

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

MINUTES

APRIL 17, 2014

Vice-Chairman Clayt Ertel called the meeting to order at 8:00 a.m.

Present were Elaine Wolfe, David Schuster, Michael Buettner, Chris Kempton, Clayt Ertel, Chairman Hartzell and Mary Powell were absent. Also present were Paul Leone, Nathan Neill, Lawrence Meckler, Steven Bengart, Pam CuvIELLO, Cynthia Rosel and Jim Rash. Guests were Barry Small for the 10120 County Rd.-10100 County Rd. Properties LLC project; John Batista from Dynabrade, Inc.; and Theresa Carpenter, Controller ECIDA.

Public Hearing – 10120 County Road-10100 County Road Properties, LLC Project.

The Vice-Chairman opened the public hearing and turned the meeting over to Paul Leone. Mr. Leone said that the applicant, 10100 County Road Properties, LLC, is requesting Agency assistance in the form of a lease only or lease with mortgage transaction for an amount not to exceed \$975,400. The project, located at 10120 County Road on 4.21 acres, is for the construction of an approximate 10,000 sq. ft. building consisting of a 5,160 sq. foot single tenant office building and approximately a 5,000 sq. ft. warehouse. The agency assistance will include mortgage tax abatement, sales tax exemption on any material and/or equipment and real property tax abatement. The pilot would be for 7 years.

The project is expected to generate 11 jobs from construction and equipment purchases and related economic activity. The anticipated number of jobs from the tenant will be approximately 15 to 20 jobs.

There was a motion to close the public hearing by Chris Kempton with a second by David Schuster.

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

Minutes of March 20, 2014.

Mr. Ertel asked for approval of the minutes from the March meeting. There was a motion by Chris Kempton to approve the minutes of the March 20, 2014 meeting with a second by David Schuster. There was nothing on the question.

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

Treasurer's Report.

Mr. Kempton went over the April 17, 2014 financial report going over the Balance Sheet and Profit & Loss Statement. Agency fees received to date are \$2,000 and interest income is \$301.43. Expenses incurred to date are in the amount of \$33,494.05. There is a negative net income of -31,192.62. Several annual expenses are paid at the beginning of the year.

Mr. Ertel asked about upcoming projects and if we can expect fees in the near future. Mr. Leone answered that we have the three projects that are up for approval today that should generate around \$40,000 to \$45,000 in fee income. Mr. Neill added that Benchmark should close pretty quickly. Seal and Design sales tax only project should also close soon. On the Seal and Design pilot project, Mr. Neill has not seen a commitment letter on that yet.

There was a motion by Michael Buettner with a second by Elaine Wolfe to approve the Treasurer's Report of April 17, 2014. There was nothing further on the question.

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

Correspondence.

A notice of public hearing was received from the Lancaster IDA and was e-mailed to all the members

New Business.

10120 County Road – 10100 County Road Properties, Inc.

Mr. Leone said the 10120 County Road – 10100 County Road Properties, Inc. Project was the subject of the Public Hearing today. The project consists of the construction of a 10,000 square foot building for warehouse distribution and office space. The tenant is an IDA eligible tenant for IDA benefits also. The project is expected to generate 11 jobs from construction and equipment purchases and related economic activity. The anticipated number of jobs from the tenant will be approximately 15 to 20 jobs. The project is eligible for a 7 year Pilot. The applicant was present and passed around a copy of the building specs. There was also discussion on the IMPLAN. The project is expected to be complete by September 1st.

Mr. Neill said that there is a new reporting requirement in the General Municipal Law §875 regarding project costs and sales tax and the resolution has a new paragraph added to reflect that.

Motion by Michael Buettner with a second by Elaine Wolfe to approve the 10120 County Road-10100 County Road Properties, LLC Project and adopt the resolution as presented. There was nothing on the question.

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

4015 Casilio Pkwy. - Seal and Design

The Seal and Design project was the subject of a public hearing at the March 20, 2014 meeting. Mr. Leone recapped the project stating that the benefits will include mortgage tax abatement, sales tax exemption and real property tax abatement. The applicant will be constructing a 40,000 sq. ft. warehouse/production addition to the existing facility and will be renovating 6,000 sq. ft. of the existing facility owned by the Agency. The project amount is \$2,630,000. The project could not be approved at the March meeting because the SEQR was not completed. The SEQR has been completed and the project can go forward. The IMPLAN was distributed via e-mail in February and again at the March meeting. Mr. Neill went over the information from his copy from the March meeting. This will be for a 10 year Pilot.

There was a motion by David Schuster with a second by Chris Kempton to approve the 4015 Casilio Parkway-Seal and Design Project and adopt the resolution as presented. There was nothing on the question.

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

8989 Sheridan Drive – Dynabrade Project.

Mr. Leone introduced Mr. John Battista from Dynabrade. The inducement is for sales tax only for new production equipment. The application and IMPLAN were e-mailed prior to the meeting. The IMPLAN is in the packet today. Dynabrade has been located in Clarence since 1990 and has expanded its operations several times over the years. This project will help them to continue to improve their business systems and process and create more internal efficiencies to stay competitive. That is why they need the agency assistance. All jobs will be retained and current employment is 139. Mr. Ertel added that they offer quality product and have been a great asset to the community. They also export about 35% of product. The Agency benefits will help to sustain their business and employment in the area.

There was a motion by Chris Kempton with a second by Elaine Wolfe to approve the 8989 Sheridan Drive-Dynabrade, Inc. Project and adopt the resolution as presented. There was nothing on the question.

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

Benchmark

This is for a refinance only of the existing debt. In connection with the refinancing of the project fee title will be conveyed back to the Lessee from the Agency and the Agency will retain a leasehold interest. Discussion continued with a question regarding the assessed value. Mr. Neill and Ms. Fusco addressed the question.

There was a motion by Elaine Wolfe with a second by Chris Kempton to approve the Benchmark refinance. There was nothing on the question.

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

Mr. Ertel asked Ms. Fusco to explain the 485-b benefit that is obtained in her office for small businesses. She also passed out a copy of the application and instruction sheet to the members. Ms. Fusco also passed out a spread sheet of the Pilot projects that have not expired for information purposes.

Interactive Planning Board Meeting – Mapping to Clarence.

The Board discussed the upcoming Planning Board Interactive Meeting – Mapping out Clarence to be held at the Clarence Town Hall on April 30, 2014. The Board was encouraged to attend to be part of the forum.

EDO Report.

Mr. Rash discussed his activities since the last meeting. Some of the items were the Main Street Corridor revitalization organizational meeting; meeting with Wavespawn Marketing to discuss marketing campaign to attract small start-up or high tech companies and for luring small restaurants, retailers, and/or a craft brewer to Clarence; contacting several consignment stores regarding future movement due to razing of current bldg. and is researching properties in Clarence; attended CHA quarterly meeting; contacted Lexington Co-op (Bflo.) about possible future expansion in Clarence; plans to meet with local mfg. company regarding possible relocation to Clarence; review concept for targeted industry campaign with Wavespawn; will attend a forum regarding expansion of craft brewing business in Buffalo area. He has a lunch meeting scheduled with Steve Hyde CEO of Genesee County EDC for 5/9/14.

Mr. Meckler and Mr. Bengart advised Mr. Rash that he cannot market or promote individual companies or businesses. The CIDA benefits can be marketed and the Town can be marketed but separately. They are separate entities. What Mr. Rash is doing is a more of a Chamber function in promoting the Town of Clarence.

Mr. Buettner said that Mr. Rash is talking about spending about \$5,000-\$8,000 for marketing. He is only talking about working with one company, Wavespawn. We had other firms that we interviewed. Mr. Rash answered that Wavespawn came to us and Mr. Rash and the Chairman asked him question regarding the cost of the targeting campaign. No decision has been made about hiring a marketing company.

Items not on the agenda.

Mr. Leone added that he has been working on a presentation for the Bank of America and Merrill-Lynch for their customers on Corporate Business Incentives. It will be held at the Buffalo Club on May 7, 2014 from 8:30 to 10:30 a.m.

Mr. Leone also had a packet that he would like to pass out to the members on the ECIDA Policy Committee. He would like to draw attention to the topics on the agenda. This is to keep the Board informed regarding the potential policies. The last time this was brought up, the CIDA adopted its own claw back policy. There was further discussion about the policies and attracting business to this area. A copy of the packet will be given to all the members. Mr. Meckler added that the CIDA can adopt its own policies as long as they are not inconsistent with New York State Law.

Ms. Wolfe asked about the Leadership Council and what is going on with that. There was further discussion regarding the Coalition and the Leadership Council being re-established. The Board feels that there is a need for all the IDA's to communicate with each other. Mr. Ertel will reach out to Mr. Allen about setting up a meeting.

Mr. Leone also reminded the Board about the proposed legislation regarding towns without IDA's.

Mr. Kempton informed the Board that the Chamber has sent a bill with an increase of \$150 a month raising the rent from \$350 to \$500. The Board was never informed that there would be an increase and has not approved an increase. The Board feels that this is not warranted. The office is not used that much. It is a month to month rental. The Board will re-evaluate the renting of space at the Chamber. Mr. Bengart will contact the Chamber about this and report back at the next meeting.

Elaine Wolfe informed the Board that there will be a workshop at ECC North Campus on May 13, 2014 titled "The Future of Economic Development and Growth in Erie County." She had flyers if anyone would be interested in attending.

Mr. Ertel thinks that the Board should have name ID Badges to wear at meeting so guests or the press will be able to identify the members. It would also be good to have ID when the members attend other meetings. Elaine Wolfe will look into it. The members agreed that Elaine will come back with the information at the next meeting and they can decide then.

There was no public comment.

There was a motion made by Michael Buettner with a second by Elaine Wolfe to adjourn the meeting with nothing on the question.

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

The meeting was adjourn at 9:33 a.m.

Next Meeting: May 15, 2014

Respectfully submitted,

Cynthia M. Rosel