

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

**MINUTES**

**February 21, 2013**

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

Present were Elaine Wolfe, David Schuster, Michael Buettner, Mary Powell and Chairperson David Hartzell. Clayt Ertel and Chris Kempton were absent as both were out of town. Also present were Paul Leone, Nathan Neill, Lawrence Meckler, Steven Bengart, Pamela Smith, Cynthia Rosel and Jim Rash. Town Councilman, Robert Geiger, was also in attendance.

**Minutes of January 17, 2013.**

There was a motion by Mary Powell with a second by David Schuster to approve the minutes of the January 17, 2013 meeting. There was nothing on the question.

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

**Correspondence.**

Ms. Rosel e-mailed correspondence to the Board members that were Notices of Public Hearings that were being held by the ECIDA. The public hearing on the Kittinger project was held at the Clarence Town Hall on February 5, 2013 and the ECIDA met on February 19, 2013. Paul Leone will report on the outcome.

**New Business.**

Mr. Leone reported that the ECIDA approved the 4675 Transit Road - Kittinger Project that will be located at in the Town of Clarence. The CIDA will be getting one half of the fee which will be 1% of the project. The CIDA should receive \$6,000. Mr. Hartzell added that it is a great project for the Town of Clarence.

Mr. Leone will contact Kittinger and the Clarence Chamber to set up a ribbon cutting when the project is completed and ready for its grand opening.

Chairman Hartzell received another letter from Sean Ryan in the form of a FOIL request asking for all documents on the Dash's Market project that the CIDA is planning on giving benefits to. Mr. Meckler sent him a letter acknowledging the request. Mary Powell asked if they are behind or is there another project for Dash's in the works. There is no application or new Dash's project planned. Mr. Neill said this project was induced over 4 years ago.

Mr. Leone and Mr. Hartzell have been reaching out to realtors, developers and builders who have not done any projects in the Town of Clarence. They met with some realtors recently and Mr. Leone also met with Concept Construction, who is interested in doing business in the Clarence area. Any of them would be willing to come and meet with the entire Board.

**9645 Wehrle Drive – At the Lock, LLC Project – InLighten.**

Mr. Neill has a resolution regarding 9645 Wehrle Drive – At the Lock, LLC. Mary Powell will recuse herself from discussion and voting on this project. At the Lock wants to refinance their existing mortgage for a better interest rate. They will be paying down part of it and refinancing the rest of what they have. There are no new benefits for them. The resolution is for approval from the Agency, the Lease Holder and to sign the mortgage documents for the transaction. Mr. Neill read the resolution into the record as follows:

**RESOLUTION OF THE TOWN OF CLARENCE, ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A MORTGAGE IN THE PRINCIPAL AMOUNT OF \$1,344,000 AND AN AMENDED AND RESTATED LEASEBACK AGREEMENT IN CONNECTION WITH THE 2010 9645 WEHRLE DRIVE PROJECT, AND FURTHER AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH.**

Mr. Neill added again that they are basically refinancing and borrowing less money than they owe. Mr. Buettner asked about the project name because it is listed by the address not the company name. Mr. Neill answered that the projects are listed by address because projects usually have two different levels, a lessee and sublessee that would have different names. In this case At the Lock, LLC and Inlighten, Inc. If we go by the address we can always find the project.

Motion by Chairman Hartzell to approve the resolution as read into the record by Nathan Neill for the refinancing of the At the Lock, LLC./ inLighten, Inc. Project with a second by Michael Buettner. There was nothing further on the question.

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

Mr. Leone added that they are looking forward to the possibility of an expansion in the near future and would be coming back to the CIDA.

**EDO.**

Jim Rash handed out his report for February that included a synopsis of the New York State Economic Development Council Winter Conference. He has been going to meetings held by various Clarence groups and organizations. He will be working on a power point presentation and the strategic plan. Mr. Rash said the he got permission from a couple of other IDA's to

download their presentation as a tool to structure a power point presentation for the CIDA. Mary Powell asked if he would be allowed to share those with the members. He said that he would share them with whoever would like to see them when he downloads them. He also met with John Braddell on the proposed industrial park on County Road.

Mr. Buettner suggested that the EDO put on his schedule a way to publicize the benefits that have accrued for the taxpayers of the Town of Clarence as a result of the projects that the CIDA has brought to the community. These projects should be highlighted in a positive light in an article or at presentations to educate the public about the CIDA.

Mr. Hartzell would like to see the EDO do a spread sheet on a the projects done over the last 5 years with the number of projects completed, jobs created, and total net benefits.

Mr. Rash said he planned on doing a historical report.

Mr. Schuster added that there is value to the other businesses when vacant space is occupied. It brings people in to a location where they might not have been before. They see what other businesses are at that same location that they may not know existed there.

Mr. Meckler suggested that a meeting be planned with the Editorial Board of the Buffalo News once all the information is completed for the power point and the historical report. If there was a presentation on how the CIDA is improving life in the Town of Clarence, the News Staff would better understand how these projects benefit the Town.

Mr. Hartzell said that the CCB did have a meeting with the News, but the CIDA was not included.

Mr. Schuster suggested that maybe the CIDA should find out the benefit that surrounding businesses have received by a business occupying a vacant building. He also added that the money time line is not clear.

### **CCB Contract.**

Mr. Hartzell discussed the CCB Contract. Mary Powell asked how we receive communication on what the CCB is doing. Do we get a report or a newsletter? Mr. Leone said they do have meetings. The dates are sent to the Supervisors. The group is supposed to lobby on behalf of the IDA's. They did submit a summary of activities at our request. That was passed out at the last meeting. It was decided that Mr. Calabrese would be invited to the next meeting to give a report on what the CCB has done so far to benefit the IDA's. Mr. Hartzell will invite him to the next meeting.

### **Chris Fusco - report on Pilots.**

Ms. Fusco reported that all the Pilots are current except for the David DeMarie Studios project. The School District has not been paid in full and the Town /County Pilot has not been paid The

Special District Tax Bill has not been paid. The Board will invite Mr. Castilone to come in at the next meeting to discuss the Pilot.

Ms. Fusco also reported that there are three projects that expired as of December 31, 2012. Grosso Door, WNY Mennonite and a Seal and Design project. The WNY Mennonite Project will remain in the Agency because it was a Bond.

Mr. Hartzell was asked by Judy Siriani if the CIDA would consider purchasing a ticket for Mr. Rash to attend the Clarence Chamber Annual Awards Dinner. There was a motion by Mr. Hartzell to authorize the purchase of a ticket at the cost of \$50.00 for the EDO to attend the annual Chamber Awards dinner for the CIDA. There was a second by Mr. Schuster. On the question Ms. Powell asked what was decided in the contract about expenses. Mr. Meckler answered that the contract provides for the EDO as an Independent Contractor to be paid an amount of \$26,000 for one year and anything else would have to be approved by the Board. There is no monthly stipend for expenses. There was nothing further.

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

Mr. Hartzell received correspondence from Mr. Patterson of the group “The Clarence Watchdogs” that was addressed to Paul Leone regarding the IMPLAN for the Mini Cooper Project. He is requesting clarification on the information on the IMPLAN. He is suggesting that the Mini Cooper project only benefitted the County and the State and not the Town. He wants to know the dollar value of benefit to the Town of Clarence.

Mr. Hartzell said the he is planning to visit a company that manufactures Phase One cancer drugs. He would like to do it in March. Mr. Leone said that the company is actually in the Town of Newstead so it would not be eligible for CIDA benefits.

### **Adaptive Re-Use.**

The discussion continued regarding the proposed Redevelopment Policy from the ECIDA. Mr. Hartzell sat in on a meeting of the Erie Redevelopment Group held at the ECIDA Offices. The discussion was regarding the new policy they are proposing for Adaptive Re-Use. They want to change the policy. Mr. Hartzell read the policy a couple of times and cannot see how this policy benefits the CIDA or the other IDA’s. This policy would limit the incentives that could be offered by the individual IDA’s. This is similar to the “Framework” that Carl Calabrese was proposing a few years ago. Mr. Hartzell also had an Agenda with attachments from the Feb. 7, 2013 ECIDA meeting and passed out a copy to the members and the staff. It is being proposed that the Enhancement Zones be done away with and replaced with a Redevelopment Policy. There is a map suggesting where the ECIDA thinks the five IDA’s can do projects. The maps suggest projects to be done in the Hollow, Clarence Center and a small portion of Transit Road. There is not much available for growth in the Hollow or Clarence Center.

Mr. Leone said that there were other representatives at the meeting that do not have IDA’s. The map was only zeroing in on the five local IDA areas. They did not include East Aurora,

Cheektowaga, Tonawanda, or the City of Buffalo. These areas biggest complaint is that the ECIDA ignores them.

Mr. Bengart added that the Enhancement Zones are created by the Town Board. It may be that they do not understand that. Mr. Leone and Mr. Hartzell said that they do.

Mary Powell asked if everyone has a copy of the County Wide Uniform Tax Exemption Policy electronically. Mr. Hartzell said that it is in the CIDA Policy Manual. Ms. Powell is suggesting that everyone look at the adopted policy and the Redevelopment Policy being proposed by the ECIDA that Mr. Hartzell handed out today. She suggested the members compare what we have now to what they want to change it to. Then we can discuss it.

Mr. Hartzell asked Mr. Culliton and Mr. Cappellino how the new policy would be better for the IDA's than the policy we have now. He asked them to either call or put it in writing and has not heard anything from them yet. Mr. Hartzell said that this policy is not something he would want to have the CIDA sign onto. Even though we have the Memorandum of Understanding, we have our own policy. Mary Powell added that this is not just happening in this area. Other areas are getting pushed also to have development in only in urban areas and not in suburban areas. Mr. Hartzell agrees with Mary that the policy we have is a good policy. It is flexible. Ms. Powell also added that the policy gets attention and businesses want to locate here. It encourages the kind of development we want for Clarence in those areas. Mr. Hartzell talked about Transit Road as a desirable area to develop. The Chairman added that the CIDA has done a great job on targeting where the Town needs growth. Mr. Meckler added that these maps are looking at the existing zones and they are not commenting. Mary Powell said that the circles are what they are suggesting as areas for projects. Mr. Meckler said regardless of how they think we should establish enhancement zones, the enhancement zones are the purview of the Town. It is really up to us. They can propose guidelines, they can make recommendations, but there is nothing that really gives it any teeth. Mr. Neill said we have enhancement zones whether they like it or not.

There was further discussion regarding the part in the proposed policy that refers to incentives being limited to only the "shell" of the building. They are proposing doing just the buildings and not benefits for the tenants of the buildings. Mr. Hartzell asked the Board to review the handouts and we will continue this discussion at the next meeting.

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

In Mr. Kempton's absence, Pam Cuiello gave the Treasurer's Report. She went over the Balance Sheet reporting on the account balances and the Profit and Loss Statement. She added that she put the expenses for the EDO. She included the expenses for the Albany trip in the EDO line. Some of the members thought the expenses should be listed separately. The details were also attached as well as the Budget. There was a motion to approve the Treasurer's Report by David Schuster with a second by Mary Powell. On the question Ms. Cuiello added that the EDO Budget is \$12,000 and the contract is for \$26,000. Mr. Bengart asked if we should wait until the Treasurer is back to deal with the expenses and the transfer.

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

Mr. Hartzell wants to make a motion to run an ad around the time Kittinger has its grand opening. The ad would go into the Clarence Bee and the Buffalo News celebrating Kittinger and that Clarence is a great place to do business. Mr. Buettner added that we should put a limit on what will be spent on the ad. Ms. Powell asked if will see the ad before it goes out. Mr. Hartzell said everyone will see it before it goes out. It would be about \$6,500 for the Buffalo News, \$900 for the Clarence Bee and \$1,200 for John Arnold to prepare the ad Mr. Buettner asked what the project is bringing in. Mr. Leone said it is \$6,000. Mr. Buettner thought that was a lot to spend on the ad .The ad would cost more than what the project is bringing in. Mary Powell said it is a high profile project. Mr. Hartzell moved that the CIDA approve an amount not to exceed \$9,000.00 that will include hiring John Arnold to prepare the ad and to run the ad in the Buffalo News and the Clarence Bee that will feature the Kittinger Furniture Project and to have the CIDA review the ad and have the ability to make any changes before it goes out. There was a second by David Schuster. Mr. Buettner was against it because of the amount. Mary Powell said she does not have a problem with the ad as long as it does the job. Mr. Buettner said that it is a lot of money. Mr. Hartzell called for a roll call vote.

Elaine Wolfe	Aye.
David Schuster:	Aye.
Michael Buettner	No.
Mary Powell	Aye.
David Hartzell	Aye.

Absent were Chris Kempton and Clayt Ertel. Motion carried.

Mr. Hartzell briefly discussed the Executive Session issue that came up at the February 13, 2013.

Mr. Rash asked if he should pay the Chamber for the ticket and then get reimbursed. Pam will send a check to the Chamber.

Mr. Hartzell had a letter from Judy Sirianni regarding renting space at the Chamber for the EDO. They will discuss at the next meeting to see if this is something the Board thinks we should do.

Mr. Hartzell made a friendly motion to adjourn the meeting with a second by Elaine Wolfe.

Meeting adjourned at 9:36 a.m.

Respectfully submitted,

Cynthia M. Rosel

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