

TOWN OF CLARENCE, ERIE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

April 18, 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, Clayt Ertel and Chairman Hartzell. Also present were Paul Leone, Nathan Neill, Lawrence Meckler, Steven Bengart, Pamela Smith, Cynthia Rosel and Jim Rash. James Dentinger, President of McGuire Development Company; James Segarra, Managing Partner of Tronconi Segarra & Associates LLP; Danielle Eisen Shainbrown, Esq. Vice President, McGuire Development Company; Town Councilman, Robert Geiger and Matt Glynn from the News, were also in attendance.

Public Hearing:

8321 Main Street Project

MCG Real Estate Holdings, LLC and Tronconi Segarra & Associates, LLP

Paul Leone opened the public hearing for the 8321 Main Street Project. MCG Real Estate Holdings, LLC and Tronconi Segarra & Associates, LLP are requesting assistance by the Agency in connection with the acquisition of a parcel of land consisting of approximately 2.33+/- acres located at 8321 Main Street in the Town of Clarence in the Clarence Main Street Enhancement area. The plans call for the construction of a 20,000 square foot office building and the acquisition and the installation of machinery, equipment, furnishings and fixtures required in connection with the project for the operations of a back office professional facility. They do business across the United States in 30 other States. The project is in the amount of \$4,600,000. The public hearing was open to questions. Mr. Neill added that Mr. Dentinger, Mr. Segarra and Ms. Shainbrown were present to explain the project.

James Dentinger, President of McGuire Development Company has been working with Tronconi Segarra & Associates LLP for over 3 years helping them deal with the growth of the LLP. Tronconi and Segarra is a professional services firm that provides accounting, tax and consulting advice to clients all over the country. McGuire and Segarra will be joint owners. They are anticipating future expansion of an additional 6,000 square feet within 6 months at the location.

Jim Segarra, Managing Partner of Tronconi Segarra added that Tronconi Segarra has been in existence since 1985. In 1995 there were 10 employees and presently they employ 86 to 90 that includes temporary seasonal employees. Over the next 2 to 3 years they plan on hiring an additional 4 to 6 people. In the long term, they are looking to achieve a functional number of employees of approximately 130 to 150 people.

Elaine Wolfe asked what they were going to do with the DKS property that they now own. Mr. Segarra said that three of his partners own the building. Mr. Buettner asked if they have reviewed the IMPACT analysis. Mr. Segarra said that once the project is complete they will be hiring 14 to 16 that will bring them up to the anticipated 100 employees.

Mr. Ertel added that there is pressure relative to claw backs with the changes to the policy and if the applicant does not perform as they projected, they may be forced to give back some of the benefits that were given to them. This is according to NY State. Mr. Leone added that the 14 additional employees is a conservative number over a 2 year period.

Danielle Shainbrown, Esq., Vice President of McGuire added that the 14 jobs is a conservative number. She did review the IMPACT Statement and they feel comfortable with the analysis.

Mary Powell asked if the applicant addressed the fact that they are on a critical occupancy date of 2014 and if they discussed their needs and the schedule of the project with the Board. Mr. Segarra said that they wanted to seek the inducement first. They have had discussions with the Town and he believes that the Town is in favor of the project at least from the Planning Board standpoint. They are engaging surveyors, soil boring testing and are almost complete with the Phase 1. They should have the plan to the Town next week.

Mr. Ertel thinks that it is a great project and would be an asset to the Town. Mr. Segarra said that the goal is to be completed by spring of 2014. They need to get the structure up and enclosed by the end of November of 2013 and work on the interior during the wintertime. The quality of building that they are constructing will improve the enhancement area. It may also spur more development in that corridor of Clarence.

Mr. Leone added that we are going to put this on the May agenda for inducement. Mr. Kempton asked about the building that is there now. Mr. Leone said that it is going to be removed along with a barn. Mr. Kempton asked what the taxes are now. Mr. Ertel thought it would be around \$5,000. Mr. Leone said that they will be paying significantly more in property taxes. Mr. Kempton wanted to get it on the record that there will be a significant increase in tax revenue to the Town even if the applicant is granted a Pilot benefit.

Ms. Shainbrown said that the barn on the property has already fallen down. It has not officially been demolished. The cost of the demolition of the house and the barn will be at the cost of the applicant.

Mr. Schuster asked about the number of parking spots. Mr. Dentinger said that the ratio is 5 per 1,000 feet and it would be about 100 spots. They put in what the client needs. Ms. Shainbrown added that the 20,000 sq. ft. building does not max out the site so there is plenty of room for additional parking. Mr. Schuster wanted to be sure that the parking will not overflow into the neighborhood streets. Mr. Segarra added that all of the associates will not be in the building at the same time...at least half will be out of the office or meeting at client locations.

There was a motion to close the public hearing by Clayt Ertel with a second by Elaine Wolfe. There was nothing on the question.

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

Mr. Hartzell thanked the applicants for coming in. Ms. Shainbrown, Mr. Segarra and Mr. Dentinger thanked the Board for their time and consideration.

Minutes of March 21, 2013.

There was a motion by Chris Kempton with a second by David Schuster to approve the minutes of the March 21, 2013 meeting. There was nothing on the question.

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

Treasurer's Report.

Mr. Kempton went over the balance sheet, the profit and loss statement and reported on the balances in the money market and checking accounts. There is a negative net income of \$17,653.38. Revenues year to date are \$11,000.00. Expenses have been \$28,963.28. Interest earned was \$309.90. Mr. Kempton added that he is still working on the budget adjustments from the last meeting with Pam. Mr. Kempton asked if there are any anticipated fees forthcoming within the next month. Mr. Leone and Mr. Bengart answered that there are a couple of projects that will close but it would be within the next four or five months. Mr. Kempton added that he would like to move to provide Pam with the authority to transfer up to \$25,000 from the First Niagara account to the checking account at the Bank of Akron to cover expenses. Mr. Schuster seconded the motion. There was nothing on the question.

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

There was a motion by David Schuster to accept the Treasurer's Report with a second by Mary Powell. There was nothing on the question.

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

Correspondence.

None.

Chris Jacobs, Erie County Clerk

Mr. Jacobs was not in attendance.

New Business.

8321 Main Street Project.

There was no new business other than 8321 Main Street Project. Mary Powell asked how soon you can vote on project like this. Mr. Bengart said that May would be the soonest but that is being optimistic. The applicant needs to go through the Town process. SEQRA and coordinated review still need to be completed. Mr. Kempton noticed that the IMPLAN was presented two ways. Mr. Leone added the applicant is asking for a Pilot, which would be a 10 year pilot that would be equivalent with the 485-b; mortgage recording tax and sales tax. The benefit to the community for this project would be approximately \$4.5 million.

Mr. Hartzell passed out a copy of the letter he received from Amherst Supervisor Weinstein. Mr. Weinstein was responding to the notification letter that was sent regarding the 8321 Main Street Project moving to Clarence. There was discussion regarding the letter and if there should be further communication. It was decided that there was no need for a response.

Proposed Policy Regarding Multi-Family Housing.

Mr. Hartzell does not want the CIDA to offer benefits for apartment building projects in the Town of Clarence. In the most recent survey canvassing the residents of the Town, the residents are not in favor of any more apartment buildings in the Town either. The Town Board is also not in favor of apartment buildings in the Town. Mr. Hartzell believes that the CIDA should be in sync with the Town Board and asked Mr. Meckler to prepare a policy for the CIDA regarding Multi-Family Housing. It is a short policy as follows:

“It is the policy of the Town of Clarence, Erie County, Industrial Development Agency to not incentivize Multi-Family Housing projects unless they are a part of an approved Adaptive Re-use Project.”

Mr. Hartzell added that it could be changed in the future if necessary. There was further discussion regarding the policy. Mr. Kempton would like to be consistent with the Town. He did not want our policy to violate the Town policy. Mr. Bengart added that this would be for three or more units. Mr. Meckler added in presenting it today, if there is a multi-family housing project and the Board approves this policy, it will be known that the CIDA will not incentivize a multi-family housing project unless it is part of an adaptive re-use project. Mr. Buettner thought it would be a good idea to be in line with the Town policy. There was discussion about what the joint policy allows. Mr. Neill said that this would not allow the CIDA to incentivize senior housing. This would be across the Board. Ms. Powell thought the policy was confusing. Mr. Hartzell asked if we should include multi-family housing over three units? Mr. Schuster thought it was fine the way it is. Mr. Buettner agreed. Mr. Hartzell moved to adopt the proposed Town of Clarence, Erie County, Industrial Development Agency policy regarding Multi-Family Housing, adopted as of today. There was a second by Michael Buettner. There was nothing further on the question.

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

Old Business.

8230-8240 Main Street Project.

Mr. Neill had an amended resolution regarding the 8230-8240 Main Street Project. Mr. Kempton pointed out a typo in the resolution and Mr. Neill will correct it. Mr. Ertel made a motion to adopt the amended resolution for the 8230-8240 Main Street to amend the entity of the LLC from Town Auto real Estate, LLC to Towne MINI Real Estate LLC. There was a second by David Schuster. On the question Mary Powell added that motion will include that the typo will also be corrected in the resolution. There was nothing further.

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

Generic IDA Local Labor Policy from the ECIDA.

Mr. Hartzell e-mailed a copy of an IDA Application for Financial Assistance/Local Labor Workforce Certification that he received from the ECIDA. The ECIDA would like all the IDA's to adopt this policy. The ECIDA adopted a policy in February of 2011. The Board discussed the proposed policy and compared it to the ECIDA adopted policy. As suggested by Mr. Buettner. Mr. Hartzell will send a copy of the ECIDA policy to the IDA thanking them for sending us the policy but we will maintain the policy that was adopted by the ECIDA. The Board members agreed that the ECIDA policy is a better policy.

Discuss Uses for ECIDA funds.

Mr. Buettner suggested a separate meeting should be held just for this topic. Mr. Hartzell said that there is no request before the ECIDA at this time. Ms. Powell added that this discussion should be part of the Strategic Plan meetings. Mr. Ertel said that it is part of the Plan as was discussed at the meetings. It follows the path that we have been following. Mr. Buettner would like to discuss what how the funds can be spent in accordance the ABO guidelines. There was further discussion regarding this and it was agreed that it should be discussed again at the Strategic Plan meetings. Mr. Kempton said that we did have projects outlined in the last Plan. Mr. Buettner asked for a copy of the ABO audit. Mr. Meckler will get a copy to everyone.

EDO Report.

Mr. Rash passed out his April report. He has been attending meetings of the Clarence Hollow Association here at the Town Hall discussing ideas for the types of new business desired in the Hollow. He has set up the Chamber office, is in the process of working on a listing of commercial properties available in the Town (has been working with real estate agencies and Mr. Ertel) that will eventually be put on the ECIDA website, and would like to start planning the Strategic Plan meetings. He would like to discuss advertising and marketing at the Strategic Plan

meeting. He asked to attend a Binational Trade Show and asked for approval. The cost would be \$35 plus parking. Mr. Hartzell moved to allow Jim Rash to attend with a second by Clayt Ertel. On the question Mr. Bengart added that if any of the other members would like to attend, the CIDA would cover the cost. There was nothing further.

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

Mr. Hartzell said that Mr. Rash is having a problem in getting the donated computer to work properly and would like approval to for the CIDA to purchase a newer one. Mr. Hartzell made a motion to authorize the purchase of a new computer for the CIDA for less than \$300 with the parameters to be discussed by Mr. Schuster and Mr. Rash with a second Clayt Ertel.

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

There was friendly motion to adjourn at 9:30 a.m.

Respectfully submitted by:
Cynthia M. Rosel