

TOWN OF CLARENCE, ERIE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

June 17, 2021

(This meeting was held via ZOOM.)

Chris Kempton called the meeting to order at 8:17 a.m.

Present (virtually) were Lauren Fix, Peter DiBiase, Robert Dixon, Elaine Wolfe, Mary Powell, Clayt Ertel, and Chris Kempton. Also present were Paul Leone, Lawrence Meckler, Steven Bengart, Jennifer Strong, Kimberly Ignatowski and Cynthia Rosel. Richard McNamara, the applicant for the 8615 Roll Road LLC Project, was also present.

Minutes of May 20, 2021 Meeting (via ZOOM)

Mr. Kempton asked if everyone had a chance to read the minutes from the May 20th meeting that were e-mailed prior to this meeting. There was a motion by Clayt Ertel to approve the minutes of the April 15, 2021 meeting. There was a second by Lauren Fix. There was nothing on the question.

Vote: Ayes: Fix, DiBiase, Dixon, Wolfe, Ertel, Kempton. Noes: None Recuse: None.
Absent: Mary Powell was not connected to the meeting yet. Motion carried.

Treasurer's Report.

Peter DiBiase went over the financial report. Mr. DiBiase reported on the balances in the checking and money market accounts. Fees received for this period were \$500 from the Niagara Produce refinance and \$500 from Alden State Bank. Total fees received are in the amount of \$1,000.00 for this period. Interest earned to date is \$142.68. Total expenses through June 17, 2021 are in the amount of \$29,800.95. There is a net income of -22,158.27. The Chairman added that fees from the new projects that have been approved will be forthcoming in the next few months. Mr. Leone added that agency fees will be received for the approved projects as things progress with the paperwork. Mr. Leone asked Ms. Strong if she could approximate when some of the projects will be closing. Ms. Strong said that the applicants for the Burke Homes Project were hoping to close soon but because of rising construction costs, the applicant may need to come back to the Board to ask for additional benefits. Mr. DiBiase asked if anyone had any further questions. There being none, a motion was made by Clayt Ertel to accept the financial report as presented with a second by Robert Dixon. On the question. Ms. Ignatowski added that there is a transfer to the checking account from the money market account that does not show on this statement because it was processed at the end of business yesterday after the report was closed out. It will be reflected in the July meetings financial report. There was a motion by Robert Dixon with a second by Clayt Ertel to accept the Treasurers Report as presented.

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

Correspondence.

There were public hearing notices received from the Hamburg IDA and from the ECIDA that were e-mailed to everyone. An e-mail from Ron Silva, Executive Director from the New York State Economic Development Council was received and that was also forwarded to everyone. The e-mail from Mr. Silva included a spread sheet that shows the Bills that were passed by both houses of the 2021 State Legislative Session that are directly related to Industrial Development Agencies. Mr. Leone talked about the bill that has to do with prevailing wages. Ms. Strong

also brought to the attention of the Board the bill that addresses agency fees. The bill provides that IDA fees shall be the same as those fees established by the County Agency for each IDA located in the County. This bill would require the local IDA's to increase their fees to match the fees of the ECIDA. The other bill addresses the prohibition of an elected municipal official to serve as a compensated officer, agent or employee of the agency. The bills have not yet been signed by the Governor.

Old Business.

8615 Roll Road LLC Project.

A public hearing was held at the May 20, 2021 meeting. At the public hearing, Mr. Bengart and Mr. Leone reported that the project was still in the Planning process. It will be put on the Planning Board agenda and the SEQR process completed when all the necessary information is received in the Planning/Zoning Dept. Therefore, the project did not receive approval for incentives by the May 20, 2021 meeting. The Public Hearing was closed and it was stated that the approval would be considered at a future meeting.

The SEQR process has now been completed and a Neg Dec was issued. The applicant is present at this meeting to answer any questions about the project. Mr. McNamara, the applicant, is asking for approval for CIDA incentives for the project. Mr. Leone gave a brief description of the project which is located at 8615 Roll Road. The Project name is 8615 Roll Road LLC. The project amount is not to exceed \$2,320,000. The applicant is asking for mortgage tax abatement, sales tax exemption on any materials and/or equipment purchase for incorporation into the Project and real property tax abatement. The project involves the construction of a 27,000+/- square foot addition to an existing 12,000 +/-square foot building which will be renovated on a 2.54 acre parcel of land located at 8615 Roll Road to expand RE McNamara Inc. which is currently out of space. This is for a warehouse and light manufacturing facility. This will be for a 7 year PILOT. Mr. Kempton asked Mr. McNamara asked about the addition of jobs as per the application and asked Mr. McNamara about the new jobs that might result from the addition. Mr. McNamara said that he has a construction company and a custom cabinet shop. The custom cabinet business is growing and new employee was just added. He expects to add 3-5 more employees over the next couple of years. RE McNamara building, materials and supply also is located there. The supply part of the business is growing. There is also small warehousing and manufacturing that he will be renting to bring in more employment. Mr. Leone added that they will be retaining 15 jobs and anticipate adding another 10 jobs. Mr. Kempton also added that the project meets the eligibility requirements. Mr. Bengart also confirmed with Mr. Leone that an IMPLAN study was done. Mr. Leone said yes and that was discussed at the Public Hearing. The Chairman added that the IMPLAN was e-mailed to everyone. Mr. Kempton reviewed that he did go over the study at the time of the public hearing. Mr. Bengart wanted it to be part of the record. The Chairman added for the record, the IMPLAN Study was done and the Board received it for review for the Public Hearing. Mr. Leone added that it was also in the minutes of the public hearing that the members received and reviewed the IMPLAN. Being no further discussion, Mr. Leone asked that the Board consider the approval of the inducement of the 8615 Roll Road LLC Project. There was a motion by Clayt Ertel to adopt the inducement resolution as presented for the 8615 Roll road LLC Project with a second by Robert Dixon. There was nothing further on the question.

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

New Business.

Mr. Leone said that there is a new application that was received from Alden State Bank. Jennifer Strong has reviewed the application for completion and it was forwarded to the members. Mr. Meckler and Mr. Bengart also reviewed and will have some comments. This is on for discussion only today. Jennifer Strong said that an application has been received from the Alden State Bank and Cindi did e-mail to the members along with the IMPLAN Study. The applicant has purchased the building that was the site of a Citizens Bank on Transit Road that has been vacant for 5 or 6 years. Alden State Bank has purchased the building and would the building will be renovated to run as a Bank Branch. There will not be any back offices there. Based upon the NYAX code for a Bank, the UTEP considers it a retail project, however, it does qualify under Adaptive Reuse. Mr. Kempton said that

we would still have to follow the retail rules, right. Just because it is Adaptive Reuse does not mean the retail aspect can be ignored. Ms. Strong said that it is a very grey area and that added that there is nothing that says which rule is more important. Mr. Meckler added that is a grey area but the fact that it is 100% retail would probably trump the fact that it is an Adaptive Reuse...it is not the type of project that we would want to take a chance on incentivizing unless we had a prior approval from the Authorities Budget Office. Mr. Kempton asked if they have already purchased the building. Ms. Strong answered that they already have. Mr. Kempton said that in his opinion they have already taken action to secure the building without getting any type of approval for financing...that they really do not need the financing since they already purchased it. Mary Powell asked when they purchased the building. Mr. Leone said about 2 or 3 months ago. Ms. Strong she thinks that may be correct but she is not sure of exactly when it was purchased. Mr. Kempton asked if the CIDA has ever induced a project where the retail was greater than the 1/3 percent of the total of the project. Mr. Leone answered no. Mr. Leone said that the laws have been changing and prior to the change in the law, this would have been an eligible project. Mr. Meckler said that another way to look at this project is the Adaptive Reuse issue that would make it eligible but the Retail that would not make it eligible you would look at some of the other factors...it is not as if they were going to move to another location, it is not as if they were the only service available in the area, and it is not as us the project would be in a distressed area. The project would not fall into any of those other categories. If you just look at Adaptive Reuse vs. Retail...I do not think anything else would be in their favor that would put it in a category where we would be comfortable in moving to approve the project. Mr. Kempton asked if there are any other facts or circumstances to overcome the retail limitation that we have that would lead us to approve it. One would be adaptive reuse...it seems like that would be the only piece that could justify approving this project. The fact that they already purchased the building makes it a little more difficult too. Mr. Kempton asked if we need to take action on this...Ms. Strong said no...a public hearing would have to be set and the paper work was not received in time in order to do that. Mr. Kempton asked if anyone had anything further. The application has been discussed and the Board would need to determine if they should go forward. Mr. Meckler had suggested that the Board may want to contact the Authorities Budget Office to get an opinion on this issue. Ms. Strong asked if the Board would like her to contact the ABO to get their opinion on this project. The Board agreed that Ms. Strong should contact the ABO. Mr. Ertel and Mr. Meckler added that we should reach out to the applicant to let them know that the CIDA reviewed the application and at the Board's first impression is that it would not be eligible but that the Board will discuss this further at the next meeting subject to contacting the ABO. There was nothing further and this will be discussed at the July meeting.

Mr. Leone reported that he has been in contact with the Green family on a possible mixed use project on Sheridan Drive. He will follow-up with them.

Discuss Local Labor Workforce Certification Policy.

Mr. Kempton said that we need to discuss the Local Labor Workforce Certification Policy. The CIDA adopted a policy in 2011. Ms. Strong does think that a policy was adopted. There was further discussion regarding the policy the Board adopted. Mr. Leone read from the policy that was titled Agency Local Procurement Preference Policy. The Board may want to change the title of this policy. Mr. Bengart added that we may want to make some amendments to the policy. Mr. Bengart and Mr. Neill drafted this policy. We will discuss further at the July meeting. Mr. Kempton said that we need to recommit to the present policy if it be the pleasure of the Board. To summarize nothing has changed from 2011 and based on the discussion of today, and unless there is something different out there, the Board does not need to do anything. Mr. Kempton said that we have new board members and if there are any other comments on this policy, we can discuss this at the July meeting.

Items not on the Agenda.

None.

Public Comments

None.

Mr. Kempton added that we will have the opportunity to meet at the Town Hall in person at the July meeting.

Adjournment.

There was a friendly motion by the Chairman to adjourn the meeting.

The meeting was adjourned at 9:04 a.m.

Next Meeting will be July 15, 2021.