2013 with a second by David Schuster. There was nothing further on the question.

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

Appointments to CIDA for 2013.

There was a motion by Clayt Ertel to appoint the following to the CIDA for 2013 as presented by Chairman Hartzell:

Larry Meckler and Steve Bengart as Co-Counsel/Co-Assistant Secretary; Nathan Neill as Bond Counsel; Paul Leone as Business Consultant; Drescher and Malecki as CPA; Paul Leone as CEO; Pam CuvIELLO as CFO; Cindi Rosel as Staff Secretary; and Chris Fusco, Billing Administrator. There was a second by Mr. Hartzell. There was nothing on the question.

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

Minutes of December 20, 2012.

David Schuster moved to approve the minutes of December 20, 2012 and there was a second by Clayt Ertel. On the question there were two typos in the minutes and they need to be corrected as follows:

Under Treasurers Report the date of the report should be December 20 and on page 6 in paragraph fourth sentence down the word should be than not that.

Mr. Schuster amended his motion to approve the minutes as amended and the second was made by Mr. Ertel.

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

Treasurer's Report.

Mr. Kempton has two reports to be presented today. The first is the report for December 31, 2012 year end and the second is for January 17, 2013. He went over the profit and loss statement on the December 2012 year-end report first reporting on the balances in the checking and money market accounts. The year ended with a net loss of \$15,692.84. There was a motion to approve the Treasurer's Report for December 31, 2012 year-end by David Schuster with a second by Clayt Ertel. There was nothing on the question.

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

Mr. Kempton reported on the activity on the first month of the year on the January 17, 2013 financials. There was a transfer from the Money Market to the Operating Account in the amount of \$20,000. There was a fee collected in the amount of \$10,000 from the Towne Mini Cooper Project. There is a negative net ordinary income in the amount of -\$655.42. There was a motion

to approve the Treasurers' Report as of January 17, 2013 made by David Schuster with a second by Clayt Ertel. There was nothing on the question.

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

Mr. Leone is asking for Board approval for a 6 month extension on the sales tax exemption for the 10995 Main Street LLC Project. Mr. Picone is requesting the extension as there is still work to be done on the warehouse. Mr. Picone contacted the Chamber to let them know that the building will be open soon and that he would like to have a ribbon cutting. Mr. Leone will answer any questions. There was a motion by David Schuster to approve the extension with a second by Clayt Ertel. There was nothing on the question.

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

Mr. Hartzell had Mr. Leone recap the projects he talked about at the beginning of the meeting while Mr. Kempton and Ms. Powell were not present.

Mr. Leone reported that he is expecting an application from Mr. Lavocat, a landscaper, who is looking to construct a building on County Road. He also informed them about 8565 Roll Road that was purchased by Albert Roth, a building contractor. Mr. Leone said that he would not be eligible for CIDA assistance at this time because the project was too small. Mr. Roth may be coming back in about a year with an expansion project.

Mr. Paul Leone is meeting with Doug Webster regarding his business, Pete Motion. Mr. Webster was not able to secure financing to purchase the property but will try to lease it.

Mr. Hartzell talked about the Lavocat project. The Chairman talked to Jim Callahan before the project went before the ZBA. Mr. Hartzell added that it is a beautiful project. It needed a little bit of tweaking to the parking area. It will generate jobs. Mr. Ertel has to recuse himself on this project.

Mr. Bengart was asked by the Ethics Board to remind the Board members that a Transactional Statement of Disclosure must be filled out and filed with the Town Clerk when recusing on a particular project. Once filed on a particular project, the member does not have to file the form again on that project. However, the member must continue to recuse during the meetings when the project is discussed. The person recusing should leave the meeting when the project is discussed.

Mr. Hartzell asked if Mr. Ertel had filed his Statement of Disclosure. He did not on this project but will at the end of the meeting. Ms. Powell asked at what point should someone recuse...is it at the application stage...when do you do this. Mr. Bengart answered that a person should recuse as soon as the project is before the Board and the person believes that they may have a conflict. They need to recuse. You have to disclose your interest. Even if you do not feel you

need to recuse or have a conflict and you need to file the Disclosure form. You can refer the CIDA Ethics Code for guidance.

Mr. Leone informed the Board that the Kittinger Project will be applying to the ECIDA because of the joint UTEP Common Policy. Kittinger is a company that is relocating from Buffalo to Clarence. According to the policy; they must apply to the ECIDA first. The ECIDA will hold a public hearing at the Town Hall in February. The public hearing must be held in the township where the project is going to be located. If the ECIDA does not approve the project, then it can go to through the CIDA. Mr. Leone said that as he understands it and according to the ECIDA Attorneys, the ECIDA public hearing can hold true for the CIDA. If approved by the ECIDA, the fee would be split between the two agencies. Mr. Bengart asked if they turn it down, can the CIDA do it. Mr. Leone said yes. Under the common policy, they qualify to move here added Mr. Neill. They are coming to Clarence because they could not find a location in Buffalo that would fit the project. Mr. Leone has the Clarence application if anyone wants to look at it.

Mr. Hartzell moved agenda item 7(2) “Jobs Created vs. Dollars Spent” to the February meeting. Mr. Rash is going to work on it.

Mr. Ertel discussed the credit card issue. He suggested that the CIDA should have a credit card. Mr. Hartzell thought it would be okay and there should be a maximum. There was further discussion pro and con. Mr. Neill said that there should be guidelines established if it is decided to have a card. There should be a cap on it. Mr. Meckler said that the issue should be looked at to see if there are any existing regulations with the Public Authorities Budget Office especially in light of the report on the donations. Mr. Schuster suggested having Mr. Meckler and Mr. Bengart look into the credit card and discuss it further next month. There are restrictions regarding the use.

Mr. Schuster met with Cindi Rosel and spoke to Mr. Rash regarding the software for the laptop computer. He has looked at software and it should cost between \$175 and \$200. He would like to move to approve an amount of \$200 to purchase the software. There was a second by Chris Kempton. There was nothing on the question.

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

Mary Powell wanted to go back to the reimbursement issue regarding expenses. She wanted to make sure that the receipts submitted for reimbursement show who attended the luncheon or dinner and the purpose. Mr. Hartzell said that he does do that. Mr. Rash suggested that there be some form for expenses that can be filled out and handed in with the receipts. Mr. Hartzell asked Mr. Rash to come up with a template that he may have used in the past.

Mr. Rash would like to attend the New York State Economic Development Council conference in Albany next week. He did have to join the organization in order to be able to attend and the membership is in his name. The Board decided last year not to continue its membership in the organization. Mr. Ertel thought it would be worthwhile to join again because now there seems to be more going on. Mr. Hartzell moved to authorize that Jim Rash attend the NYS Economic Development Council Conference in Albany with cost of the conference and expenses in

accordance with the guidelines covered by the CIDA. There was a second by Clayt Ertel. There was nothing on the question.

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

There was a motion made by Clayt Ertel with a second by David Schuster to enter into Executive Session at 9:05 a.m. under section under section 105(f) of the Open Meetings Law regarding the employment history of a particular person.

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

The Board exited the Executive Session returning to the open session at 9:29 a.m.

Mr. Hartzell informed Mr. Rash the Attorneys Larry Meckler and Steve Bengart will work on the contract.

Friendly motion to adjourn at 9:30 am.

Respectfully submitted: Cynthia M. Rosel