

TOWN OF CLARENCE, ERIE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

July 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 (arrived at about 8:20 a.m.), Clayt Ertel and Chairman Hartzell. Also present were Paul Leone, Nathan Neill, Lawrence Meckler, Pamela Cuvillo, Cynthia Rosel and Jim Rash. Steven Bengart was out of Town. Michael Hoffert, President of the Buffalo AFL-CIO and a member of the ECIDA Board was invited to the meeting by Paul Leone.

Minutes of June 20, 2013.

A motion was made by Clayt Ertel with a second by Chris Kempton to approve the minutes of the June 20, 2013 meeting. There was nothing on the question.

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

Treasurer's Report.

Chris Kempton presented the financial report for the period of January 1 through July 18, 2013. The agency received a fee of \$74,050.00 for the balance due on the Niagara Produce Project. Interest earned is \$627.46. Total expenses to date are \$40,911.37. There is a net income of \$46,766.09. There is one item that needs approval. A payment was made to Leadership Buffalo in the amount of \$40.00 that was paid but did not get prior approval. Mr. Hartzell and Mr. Rash attended the meeting. There was a motion by Chris Kempton with a second by Clayt Ertel to approve the expense. There was nothing on the question.

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

There was discussion regarding other projects that may be closing soon. Mr. Neill said that the Mini Cooper project has their financing so they may be able to close soon. Mr. Leone added that there are two other new projects coming. Mr. Kempton added that we still may be about \$30,000 short if we incur the expenses as per the current budget.

Mr. Kempton said that the 2014 budget needs to be submitted by the end of September. We will need to adopt the 2014 budget at the September meeting. He will put together a preliminary budget for review at the August meeting. It may be necessary to make additional changes after the Strategic Plan meeting that is scheduled for September 17, 2013. Mr. Hartzell mentioned an increase for staff in 2014. Mr. Kempton will e-mail a tentative budget to the members just to get started with the 2014 Budget. It will be discussed at the next meeting. If anyone wants to

comment to Chris, do so individually. Mr. Kempton asked if anyone has any changes they would like to discuss now.

There was some discussion regarding setting up a fund with some of the capital funds allocated for infrastructure. This will be discussed further at the Strategic Plan Meeting.

There was a motion by David Schuster with a second by Elaine Wolfe to accept the Treasurer's Report for the period of January 1, 2013 through July 18m 2013. There was nothing further on the question.

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

Mr. Leone introduced Michael Hoffert, President of the Buffalo AFL-CIO and a member of the ECIDA Board. Mr. Hoffert has been on the ECIDA Board for about 7 years and wanted to meet with the CIDA to discuss the policy the ECIDA adopted regarding the Local Labor Policy that was adopted by the ECIDA. Mr. Hoffert explained that he spear-headed the Local Labor Policy for the ECIDA. The policy was sent to the other IDA's and that was as far as it went. He was under the impression that this would be a County Wide Policy and that the other local IDA's were on board with it. He met with some of the other local IDA's and discovered that was not the case. The only local IDA that adopted the ECIDA policy was the Amherst IDA. Mr. Hartzell added that the CIDA adopted its own policy that does not mandate but strongly encourages using local labor. Mr. Neill talked about a section that was taken out of the ECIDA policy regarding the 20% rule. Mr. Leone also added that there is an addition being considered on how the policy would be monitored and regulated. Discussion continued regarding the claw back clause in the policy. Mr. Ertel added that there needs to be a formula based on the economy when you start looking at claw backs and job creation. Mr. Kempton asked if Mr. Hoffert is comfortable with the ECIDA Policy and he answered that he is. He was part of the process in creating the policy.

Mr. Hoffert was under the impression that all the other IDA's were on board with the policy. He believes that all the IDA's should be on the same page. He was not aware that the Leadership Council that used to work together on common policies like this was no longer in place. He thinks it should be in and all the IDA's should be on board on the same issues. Mr. Hartzell agreed and thinks that the Council should be re-established. The current leader has not done anything with the Council. Mr. Hartzell hopes the ECIDA would find someone that would get all the suburban IDA's and the ECIDA together to meet every other month as they did in the past. Mr. Schuster is concerned about agreeing to the ECIDA policy. He is concerned that we agree on one policy and then there are amendments to the policy made by the ECIDA that we have not agreed to. He also suggested that there should be one enforcement person for all 6 IDA's. The smaller, local IDA's could not afford to pay someone to do it. Mr. Hoffert said he agrees that it would not be workable for the smaller IDA's to enforce the policies. He believes all the players should be on Board with a policy that is going to work for all of the IDA's.

Mr. Meckler added that the State makes it tough enough for development in the State. We don't want the ECIDA to make it tougher. All the other IDA's should be part of the establishment of policies concerning IDA's.

Mr. Hoffert added that it is clear that this policy is not going to work for all 6 IDA's. We need a policy that is going to work for all of them. Mr. Hoffert thanked Paul for arranging for this meeting. Mr. Hartzell, Mr. Leone and the Board thanked Mr. Hoffert for coming out to speak to the members.

Correspondence.

None.

New Business.

Mr. Leone asked about the results from last evenings Planning Board meeting on the MSG project.

Mr. Leone had Ms. Rosel e-mail a copy of the application on the proposed Savant Properties LLC project to be located at 9141-9145 Main Street.

Mr. Leone has been meeting with Tops Markets on an organic food store in the Town of Amherst. While in discussion Tops said they are also looking at sites in Clarence. They have not identified anything yet.

There was no old business.

Mr. Hartzell added that Sonic has been looking at sites in Clarence but there is nothing definitive.

EDO Report

Mr. Rash presented his report: He attended the Small Business Roundtable; Clarence Chamber Blender; Region Forward Seminar; sat in on the meeting with Savant Properties LLC, Paul Leone and Chairman Hartzell on the 9141 Main St. proposed project; contacted franchise manager for Sonic Drive Inc.; spoke to manufacturing company from Lockport that recycles rubber products from tires and plastics that desires to move to Erie County; researching available properties for an electrical, cabling and security contracting business looking to expand or consolidate in Clarence; working on the commercial properties and received a sample of a Clarence link. (self maintenance would be \$1,950.00/per year); followed up with the ad agencies regarding delay in decision; reviewed ABO Annual Report on IDA's. He will continue to try to match properties for the 2 projects and other businesses he is working on. He will finalize the commercial listings for posting on website. He has been working with Mary Powell on this.

Mr. Ertel said that there is not a place where you can find all the commercial property listings. Mary said that Jim reached out to her to speak about real estate. It is a learning process.

Mary Powell and Mr. Rash have been meeting to discuss the real estate listings and the website. She told him that he will have to collect the data anyway. She also discussed the marketing and advertising. The cost may be something that CIDA cannot get into because of the expense. Maybe they could approach it on a project basis to get out information. She suggested using the

students from the high school from the Finance Academy and have them hand out s well developed branding piece at for example the Labor Day Fair. The discussion went back to the House that Jack Built campaign. The CIDA needs to have a theme. A float in the Labor Day Parade was suggested. Ms. Wolfe discussed the need for public relations.

There was discussion initiated by Clayt Ertel regarding resent articles in the paper on IDA's. Mr. Ertel thinks the CIDA should respond. Mr. Leone suggested that the CIDA reach out to some of the businesses that received benefits to make statements along with the CIDA. There is a retraction on the article on IDA's. Mr. Ertel added that we have to substantiate the information. Mr. Ertel liked Mr. Leone's suggestion regarding companies that have been helped be a part of the answer to some of the articles and piggyback with the reported statistics. Mr. Meckler also added that you have to hone in what the CIDA does for the community that's why Mr. Leone's suggestion to have some of the companies that have received benefits be a part of the answers. There has to be a theme, a tag line, one thing to focus on. What is most important to the consumer. There is a misconception about what the IDA's do. The projects add to the tax base and increase jobs. The members were all in agreement regarding the branding on the CIDA. The CIDA does have limited funds. Mr. Schuster said the focus should be on the creation of jobs and increases the tax base. Mr. Kempton added that this has all been gone over before and will be one of the topics at the Strategic Plan meeting. It is right at Mr. Rash's fingertips.

There was a friendly motion to adjourn.

Respectfully submitted:

Cynthia M. Rosel