

TOWN OF CLARENCE, ERIE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

December 19, 2013

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

Present were Elaine Wolfe, David Schuster, Michael Buettner, Chris Kempton, Mary Powell (arrived at 8:03 a.m.) Clayt Ertel and Chairman David Hartzell. Also present were Paul Leone, Nathan Neill, Steven B. Bengart, Pamela CuvIELLO, Jim Rash and Cynthia Rosel. Guests: Adam Michael of Seal and Design, Jonathan Taber, Esq. from Phillips Lytle; Robert Murray, Esq. from Harris Beach; Susan R. Katzoff, Esq. from Hiscock & Barclay; Richard Grimm III, Esq., and Robert Raymond Walter, with Magavern Magavern Grimm LLP.

Minutes of November 21, 2013.

A motion was made by Clayt Ertel with a second by David Schuster to approve the minutes of the November 21, 2013 meeting. There was nothing on the question

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

4015 Casilio Parkway - Seal and Design:

Mr. Leone and Mr. Hartzell met with Seal & Design and an application has been submitted. Seal and Design plans an expansion in 2014 consisting of a 40,000 sq. ft. addition. They are here today to ask for agency assistance in the form of sales tax only. Leone is asking for the Board's approval for sales tax only today. Mr. Neill has prepared a resolution for approval of the sales tax exemption benefit. The benefit will be less than \$100,000. There was brief discussion regarding the fee schedule. The fee will be negotiated. Mr. Leone said that there will be a 1% agency fee. Mr. Buettner asked if the benefit will be 8 ¾% on a \$100,000. Mr. Leone said yes. He also asked why the sales tax exemption is before the Board at this time before the project begins. Mr. Hartzell answered that this is Part A of another project to come. Seal and Design will be purchasing equipment for the expansion.

There was a motion by Clayt Ertel with a second by Elaine Wolfe to approve the resolution as prepared for sales tax only on the 4015 Casilio Parkway-Seal and Design Project. There was no further discussion.

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

Interviews for Counsel and Bond Counsel

Mr. Hartzell said that each representative from the different law firms that are present will be given a brief period of time to make a presentation. The Board will then discuss and make a decision at the meeting in January.

The Chairman introduced Jonathan Taber, Esq., Partner, Phillips Lytle. Mr. Taber gave a brief introduction of the firm as being a full service law firm with a broad array of practice areas. The firm represents the Nassau County IDA and Mr. Taber is General Counsel for the Chautauqua County IDA. There was discussion on fee structure regarding hourly and percentage rates. Mr. Kempton asked what other IDA's they represent. Mr. Taber said that they represent a couple of IDA's down state as General Counsel and represent numerous other interests in IDA transaction including underwriters, banks project and project developers. There being no other questions, the Chairman thanked Mr. Taber for coming in.

The Chairman introduced Robert Murray, Esq., Partner at Harris Beach. Mr. Murray gave a brief presentation on the firm. Harris Beach represents about 30 IDA's statewide. He passed out an Economic Handbook that the firm also puts on its website. Mr. Murray is General Counsel to the ECIDA. The firm is also General Counsel to the Niagara County IDA, the Genesee County IDA, and the Dunkirk IDA. Fee structure was also discussed relative to hourly rates and percentage rates. They refer to their service as Transactional Counsel and not Bond Counsel. Mr. Buettner wanted to know if Mr. Murray attends all the meetings for the organizations he represents. Mr. Hartzell asked if Mr. Murray would attend the meetings. There are 30 members on the team. There are two representatives in this area. Either he or his partner, Patty Lettieri, would attend the meetings. There were no further questions. Mr. Hartzell thanked Mr. Murray for coming in.

The next firm introduced by the Chairman was Hiscock and Barclay. Susan Katzoff, Esq. is a Partner with the firm and Kimberly Colaiacovo, Esq. is an Associate with the firm. Ms. Katzoff gave a presentation on what the firm provides. They serve as Bond Counsel, General and Transactional Counsel to IDA's across the State. The firm provides services based on each individual client's needs. They have expertise across the state. There was further discussion regarding fee structure. Ms. Katzoff represents the Oswego IDA, the City of Syracuse IDA and with her partner represents other IDA's either as Transactional and/or Bond Counsel. They would attend the meetings if required by the IDA to do so. There were no other questions. Mr. Hartzell thanked Ms. Katzoff and Ms. Colaiacovo for their presentation. Ms. Katzoff thanked everyone for the opportunity and wished everyone a Happy Holiday season.

Mr. Hartzell introduced Richard Grimm III, Esq., Managing Partner and Robert Raymond Walter, Associate with Magavern Magavern Grimm LLP. Mr. Grimm said that his firm has been Transactional Counsel to the Lancaster IDA for the last two years. He gave a brief presentation on the firm and explained that he has done deals with every local IDA. They were the ECIDA Counsel. He also explained the services they provide to the Lancaster IDA. They are familiar with the fee structure and are familiar with the UNA partner would attend the meetings. Mr. Hartzell said that he has heard good things about the firm from the Lancaster IDA. There were no questions. Mr. Hartzell thanked Mr. Grimm and Mr. Walter for coming in.

After the presentations, Mr. Hartzell said that the Board will decide in January about Bond Counsel, including Nathan Neill. Mr. Hartzell added that if anyone has questions to call him or the representative from the firms that gave presentations including Nathan Neill.

Mr. Kempton wanted to know if the firms were interviewing for Bond Counsel and legal counsel. Mr. Hartzell answered that the presentations today were for Bond Counsel. He passed out a copy of the ad for the Board to review. It was in the Bee for the last 4 weeks. Both positions were put out for bid, but the only interest was in Bond Counsel.

Mr. Neill asked if he could have the opportunity to explain what his firm does. Mr. Kempton said of course, he should have the opportunity.

Mr. Neill explained that he does not do Bonds. He would use Bond Counsel for that and work with them on taxable bonds. He does the transactional work. Mr. Bengart said that in all fairness, ECIDA hires Hiscock and Barclay for their Bond work. Mr. Buettner asked when was the last time the CIDA did a Bond transaction. Mr. Neill said that we did do a couple Bonds in the past.

There was further conversation and the decision will be made at the organizational meeting in January of 2014.

Mary Powell had some questions regarding the process. The ad was in the paper and she wanted to know if Nathan going to have the opportunity to give a formal presentation. She also wanted to know how the Board will talk about this in a month. Mr. Hartzell said that he could give a brief presentation.

Mr. Neill proceeded gave a brief presentation to explain what he does and who he represents.

Ms. Powell wanted to know that while this is fresh in everyone's mind, excuse whoever they have to excuse and talk about this today. Mr. Hartzell said okay and that he will move to go into Executive Session.

Motion made by Chairman Hartzell with a second by Chris Kempton to enter into executive session under section 105(f) of the Open Meetings Law.

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

Motion by David Hartzell with a second by Mary Powell to enter back into regular session of meeting. No action taken.

Mr. Hartzell had an article that was in the Buffalo News criticizing ECIDA for doing Paula's donuts. The information was incorrect. The ECIDA did not do a Paula's Donuts. There were some other news articles that were discussed regarding senior housing and also MJ Peterson.

December Treasurer's Report.

Mr. Kempton went over the financial reports through December 19, 2013. He went over the Balance Sheet and Profit and Loss statement. Interest is at .15%. Fees received for the year to date are \$127,698.00. Mr. Neill added that if the 4125 Transit Road Assignment and Assumption closes, there will be additional income for this year. Expenses for the year are \$62,241.80. Net Income is \$66,631.22 to date. Ms. Powell added that we have met our projected revenues for 2013.

There was a motion to accept the Treasurer's Report by Clayt Ertel with a second by Michael Buettner. There was nothing on the question.

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

Ms. CuvIELLO added that Joseph Floss of the Floss Agency shopped out the insurance and was able to come back with a significant decrease in the insurance renewal premium for the CIDA policies. There is no change in the amount of coverage for the G & L and the Crime Policy.

Correspondence.

None.

New Business.

Mr. Leone reported that he received an email from Niagara Produce. They are in the process of finalizing a lot of the details and expect to move into the new building in March. Their exemption letter expires in January and they are requesting a six-month extension for the project. They have outside work that cannot be done until the spring. Mr. Leone is asking for the Board to approve the six-month extension.

There was a motion by Chairman Hartzell to approve a six-month extension for the sales tax exemption letter for the Niagara Produce Project with a second by Mary Powell. On the question, Mr. Buettner asked if this means that there will be an extra benefit to them...it doesn't, does it? Mr. Leone answered that all we are doing is extending the sales tax exemption. Mr. Neill added that there are no new dollars being approved...it is just an extension of time for the sales tax exempt benefit to allow them to complete the project.

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

Mr. Leone said that there is reverse trade mission with Canadian Oil Buyers in Buffalo, NY on February 3, 2014. It is a half day seminar at a cost of \$40 per person. He will pass out the flyer for the Board to look at.

January 16, 2014 at 4:15 p.m. there is a free WNY Market Review seminar at the First Niagara Center. This is a free seminar. He will pass out the information if anyone would like to attend.

Mr. Leone is heavily involved in the Community Choice Act and would be glad to answer any questions. Just give him a call.

Mr. Hartzell asked about the Ralph Lorigo project. Mr. Bengart explained that this is ready to close if everything is completed by Friday, Dec. 20 with Board approval.

4125 Transit Road Project.

This project is a Leasehold Interest only project. The CIDA does not have title to the property. The property is being sold to Ralph Lorigo, individually, as part of a 1031 Exchange. There is a resolution that would need to be approved by the CIDA Board for this to go forward.

The Chairman moved to approve the resolution for the 4125 Transit Road Project as prepared by Nathan Neill with a second by Clayt Ertel. On the question, Mr. Buettner wanted to know if this changes the time frame of the pilot. Mr. Neill answered that it will not and we are two years into the Pilot.

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

EDO Report.

Mr. Rash will be setting up a meeting with the senior executives of the Seneca Nation Coalition for Economic Development to see whether or not there are any projects for the Town of Clarence. This would be an exploratory meeting.

Mr. Rash and the Chairman met with Bee editor and an ad executive regarding a full page ad in the Community Outlook special edition in January. This runs in all 9 Bee Editions of the Bee. They selected the Niagara Produce Project to be the featured project. There was discussion by the Board about the selection of the project and how it will be presented. A draft layout of the ad was passed around. The draft copy will be tweaked as discussed by the Board members.

Mr. Hartzell moved to approve the ad at a cost not to exceed the following: Bee insert at \$3,640 (the full back page of the insert), production cost of \$1,200 to John Arnold and a \$75 full page copy to be included in the next Chamber newsletter in February, as stated by Mr. Rash, that will run by the end of January for one time only, with the changes as discussed by the Board.

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

Mr. Rash also attended the Seal and Design meeting with Mr. Leone and Mr. Hartzell, continues to meet with the Clarence Hollow Association and is working on having the trustee, Laura Hackathorn, from the Village of Hamburg, and will develop a marketing plan that will fit in the 2014 budget. Ms. Powell would like to have the ads posted where it can be seen a public area and the Town Hall. She also suggested using Elaine Wolfe expertise.

There was discussion on the title of the ad. Mr. Meckler suggested that some thought be given to the title. Mr. Rash will put together a schedule of expenditures for future plans for ads and present hopefully to the Board at the January meeting.

Mr. Rash has enjoyed working as the EDO and would like to renew his contract for the next year and is hoping that the Board will consider renewing his contract. He is asking if the Board would consider an increase.

Motion made by Chairman Hartzell with a second by David Schuster to enter into executive session under section 105(f) of the Open Meetings Law.

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

Motion by Chairman Hartzell to exit from Executive Session and back into regular session with a second by David Schuster.

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

Motion made by Clayt Ertel to continue to contract with James Rash as the Economic Development Officer for the Clarence Industrial Development Agency for a one year term beginning January 1, 2014 through December 31, 2014 under the same terms and conditions of the 2013 contract for an amount not to exceed the existing rate of \$26,000. There was a second by Chairman Hartzell. On the question Mr. Buettner wanted to know if we can amend the contract next time. Mr. Meckler and Mr. Bengart said that could be done. It will be reviewed at a future date. There was nothing further.

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

Mr. Ertel wanted to know if the CIDA is still going to meet with the Planning Board. Chairman Hartzell asked Mr. Ertel to contact Robert Sackets to get a date. He also talked to James Dussing to get a feel for what it would cost to pave the proposed parking area on the portion of the bike path that runs behind the old church on Main St. and Salt Road. It would cost approximately \$50,000. This would be additional parking for the bike path. Mr. Hartzell would contact the Town grant writer about a grant.

Ms. Wolfe spoke about the One Region Forward Workshops (sponsored by UB) that have been held around Erie County. She will work with Cindi Rosel to get a date to have one held here at the Town Hall. They are held to get ideas on what can be done in the region. The Board will be informed as to the date and time. They will ask for RSVP's. More on this at the next meeting.

There was friendly motion to adjourn at 10:20 a.m.

Respectfully submitted: Cynthia M. Rosel Next meeting is January 16, 2014.