

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

MINUTES

AUGUST 21, 2014

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

Present at roll call were Elaine Wolfe, David Schuster, Clayt Ertel and David Hartzell. Mary Powell (arrived at 8:05 a.m.). Chris Kempton and Michael Buettner were absent. Also present were Paul Leone, Nathan Neill, Steven Bengart, Pam CuvIELLO, Jim Rash and Cynthia Rosel. Guests present were Laura L. Benedetti, CPA and Heather Schmidt, Esq. from Andreozzi Bluestein et al, Russ Grosjean from Buffalo Forklift, Linda Taylor from the Floss Agency, Karen Fiala and Beth O'Keefe from the ECIDA, and Robert Geiger, Councilman.

Public Hearing.

A public hearing was held on the 9141-9145 –Savant Properties, LLC Project. Paul Leone explained that this project was originally induced in September of 2013 and that project did not go forward. There was a new application submitted for a smaller project and the dollar amount is a little over \$700,000. The project includes the demolition of the existing 2,450 sq. ft. building at 9141 Main Street and the construction of an approximately 5,000 square foot addition to the existing building at 9145 Main Street. The project is in the Main Street Enhancement Area. The Agency assistance contemplated will include mortgage tax abatement, sales tax exemption and real property tax abatement. The pilot will be a 485-b equivalent. A copy of the notice of public hearing is included with the packet for complete details on the project. There was also a copy of the IMPACT study in the packet.

Mr. Ertel added that this could also qualify for an adaptive reuse project. Mr. Leone said that it could because of the demolition of the building at 9141 Main Street. It is in the Enhancement Zone.

There was a motion to close the public hearing by Chairman Hartzell with a second by David Schuster. There was nothing on the question.

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

Minutes of July 17, 2014.

Mr. Hartzell asked for motion to approve the minutes of July 17, 2014 meeting. There was a motion by David Schuster to approve the minutes of the July 17, 2014 meeting with a second by Elaine Wolfe. There was nothing on the question.

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

Treasurer's Report.

Mr. Hartzell presented the financial report in the absence of the Treasurer. He went over the Balance Sheet and Profit & Loss Statement through August 21, 2014. Agency fees received to date are \$19,531.00 and interest income is in the amount of \$606.72. Expenses incurred to date are in the amount of \$49,125.79. There is a negative net income of -\$28,988.07 for the period. The details were attached along with a copy of the 2014 budget.

Mr. Leone asked Karen Fiala when we can expect to receive the remainder of the fee balance due to the Agency on the joint Kittinger Project. Ms. Fiala answered that the check will be mailed out shortly and it will be in the amount of \$4,000.00...

Mr. Hartzell also had the members look at the proposed 2015 Budget. The 2015 Budget needs to be adopted at the September meeting.

There was a motion by Clayt Ertel with a second by David Schuster to approve the Treasurer's Report of August 21, 2014. There was nothing further on the question.

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

Correspondence.

None.

New Business.

9141-9145 Main Street-Savant Properties LLC Project.

This item was the subject of the public hearing held earlier today. Mr. Neill had two resolutions. There is a SEQR and an Inducement Resolution. The project was originally induced in September of 2013. The project has changed and a new application was submitted to the CIDA for consideration. The SEQR will have to be adopted first.

There was a motion by Clayt Ertel with a second by Elaine Wolfe to adopt the SEQR-Neg Dec resolution as submitted. There was nothing on the question.

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

The second resolution is for the approval of the demolition of the building at 9141 Main Street, for the construction of the addition at 9145 Main Street, and the acquisition and installation of

machinery, equipment, furnishing and fixtures required in connection with the project. The project is in the amount of \$700,000. The project is eligible for the Agency's 485-b equivalent payment in lieu of tax provision for Enhancement Area Projects.

There was a motion made by Chairmen Hartzell with a second by Clayt Ertel to adopt the resolution as presented. There was nothing on the question.

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

Copies of the resolutions will be on file in the minute book.

The Board wished the project applicant good luck with the project.

Buffalo Forklift – 4624 Goodrich Road

Mr. Leone received this application and it was e-mailed to the Board by Cindi. This project is for sales tax only. The applicant was represented at the meeting by their accountant, Russ Grosjean. The IMPACT study was in the packet. The requested benefit is for sales tax only for the acquisition of construction materials for the renovation of the building interior and for the purchase and the installation of machinery, equipment, furniture and fixtures relevant to the project. The business has 6 employees at present and expects to add 5 new jobs. The Chairman had a question regarding the project eligibility for benefits. Mr. Bengart explained that they are not asking for a pilot or mortgage tax abatement...only for sales tax. Mr. Grosjean added that they need the benefit to go forward. Mr. Meckler added that because of the sequence of events, they had to go forward with the purchase of the building or lose the transaction. Mr. Ertel added that this could qualify under an adaptive reuse of the property. Mr. Neill added that they are only asking for sales tax.

Chairman Hartzell moved to adopt the resolution as presented for sales tax only as stated by the attorneys with a second by Clayt Ertel. There was nothing on the question.

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

Mr. Leone received a new application from Jeffrey Mucciarelli (Gabe's Collision) for the proposed 5817 Transit LLC project. This was also e-mailed to the Board. The project is different from the project that went through the Town. At this point Mr. Ertel recused himself as he was involved in the original transaction. The applicant is asking for benefits for 50% of the business that would be dedicated to the Geico Insurance Claims Center. Mr. Hartzell said that this project is different from what he originally saw and he would like to see a layout of the project as it is coming to the CIDA today. Mr. Bengart added the original plan did call for a claims area but not at the percentage as presented today. Mr. Meckler added that the percentages have changed dramatically. There was further discussion regarding the project including that it is in the Enhancement Zone. Mr. Hartzell would like some clarification on the project. Mr.

Leone will go back to the applicant to get clarification on the space and the jobs. The project will be discussed further at the next meeting in September pending more information.

EDO.

Mr. Rash presented his report. There was nothing new on the Cimato Business Park. Mr. Rash met with Greg Horn, a home brewer who is interested in starting a small commercial operation, perhaps in the Hollow. Mr. Rash and Paul Leone met with Alan Pilarski regarding a start-up, small furniture mfg. business. Mr. Pilarski is working on a business plan and they will all meet again when it is ready. Mr. Rash attended the Hollow/Main St. Corridor revitalization meeting on August 8. He submitted updated information on \$1M construction projects for the CIDA and the Town to J. Fink, for the CORE edition of Business First. Mr. Rash and Mr. Leone met with owner of Cozy Café regarding guidance on financing capital improvements. Mr. Leone added that the owner of the business did contact the ECIDA but was turned down. The Chairman, Mr. Leone and Jim Rash toured the Tronconi, Segarra. It is a very nice facility. Mr. Rash attended the Hollow/Main St. corridor revitalization meeting. Rash is preparing for the 9/11/114 Strategic Planning meeting. He will discuss hiring professional marketing assistance, the website, micro-loans and uses for the CIDA funds.

Mr. Leone said that they had lunch with Harry Sicherman. Consultant. He does grant writing. Mr. Sicherman explained the difficulty in forming a micro-loan program.

Mr. Rash said that he will also follow up on the proposals that we had for the professional marketing firms. Hopefully, there will be a decision to go forward or not.

He is also going to meet with a developer who is interested in a pub/restaurant in the building on Main and Salt Road perhaps with a brewery.

Mr. Hartzell talked about the house that the Town owns. There is someone who wants to use the Town building for an art gallery. He wanted to know if the CIDA would want to get involved. He will have more information at the next meeting after the Town Board meeting. It needs to be presented to the Town Board first to see if it can be done.

There was also discussion regarding the Auction Direct project. They have closed the Transit Road location. There was discussion regarding what happens with the pilot now that the business has closed. They are in default of the lease agreement. The attorneys answered that per the lease agreement, the pilot can be terminated. There is a procedure to follow. It was suggested by counsel that notice be given to them that they are in default of the agreement.

There was a motion by Clay Ertel to authorize the attorneys to begin the notification procedure on the default of the lease agreement with a second by David Hartzell. There was nothing on the question.

Mr. Hartzell reported that New Buffalo Shirt is still operating at the Clarence location. There was some speculation that that they moved the operation. They may move in the future.

Meeting adjourned at 8:59 a.m.

Next regular meeting is September 18, 2014

Respectfully submitted: Cynthia M. Rosel