

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

**MINUTES**

**JUNE 19, 2014**

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

Present were Elaine Wolfe, David Schuster, Chris Kempton, Mary Powell (arrived at 8:04 a.m.), Clayt Ertel and David Hartzell. Michael Buettner was absent. Also present were Larry Meckler, Paul Leone, Nathan Neill, Steven Bengart, Pam Cuviallo, Jim Rash and Cynthia Rosel. Guests were David Huck of RGC, Linda Taylor, Client Executive- Floss Agency, Inc. and Theresa Carpenter, Controller-ECIDA.

**Minutes of May 15, 2014.**

Mr. Hartzell asked for approval of the minutes from the May 15, 2014 meeting. There was a motion by David Schuster to approve the minutes of the May 15, 2014 meeting with a second by Clayt Ertel. There was nothing on the question.

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

**Treasurer's Report.**

Mr. Kempton went over the financial report Balance Sheet and Profit & Loss Statement through June 19, 2014. Agency fees received to date are \$19,031.00 and interest income is in the amount of \$451.56. Expenses incurred to date are in the amount of \$41,530.37. There is a negative net income of -\$22,499.37 for the period. The details were attached along with a copy of the 2014 budget. Several of the line items are at 100% for the year.

There was a motion by Clayt Ertel with a second by Elaine Wolfe to approve the Treasurer's Report of May 15, 2014. There was nothing further on the question.

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

**Correspondence.**

There was a request from an intern working with Sean Ryan's office for information on the CIDA 2013 projects. Mr. Hartzell added that he also was contacted by the same person via e-mail and suggested to the intern to obtain the information on the ABO website. The intern will pursue getting the information from the ABO website.

### **New Business.**

Paul Leone reported that New Buffalo Shirt Factory has closed its operation at 4015 Casilio Parkway. They were bought by a company from North Carolina. We did not receive any notice that they would be relocating. Seal and Design was looking at purchasing the building but that could not be worked out and Seal and Design has now begun working on the addition. The property was being looked at by NOBUM Medical Products. It does not look like NOBUM will be pursuing the purchase. They may be constructing a new building and may come to the CIDA with an application in the future.

Mr. Leone received an e-mail regarding the 9141-9145 Main Street-Savant Properties Project. They will be putting an addition on to the back building. Mr. Leone informed them that a new application will have to be submitted. They will be submitting it. The project has changed from what was approved in September of 2013. The Impact Analysis was done on the previous application. They do have to go through the Planning Board first.

### **Ransom Road – Brothers of Mercy Project.**

Mr. Leone received an application from Brothers of Mercy for the new project. David Huck was present at the meeting to speak about the project. Mr. Huck reported that they did get a status from the State and are tax-exempt. The project is part of the whole campus. He is here today to request for mortgage tax abatement only for the project. Mr. Leone added that this application is only on for discussion at this time.

Mr. Huck went on to explain some of the programs that will be provided that will be included in the rent because of the status approved by the State. Mr. Kempton asked how many units. There are 111 units expandable by another 36 units.

Mr. Bengart reminded the Board about the CIDA policy regarding multi-family housing projects. The policy does not allow the CIDA to incentivize these projects. The policy would have to be amended to allow it. This was discussed at the last meeting.

The loan will be closing by the end of July. They would like to open around October/November of next year. Mr. Hartzell said that we will talk about it at the July meeting.

### **EDO.**

Jim Rash is now sending his monthly report to the Board via e-mail. Mr. Rash met with Paul Leone, Carmen and Tony Cimato regarding sales tax assistance for infrastructure materials for the new Business Park on County Road. Rash attended the Joint Town Board/Planning Board meeting on May 21, 2014. He met with Robert Johnson, owner of Niagara Malt in Cambria, NY. Mr. Johnson showed some interest in the leasing of open space, Town owned farm property to grow specialized grains for his malting his operation. They also discussed the possible future establishment of a brew pub in the Hollow. Rash attended the Main Street Corridor meeting on June 4, 2014. The next meeting will take place in August. Rash reported that he is working on

plans to come up with concepts for targeted industry marketing campaign and promotion of Town economic growth. He reminded the Board that a meeting for Part 2 of the Strategic Plan should be planned and he will work with Paul Leone to manage the meeting.

Working on a plan to put an ad in the Bee for the Oct. Bus/Financial insert.

### **Rented space at the Clarence Chamber.**

There was discussion regarding the rented space at the Clarence Chamber. This was discussed at the last meeting. The Board was re-evaluating the necessity to rent space at the Chamber. Mr. Rash was asked to find out how much the membership fee would be for the CIDA. Mr. Rash said that he asked and was told that it would be about \$300 per year to join the Chamber for 2015. They would charge \$100 per month for unlimited use the conference room if we wanted to just rent that space. Ms. Wolfe said that if we are a member, we would have use of the conference room anyway as any other members do...it just has to be reserved. The CIDA now pays \$350 per month for office space and unlimited use of the conference room per Mr. Rash. After researching if the CIDA can become a member of the Chamber, Mr. Bengart added that the CIDA can join the Chamber.

There was a motion for the CIDA to join the Chamber of Commerce for an amount not to exceed \$300 per year for 2015. There was a second by Clayt Ertel. There was nothing further on the motion.

**Vote:** Ayes: Wolfe, Schuster, Buettner, Kempton, Powell, Ertel, Hartzell.

Noes: None. Recuse: None. Absent: Buettner. Motion carried. Unanimous

The discussion continued regarding the separate fee to rent the conference room. At the last meeting, the Board was considering other options. Mr. Hartzell wanted to move to approve the \$100 per month for the conference room. Mr. Kempton said that he thinks it would be in lieu of the office space. Not both. Mr. Kempton added that we need to be looking at the value of renting space at the Chamber...either the office space or the conference room space. What value do we get for the \$350? Mr. Hartzell said that we get the office space for the Board or Jim Rash to use. The office has to be for the use of the CIDA members added Mr. Bengart. Mr. Rash is an independent contractor and we cannot rent space for his use. He is not an employee of the CIDA. He is under yearly contract. Mr. Rash added that the \$350 per month gives us unlimited use of the conference room and as a member, we would also have use. He said that he has been working from is home office and uses the conference room at the Chamber when he has a meeting scheduled. He does not use the office often.

Mr. Kempton added that as it stands today, we are running a deficit...we need to look at our expenses and be prudent with our spending;...we are pulling funds out of the savings account for operation expenses.

The options are to either rent the office space at a cost of \$4,200 per year or rent just the conference room at \$1,200 per year plus the Chamber Member fee of \$300. Not both. The other options is to become a member for \$300 and have use of the conference room as needed by

making a reservation. The discussion concluded that there would be no change in \$350 per month, month to month, rental of office space and unlimited use to the conference room.

### **Name Badges.**

Elaine Wolfe passed out the Name Badges and everyone was pleased with them. Mr. Hartzell and the Board thanked Elaine for getting them.

### **CIDA Policy.**

Mary Powell continued on the topic of the Multiple Family Housing/Senior Housing Policy. She feels that if we have a policy, we need to stick with the policy we have and not change the policy for a particular project. Mr. Hartzell agreed with Mary Powell. There was discussion regarding the Mortgage Tax Abatement benefit. The Board decided that the policy does not allow for Multiple Family/Senior Housing Projects to be incentivize...that because of the policy, no benefits can be provided to an applicant for a Multiple Family Housing/Senior Housing Project.

This project is a 501-c (3). They are tax exempt and are going forward with the project. The applicant knows about the CIDA policy.

Mr. Bengart asked if there is any interest in making a motion to amend the April 18, 2013 policy. No one wanted to change the policy.

It was decided that the project falls under the policy and the CIDA cannot give any benefit according to the Multiple Family/Senior Housing Policy including Mortgage Tax Abatement. The applicant will be notified that pursuant to the policy, the CIDA cannot incentivize the project.

Ms. Powell said that it is a good idea that we have the applicants in to discuss the project and their application. By reviewing the proposed project that comes before the Board, that is how it is determined if the CIDA will go forward if the project is eligible or not.

If you have a policy in place, it does not matter who the applicant is, the Board, as a whole makes the decision based on CIDA policies.

### **Public Comment.**

Theresa Carpenter of the ECIDA referred to the 2013 ABO Report that just came out (for the 2012 numbers). She informed the Board about a Task Force that was formed with the NYSEDC. The Task Force met with the State ABO regarding the data on the ABO reports and let them know that there were some issues with the PARIS reporting system. Sometimes there is a data entry error and then the data that is released in the reports is incorrect and skewed. We are not allowed the opportunity to make any changes because the PARIS system is locked. So the task force has been working with the ABO and got them to come to the table and allow IDA's to go back and correct errors that may have been made. It is a statewide task force.

Mr. Leone asked about the new marketing person ECIDA hired and wanted to know if other local IDA's can use the service. Is she going to market all the county or just the ECIDA policies? Ms. Carpenter answered that they did hire a Marketing and Communications person, Robbie Ann McPherson. She is originally from Clarence. Mr. Leone asked if he could bring her to the next meeting. Ms. Carpenter will invite her to the next meeting.

Mr. Hartzell thanked Ms. Carpenter for attending the meetings and she thanked the CIDA for having her.

### **Non Agenda Items.**

Mr. Hartzell informed the Board that Eastern Hills called regarding a Bond for \$16,000,000 +/- for the proposed Hockey Rink Project for Eastern Hills Mall. He informed them that it is not something the CIDA could do as is was beyond our capabilities. He referred them to the ECIDA. Mr. Hartzell knows that they have been talking back and forth and asked Ms. Carpenter if there was any progress with that or if she had anything to report. She has not heard anything about it and is not familiar with it. Mr. Leone said that the project is over our cap so we would have to go to the ECIDA with it. Mr. Hartzell did notify Mr. Cappellino about it and he was going to look into it. Mr. Leone just spoke to John Cappellino yesterday and there has not been any progress on it.

Mr. Leone asked if we could form our own Local Development Company for a project like this. There was discussion doing something like that through the LDC previously. The LDC for the CIDA was for other projects not just the Hockey Rink. It was put on hold. It can be completed rather quickly if need be if a project comes up. If there was interest, the project could be done under the LDC. Mr. Hartzell does not want to get involved with it. Mary Powell added that if we did have the LDC, then we could. Mr. Bengart answered yes.

There was a brief discussion regarding the status on sewers to Roll Road to our 100 acre project that we would like to develop there tying into Harris Hill and so forth. Mr. Hartzell said that one on Goodrich Rd. is rolling along right now. The Town of Clarence hired a company to assess the whole sewer situation and they are finished. So the next thing is to push the Town of Amherst and get capacity. Now we are only using about 6% of the Town of Amherst sewer works. Amherst has had problems with their sewer capacity and they are not interested in discussing it right now, although, Mr. Hartzell is sure they will be at a later date. They have had to put in millions of dollars' worth of upgrades and were busy doing that. The one on Goodrich Road is basically ready to go now. The one on Harris Hill (Harris Hill is in three sections) we have developers that have agreed to pay for the middle section, that is done. The end section has developers who will probably agree as well. The big hang up is the last section of Harris Hill from Sheridan up. The cost would be \$41,000,000 to the residents in the area. The Town is waiting for grant money. We are hoping to get that money through grants next year. There is a cap on what you can bill each house separately. Also, there are not enough residences in that area to cover the \$41,000,000. A grant would be needed to help cover the cost. If there was a consent order, the Town could get all kinds of federal assistance...but we are not. It is a work in progress...we are chipping away at it. Mr. Ertel asked if there would be enough capacity to cover Main Street. Mr. Hartzell said it would.

Mr. Hartzell thanked Mr. Ertel for running the meetings in his absence.

Meeting adjourned at 9:14 a.m.

Respectfully submitted: Cynthia M. Rosel