

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

MINUTES

March 20, 2014

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

Present were David Schuster, Michael Buettner, Chris Kempton, Mary Powell and David Hartzell. Elaine Wolfe and Clayt Ertel were absent as they were out-of-town. Also present were Paul Leone, Nathan Neill, Lawrence Meckler, Steven Bengart, Cynthia Rosel and Jim Rash. Pam CuvIELLO was also absent as she was-out-of-town. Guests were Dean Penman, President-Seal and Design, Inc.; Steven Weathers, President and CEO-ECIDA; Beth O'Keefe, Business Development Officer-ECIDA; Luke Malecki, CPA and Partner-Drescher & Malecki LLP; Elisa Fernbach, CPA and Senior Accountant-Drescher & Malecki, LLP; Linda Taylor, Client Executive – Floss Agency, Inc.; Judy Sirianni, President-Clarence Chamber of Commerce and Robert Geiger, Town of Clarence Councilman.

Public Hearing – 4015 Casilio Parkway-Seal and Design, Inc. Project.

The public hearing was called to order at 8:00 a.m. by Chairman Hartzell. Paul Leone introduced Dean Penman, President of Seal and Design. This is a new project and the applicant is asking for agency assistance in the form of a lease only or lease with mortgage in an amount not to exceed \$2,630,000. Mr. Leone added that there is a copy of the IMPLAN impact study in the packet. The project will include the construction of a 40,000 sq. ft. warehouse/production addition to the existing manufacturing facility at 4015 Casilio Parkway and the renovation of a 6,000 sq. ft. portion of the existing facility owned by the Agency. Seal & Design is a manufacturer and distributor of gaskets, seals and O-rings used in the aerospace, automotive, industrial pumps, electrical and medical industries. The company is requesting a pilot, mortgage tax abatement and sales tax exemption.

Mr. Bengart added that this has not been before the planning board yet. Mr. Leone said that Mr. Penman was waiting to see if the project would be approved for benefits before going forward.

There was a motion to close the public hearing.

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

Steven Weathers, President and CEO of the ECIDA.

Chairman Hartzell introduced Steve Weathers from the ECIDA. Mr. Weathers has been with the ECIDA for a couple of months as its new President and CEO. Mr. Weathers was present today to introduce himself and meet with the Board members. He has been involved with Economic Development for the last 23 years in various capacities in several states. He was here

today to answer any questions that the Board may have about the ECIDA and how the ECIDA can work together with the community and the other IDA's. He wants to make sure that there is communication with other areas on ECIDA projects to get their input in the early phases of proposed projects.

Mr. Hartzell talked about the relationship with the ECIDA and the other local IDA's. The Chairman added that there was a Leadership Council that consisted of the local IDA's and the ECIDA that would meet on a bi-monthly basis. At times there were other IDA's that were involved such as the Lockport IDA and IDA's from other regions where they would discuss things within the IDA structure. He would like to see that come back. He thought it was a great way to get all the IDA's together so that they were all on the same page.

Mr. Kempton asked Mr. Weathers if he had worked in an environment in Economic Development where they have multiple agencies within the same area. Mr. Weathers said that his background is in banking and finance. He looks at projects at more of a finance stand point. He is not a big believer in incentives but looks at the projects as more of a public investment. He worked in San Diego in one very big county where there were 18 cities. They do not provide incentives in California. He went on to discuss the kind of agencies that they have in other parts of the Country. IDA's are pretty unique across the country. In other areas they are called "authorities" and are only allowed one authority in a county. Each "authority" has its own policies.

He also talked about collaborative cooperation and engagement with other counties to get projects to the area...look at the best fit for the project to get the company locate in the region even if it would not be located in Erie County.

Mr. Kempton asked Mr. Weathers, that while he was in San Diego, if his focus was more on trying to bring companies from outside the area into that area, or was there an equal amount of effort to try and encourage development from the businesses that were already there. Mr. Weathers said that was another great question. Mr. Weathers answered yes to both. He said that there was focus on bringing in new business as well as taking care of what they already have at home, doing everything possible to make sure that the existing businesses were growing as much as they could and getting what they need. Mr. Weathers also said that when there was a new project coming in, he would also talk to individuals like yourselves to find out who were the best CEO's or business leaders he could bring in to meet with an applicant to talk about why this is such a good place to do business. There needs to be a lot more collaborative engagement. He equated it to baking a cake...there are basic ingredients. The basic ingredients for Economic Development are: Public, Private, Academic, Non-Profit and Community partners.

Mr. Buettner wanted to know how Mr. Weathers sees his role as far as this issue of communication and coordination with the IDA's. We have 5 IDA's plus the ECIDA and the press and the public have the opinion that we do not get along that we are competing with each other and such. The Leadership Counsel has not been meeting for a couple of years. He is hoping that Mr. Weathers will bring this whole thing together so that the people, the public, and the press understands that we are here to help not to steal their tax money.

Mr. Weathers said that he does not have the history but he does have an idea. He does not know if that has been tried before but he would propose to have an Economic Summit to invite all the parties to including the community.

There was further discussion regarding having one IDA in Erie County. Mr. Meckler added that, generally, the impression that the ECIDA gives the other 5 IDA's is that the ECIDA just wants us to go away. Mr. Weathers said that is not going to happen.

There was also discussion regarding the proposed legislation being sponsored by Senator Gallivan wherein Towns without an IDA could avail themselves to IDA's other than the ECIDA. Mr. Meckler asked Mr. Weathers if he had any position on that. Mr. Weathers answered that he is of the opinion that it would be freedom of choice. He would support another Town working with whoever they want to work with.

Mr. Leone mentioned that Mr. Weathers met with the CCB and the other local IDA members. They talked about reinvigorating the IDA Leadership Group. Mr. Weathers added that was a meeting with the professionals and he would like to have more meetings that involve members of the community to get input on proposed projects.

The discussion continued with addressing topics on bringing Canadian business to the area. He would also be looking for other international businesses locating to the area. Mr. Weathers also had other ideas about marketing the area.

Mr. Hartzell thanked Mr. Weathers for coming in to speak to the Board. Mr. Weathers said that he will try to have member of his staff attend the CIDA meeting on a regular basis.

Minutes of February 20, 2014.

There was a motion by David Schuster to approve the minutes of the February 20, 2014 meeting with a second by Michael Buettner. There was nothing on the question.

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

Treasurers Report.

Mr. Kempton had two reports. The February 20, 2014 and the March 20, 2014. Mr. Kempton focused on the March statement as that included February's information. He reported on the balances in the checking and savings account. The revenues collected to date are \$1,000. Interest earned is in the amount of \$116.56. Total expenses to date are \$21,603.45. The Net income to date is negative \$20,486.89. Mr. Kempton explained that this is not unusual as there are expenses that are paid at the beginning of the year. Details are also attached along with a copy of the budget. Mr. Hartzell moved to accept the Treasurer reports for February and March with a second by David Schuster. There was nothing on the question.

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

Correspondence.

None.

Audit Report for 2013.

Luke Malecki, CPA and Partner-Drescher & Malecki LLP; Elisa Fernbach, CPA and Senior Accountant-Drescher & Malecki, LLP presented the Annual Audit Report for 2013. Copies of the report were handed out the members. Mr. Malecki reported that the financial statements fairly represent the position of the CIDA as of December 31, 2013. There was nothing out of the ordinary noted in the audit. Luke Malecki added that the CIDA has a healthy net position and a long term fiscal plan would work well to see what works best for the community. Elisa Fernbach went over the charts she provided. The recommendation is to come up with strong strategic plan.

Elisa Fernbach reported that they still have not received some the annual reports from some of the projects. The information is reported to PARIS for the annual report. Mr. Leone will follow-up with phone calls. Mary Powell would like to see what is sent to the projects.

New Business.

4015 Casilio Pkwy. – Seal and Design Project.

Mr. Leone reminded the Board that this project was the subject of the public hearing that was held earlier this morning. The Board will not be voting today as the project has not met with the Planning Board yet and the SEQR has not been done. This will be presented at the April meeting. This is up for discussion only at this meeting.

Mr. Neill said that this project has met the criteria for eligibility for a 10 year Pilot. Mr. Hartzell was looking at a 7 year Pilot. The Board members would have to decide on a 7 or 10 year Pilot. Ms. Powell asked what the applicant is asking for and the difference in the schedules.

There was further discussion on the abatement schedule for a 7 year and the 10 year Pilot. Mr. Hartzell and Mr. Buettner favored the 7 year Pilot.

Ms. Powell said it comes up to what they are eligible for. Mr. Kempton asked about the mathematical value of the 7 year and 10 year. Mr. Leone said the IMPLAN shows both the 7 and 10 year Pilots. There was further discussion regarding the different Pilot terms and eligibility.

Mr. Schuster and Mr. Kempton agreed that this is a policy issue and should be discussed further at another meeting on policy.

Ms. Powell added that the policies should align with all the other IDA's policies. You have to look at what everyone else is doing. Mr. Neill said that there is discussion about modifying and reducing the benefits.

Mr. Leone asked Mr. Penman if they are going to go forward with the project. Mr. Penman asked what benefit the Board is looking at. Mr. Hartzell said, to be consistent with previous approvals for manufacturing, they would be eligible for the 10 year. He cannot speak for the rest of the Board. Mr. Buettner changed his opinion and said to be consistent, this project would be eligible for the 10 year benefit.

Mr. Bengart and Mr. Meckler said that Mr. Penman should stop in at the Planning Department to start the process. Mr. Meckler added that the CIDA's discussion here gives the indication that they would be in favor of a 10 year Pilot. Mary Powell wanted to clarify that they just need the SEQR from the Planning Board to be approved for the benefit.

Pilot Payments for 2013.

Christine Fusco reported that all the Pilot payments for 2013 have been received. The new projects will be going on next year. The School Districts have been paid in full also. Ms. Fusco will add another column to her spread sheet to show when the projects expire. She will have that ready for the next meeting.

EDO Report.

Mr. Rash will be e-mailing his reports to the Board in the future. In his report, Mr. Rash stated that he attended the meeting with Paul Leone, Chairman Hartzell and the principals from Ledge Creek Construction, he will be meeting with Mr. Leone, the Chairman and the owner of a Niagara County manufacturing company regarding looking at relocation to Clarence today, Mr. Rash also met on the Hollow/Main St. Corridor revitalization with Dominic Cortese and Paul Stephens. He will be meeting with 2 local manufactures. Mr. Rash is setting up an informational meeting with Steve Hyde, CEO of the Genesee County Economic Development Center.

Mary about the meeting regarding the Master Plan 2025. Mr. Kempton said that the minutes have a good write up that might answer her questions on that issue. Cindi Rosel gave Mary her packet from the last meeting.

Ms. Rosel passed out the list of the Planning Board Meetings. The Planning Board meeting will be on April 30 2014 at 7:00 to 9:00 p.m. She asked if there will be a 2nd Strategic Plan meeting. Mr. Hartzell said they will plan on that for maybe in September.

Mr. Hartzell had some comments regarding the Master Plan. His opinion is not to call it a Master Plan if you only include Land Use. Mr. Kempton added that Mr. Sackett made it very clear that the Planning Board is directed by the Town Board that the Master Plan is a Land Use Document. Maybe that could be something you could bring up with the Town Board to make this Master Plan more encompassing than simply a Land Use Document. Mr. Rash said that

every other community around here that has a master...comprehensive plan...includes economic goals...you know...just bulletize them, if if nothing else, in the document.

Mary Powell wanted to know if the Master Plan identifies land uses in areas. Mr. Bengart said absolutely. What it does not cover is, as it has been brought up by this Board, anything directly related to Economic Development. Should it be the focus, no, but should it be part of it...in my opinion...yes. Mary Powell wanted to know if it shows blocks of land for future development. Mr. Bengart said it shows what they are zoned as and talks about where we want to go in the future. It looks out to 2025.

Mary wanted to know if some time can be set out at the next meeting to discuss what the CIDA is looking to do so we can all be on the same page at the meeting on the 30th.

Mr. Leone received an unsigned application for a proposed project at 10120 County Road. It is for warehouse distribution. He will get a copy to the members for review. Mr. Neill just wanted to make sure that the SEQR has been done before we call a public hearing. We will check on it.

There is a draft work plan for the ECIDA 2014 Policy Review. It is not for publication yet. Discussion will include the Senior Housing Policy, Pay Equity and the Adaptive Re-Use Policy-Targeted Areas. They are not targeting the suburbs when it comes to adaptive re-use.

Mr. Leone is working with the Bank of America and Merrill Lynch on a presentation on business expansion meeting that he will be a part of sometime in April.

The CCB will be having a workshop which scheduled for March 27. 2014 from 8:30 a.m. till noon at the Amherst IDA for developers. The agenda is "Overview and status of Issues - Adaptive Re-use, Claw Back Policy, Elimination of Local IDA's, Pay Equity and ECIDA Policy Committee Role.

The meeting was adjourn at 9:45 a.m.

Respectfully submitted,
Cynthia M. Rosel