

TOWN OF CLARENCE, ERIE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

SPECIAL MEETING MINUTES
July 16, 2020 (Via ZOOM)

Chris Kempton called the meeting to order at 8:15 a.m.

Present were Peter DiBiase, Robert Dixon, Patrick Johnson, Elaine Wolfe, Clayt Ertel, and Chris Kempton. Mary Powell was not in attendance. Also present were Paul Leone, Steven Bengart, Jennifer Strong, Kimberly Ignatowski and Cynthia Rosel. Peter DiBiase and Elaine Wolfe came into the ZOOM meeting a little late.

Minutes:

The Chairman asked if everyone had a chance to review the minutes of the February, May and June “Special” Meeting. The minutes were e-mailed. There was no meeting in March, April or a regular meeting in June because of the NYS Pause due to COVID-19. Mr. Kempton added that he will ask for approval and take each of the minutes one at a time.

The Chairman asked for a motion to approve the minutes of the February 20, 2020 meeting which was held at the Town Hall. There was a motion made by Clayt Ertel with a second by Robert Dixon to approve the February 20, 2020 minutes. There was nothing on the question.

Vote: Ayes: Dixon, Johnson, Ertel, Kempton. Noes: None Recuse: None.
Absent: None. Motion carried. Unanimous.

The Chairman asked for a motion to approve the minutes of the May 21, 2020 meeting which was held via ZOOM. There was a motion made by Patrick Johnson with a second by Robert Dixon to approve the May 21, 2020 minutes. There was nothing on the question. (Elaine Wolfe just joined the meeting in time for this agenda item.)

Vote: Ayes: Dixon, Johnson, Wolfe, Ertel, Kempton. Noes: None Recuse: None.
Absent: DiBiase, Powell. None. Motion carried. Unanimous.

Chairman Kempton asked for a motion to approve the June 26th Special Meeting. There was a motion to approve the minutes of the June 26, 2020 Special Meeting by Elaine Wolfe with a second by Clayt Ertel. There was nothing on the question.

Vote: Ayes: Dixon, Johnson, Wolfe, Ertel, Kempton. Noes: None Recuse: None.
Absent: DiBiase, Powell. None. Motion carried. Unanimous.

Treasurer’s Report.

The Treasurer, Patrick Johnson, went over the financials that included all activity from January 1, 2020 to and including July 16, 2020. There is a negative net income of -731.50. Revenues are about 1/3 less than revenues from the same period as last year. The expenses included the purchase of the new laptop and onsite software and computer support by the Computer Tech.

There was also the expense of membership for the NYS Economic Development Council. Other than that with respect to the 2020 adopted budget everything looks good. Mr. Kempton asked about the payment to the Town for staff support and wanted to know if that is late. Ms. Ignatowski said she was going to pay it earlier in the year but she went out on maternity leave a little earlier than expected. She will take care of the payment next month. Mr. Kempton pulled up the details of the report for review. Mr. Bengart added that the Cortese project will be closing soon. Ms. Strong added that this project is closing today at 1 p.m. The parties were able to pull it all together last night.

There is a resolution on today's agenda to approve if the Board chooses to do so the extension as the original resolution was made last July and has expired. Mr. Leone asked how long the extension will be for. Ms. Strong said that they are asking for a 9-month extension. Ms. Rosel added that the agency fee when this project closes will be around \$20,000.

Mr. Kempton moved to approve the financial statements from January 1 through July 16, 2020 and there was a second by Elaine Wolfe. There was nothing on the question.

Vote: Ayes: Dixon, Johnson, Wolfe, Ertel, Kempton. Noes: None Recuse: None.
Absent. DiBiase, Powell. None. Motion carried. Unanimous.

9074 Main Street-Giovinazzo Group 1951 LLC Project (Cortese)

The Chairman asked Jennifer Strong or Paul to give the Board a summary of what the Board is being asked to approve regarding the project. Ms. Strong explained that there is a resolution that has been circulated to the Board to review and consider approving the extension. This was induced last July (2019). The delay in getting it closed was, first, because of the Governor's prohibition on construction during the NY Pause and secondly, the applicant's attorney has been out and very ill. Everything is back on track now. All the bank documents have been signed and they were meeting with Ms. Strong this afternoon to sign the CIDA documents. Then the papers will be recorded as soon as the Erie County Clerk can process them. The applicant is asking for a 9-month extension for this project. Ms. Strong is also suggesting that, because of the pandemic, the extension fee be waived. Mr. Kempton asked if that can be done all in one motion. Ms. Strong added that it is part of the resolution. Mr. Kempton made the motion to adopt the resolution as presented by Ms. Strong approving the extension and waiving the extension fee for this project.

Vote: Ayes: Dixon, DiBiase, Johnson, Wolfe, Ertel, Kempton. Noes: None
Recuse: None. Absent. Powell. None. Motion carried. Unanimous.

Meeting Adjourned at 8:47 a.m.

Next Meeting: August 2020

ATTACHMENT

Exhibit "A"

RESOLUTION OF THE TOWN OF CLARENCE, ERIE COUNTY, INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING GIOVINAZZO GROUP 1951, LLC (THE "LESSEE") ASSISTANCE IN CONNECTION WITH THE CONSTRUCTION OF AN APPROXIMATELY 6,500 SQUARE FOOT CORPORATE OFFICE AND SHOWROOM BUILDING AND A 6,000 SQUARE FOOT WAREHOUSE BUILDING ON A 2.08 ACRE PARCEL OF LAND LOCATED AT 9074 MAIN STREET, IN THE TOWN OF CLARENCE, NEW YORK TO EXPAND CORTESE CONSTRUCTION SERVICES CORP. (THE "SUBLESSEE") WHICH IS CURRENTLY OUT OF SPACE AND THE ACQUISITION AND INSTALLATION OF MACHINERY, EQUIPMENT, FURNISHINGS AND FIXTURES REQUIRED IN CONNECTION THEREWITH, ALL FOR A MANUFACTURING/DISTRIBUTION FACILITY (THE "PROJECT"). THE PROJECT WILL ALLOW THE SUBLESSEE TO EXPAND ITS CURRENT BUSINESS AND MAINTAIN THEIR LEVEL OF SALES AND EMPLOYMENT, AND MAKING THE PROJECT AFFORDABLE WITH A COMPETITIVE LEASE RATE. THE PROJECT WILL BE SUBLEASED TO THE LESSEE FOR SUB-SUBLEASE TO THE SUBLESSEE WHICH WILL BE THE SOLE OCCUPANT OF THE PROJECT AND TO TAKE OTHER PRELIMINARY ACTION.

WHEREAS, Giovinazzo Group 1951, LLC (the "Lessee") has entered into negotiations with the officials of the Town of Clarence, Erie County, Industrial Development Agency (the "Agency") with respect to the acquisition and equipping by the Agency with the proceeds of a lease with mortgage for assistance in connection with the construction of an approximately 6,500 square foot corporate office and showroom building and a 6,000 square foot warehouse building on a 2.08 acre parcel of land located at 9074 Main Street, in the Town of Clarence, New York to expand Cortese Construction Services Corp. (The "Sublessee") which is currently out of space and the acquisition and installation of machinery, equipment, furnishings and fixtures required in connection therewith, all for a manufacturing/distribution facility (the "Project"). The project will allow the sublessee to expand its current business and maintain their level of sales and employment and making the project affordable with a competitive lease rate. The project will be subleased to the lessee for sub-sublease to the sublessee which will be the sole occupant of the project

WHEREAS, due to the restrictions put in place by the State of New York due to the COVID 19 Pandemic, the construction of the Project has been delayed and the Lessee has requested that the Agency grant the Lessee a nine month extension of the Inducement Resolution and Sales Tax Letters; and

NOW, THEREFORE, THE TOWN OF CLARENCE, ERIE COUNTY, INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

1. The Agency does hereby approve a nine month extension of the Inducement Resolution and Sales Tax Letters until April 16, 2021; and that the extension fee be waived.

2. This resolution shall take effect immediately.

ADOPTED: July 16, 2020

ACCEPTED: GIOVINAZZO GROUP 1951, LLC

By: _____

CORTESE CONSTRUCTION SERVICES, CORP.

By: _____