

**Minutes for the September 1st 2010 meeting of
The Village of Lancaster Community Development Corporation**

At 7:50 am on the morning of September 1st 2010, President Jeffrey Stribing convened a regular meeting of the Directors of the VLCDC in the second floor board room of the Municipal Building, 5423 Broadway, Lancaster, New York. Also present were Vice President Richard Young, Treasurer John Mikoley, Secretary Craigg McRae, and Directors John Evoy, Bob Giza, Ed Myszka and Matt Walter. Consultants Mark Aquino and Stanley Keysa attended, as did CPA Thomas Malecki of Drescher & Malecki.

Jeff introduced Tom Malecki and asked him to present his firm's findings to the board. Malecki indicated that their work was finalized, but that they were awaiting one item to confirm the interest rate on a loan before presenting the written report. He said the audit was conducted under GAAP standards, and that its main purpose was to see if the financial statements as of 5/31/2010 fairly stated the condition of the corporation. He said that they did, but emphasized the "going concern" paragraph. Malecki distributed various charts and graphs (copy attached), noted that the debt trend is positive, but that rents have been declining since 2007, and that the corporation may lose 3 more tenants in 2011 (Town of Lancaster Building Inspector, Inlighten and Mid-Erie). He said there were fewer current assets, with a big swing from three years ago reflecting the change in the RDC/LIDA loan to a 1-year loan. Current assets are dropping, as the corporation used \$53,000 last year to fund a \$35,000 loan for Main Street rehabilitation and \$25,000 for architectural & engineering services. He asked the directors to look at the last page and closing comments.

Regarding internal controls, he noted the involvement of Village Treasurer Mike Stegmeier in reconciling checks, but suggested Mike also be asked to look at the general ledger monthly. Malecki called lack of such overview a material weakness, but said it was common for a small organization. Malecki said there was only about one year of cash remaining, and that there was a need to develop a plan to deal with the cash crunch. He also spoke to write-offs, and reminded directors of the need for the board to make such decisions by resolution. Mark noted that he does present a monthly statement to the board, and that the board has voted to write off certain obligations. Malecki emphasized that the auditors didn't see anything wrong, but noted it could go wrong, recommending oversight by another accountant.

At 7:55, Megan Burns-Moran of the LACC joined the meeting.

Malecki continued by saying that if there is no significant complications, the VLCDC should be able to get through this year, but unexpected occurrences could cause a cash-flow problem.

At 8:02, Director Linda Mallia joined the meeting.

Questions followed regarding certain aspects of the draft audit. Malecki said that "support services" included manage fees, the audit costs and interest on the short-term loan. "Programs" covered such things as utilities and the mortgage interest.

Jeff thanked Tom Malecki and said the board looked forward to the final report. Malecki then left the meeting.

Turning to other matters, Jeff reported that Ken Swanekamp of Erie County had worked out a schedule of meetings for the committee overseeing the \$300,000 CDBG loan, and distributed copies. The first meeting will be at 2:00 pm on Wednesday, September 15th at the Municipal Building.

Jeff said that WSA was not finished with its report, which he now expected by late September. Jeff has emphasized that he needs the report by the October meeting.

Regarding the Main Street façade program, Jeff reported that the New York Store was complete and paid. Lindauer at 27 Central is awaiting a door and awnings. "Fancy Pants" at 30 Central is complete, as is the law office at 32 Central. Schaff at 33 Central needs restoration of the patina on the copper awning, which could cost \$2400 extra. Schutt's building at 35 Central is awaiting awnings, as is the second Schaff building at 39 Central, where a hole was found in a window. The LACC office at 41 Central also is awaiting an awning. Most awnings should be up by September 7th.

Jeff reported that Rudy Tichy is interested in the program if renewed next year, as are the Aquilias, Sherwood & Amatura, Dr. Schwach, the podiatrists and ----- . The next application is due by February 11th 2011, with a decision by June or July, and a contract in 2012. Jeff is informed that the money is not part of the New York State budget but comes from a federal housing trust fund, meaning it is more likely to survive the current state budget crisis.

Mark Aquino reported that he has the façade easements ready but needs to go over the legal descriptions, and will need signatures before funds are distributed. He plans to file all at one time.

Jeff reported that Christmasville is still happening, under Village sponsorship.

Jeff reported on a meeting with Dr. Ernest Steinberg of the UB School of Urban and Regional Planning, and that the students would be looking at various projects in Lancaster this semester. Stan Keysa is scheduled to speak to the class, as is Jeff and Mayor Cansdale, and the students will be touring the village. Stan asked Ed Myszka if the Lancaster Central School District might make a bus available for such a tour.

Jeff reported on the interest shown in having a farmers' market located on the southwestern portion of the LVP Complex parking lot, and distributed materials (copies attached) provided by Michele Scheck. The expectation is that the market could draw up

to 50 vendors, operating on Thursday, Saturday and Sunday, generating \$5 per booth per day for the VLCDC from may thru October. This projects to about \$30,000 per year. The promoters would want a shed along the creek bank Dick Young questioned the traffic through the area, and Linda Mallia expressed concern about parking "in the pit," particularly on Thursdays when Hunt Real Estate and PAC were also working. Jeff noted their concerns, but suggested Thursday was the day likely to have the fewest shoppers. He asked Dick and Linda to work with the promoters, the Village special events coordinator and himself to see if it can be resolved by October.

John Mikoley said he would check with the Hamburg Raceway and see if they had experienced and problems with the promoters. John Evoy noted that a lack of approval from the VLCDC would likely push the promoters to a nearby location outside the Village. Stan Keysa noted that the land "in the pit" is owned by different owners, and offered to get a copy of the tax maps for Jeff. Matt Walter asked about the prior farmers' market. Jeff responded that that effort (at the SW corner of Broadway and Central) was led by volunteers, too small in size, and that the volunteers got "burned out." Megan Burns-Moran spoke in favor of the concept. Jeff asked that a committee meet on September 13th at 7pm at Dick Young's office.

Ed Myszka left for school district business at 8:45 am.

A question was raised whether the Village Board ever approved the use agreement for the parking lot. Jeff thought they had, but said he would check on the contract. A question was raised on the rent rates, and Bob Giza asked what utility demands there might be; after discussion, Matt Walter said he thought the rates were good.

Megan said she had several people looking for rental space and Mark asked her to have them call him and said he would show them space along West Main Street. Jeff said he was pushing for a sweet shop or bakery. Megan asked about plans to celebrate completion of the facades. Jeff thought late September might be appropriate, and suggested the Town include a tour of its addition to the Town Hall.

John Evoy asked if the VLCDC could become a member of the LACC; dues would be \$150 per year. Matt Walter moved to authorize membership in the LACC at \$150 per year; his motion was seconded by Dick Young and unanimously approved. The vote was as follows:

John Evoy	aye	Robert Giza	aye
Linda Mallia	aye	Craig McRae	aye
John Mikoley	aye	Jeff Stribing	aye
Matt Walter	aye	Dick Young	aye

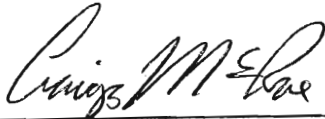
Dick Young expressed his concern with the delay in Bill Schutt's report, and asked Jeff to speak with Schutt to emphasize the need to have the report as soon as possible.

Jeff Stribing informed all present that Mayor Cansdale's father had passed away the day before and would be waked at Wendell & Locher Funeral Home, with a Mass of Christian Burial on Thursday morning from St. Mary's.

Supervisor Giza moved to adjourn in memory of William G. Cansdale, Sr.; his motion was seconded by Matt Walter and unanimously approved. The vote was as follows:

John Evoy	aye	Robert Giza	aye
Linda Mallia	aye	Craig McRae	aye
John Mikoley	aye	Jeff Stribing	aye
Matt Walter	aye	Dick Young	aye

Respectfully submitted,

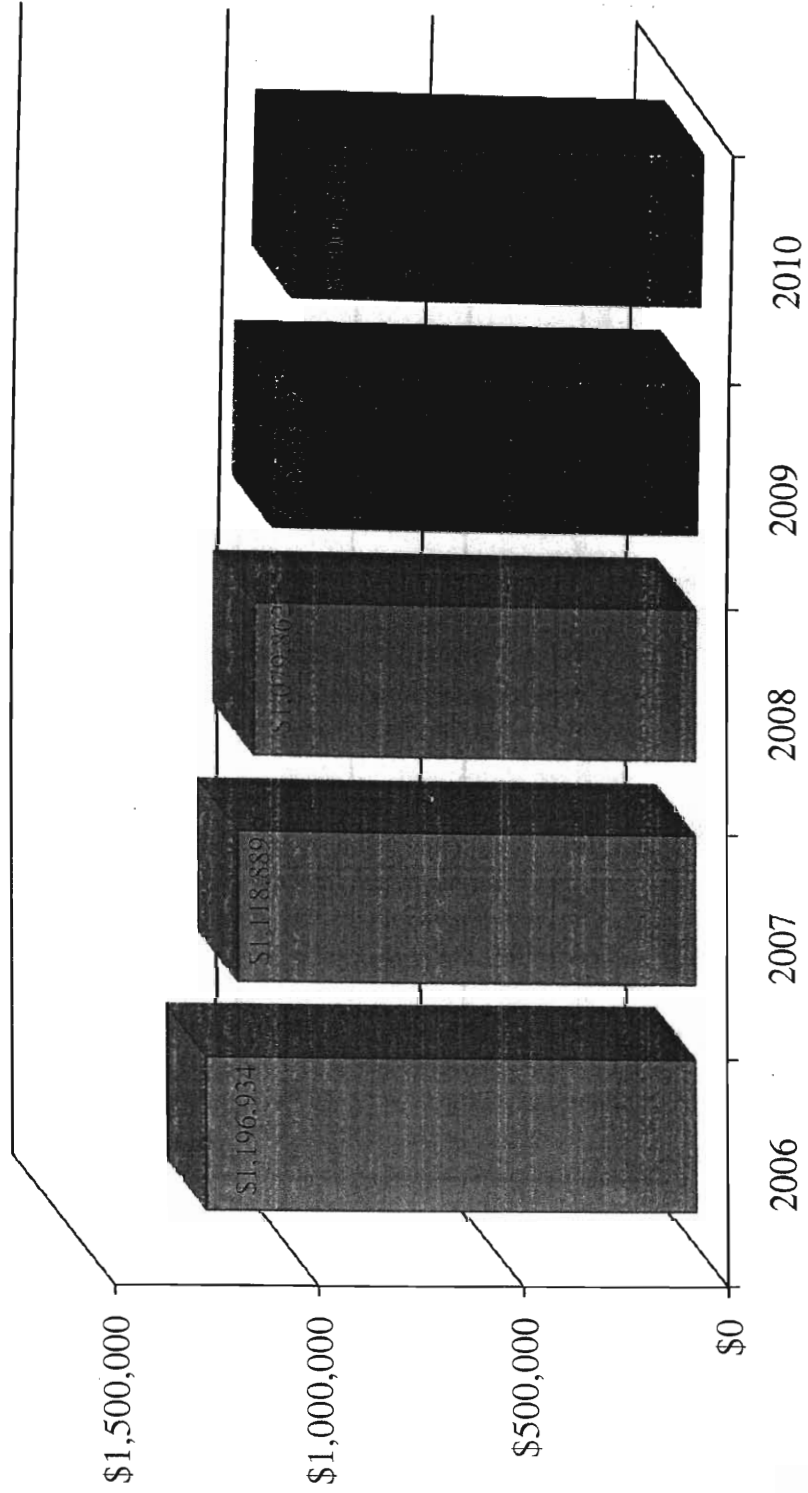


Craig McRae, Secretary

Village of Lancaster

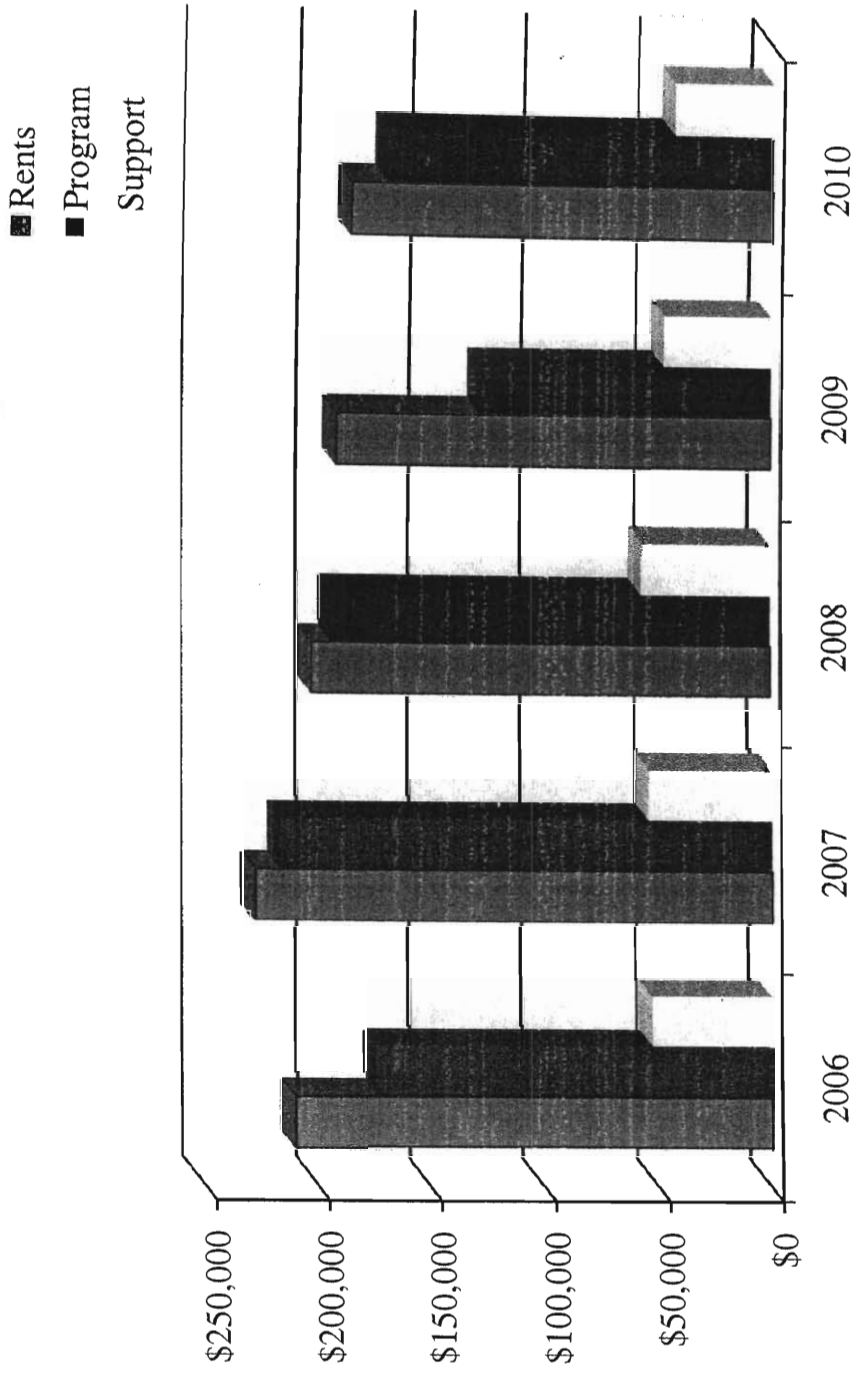
Community Development Corporation

Debt Trend



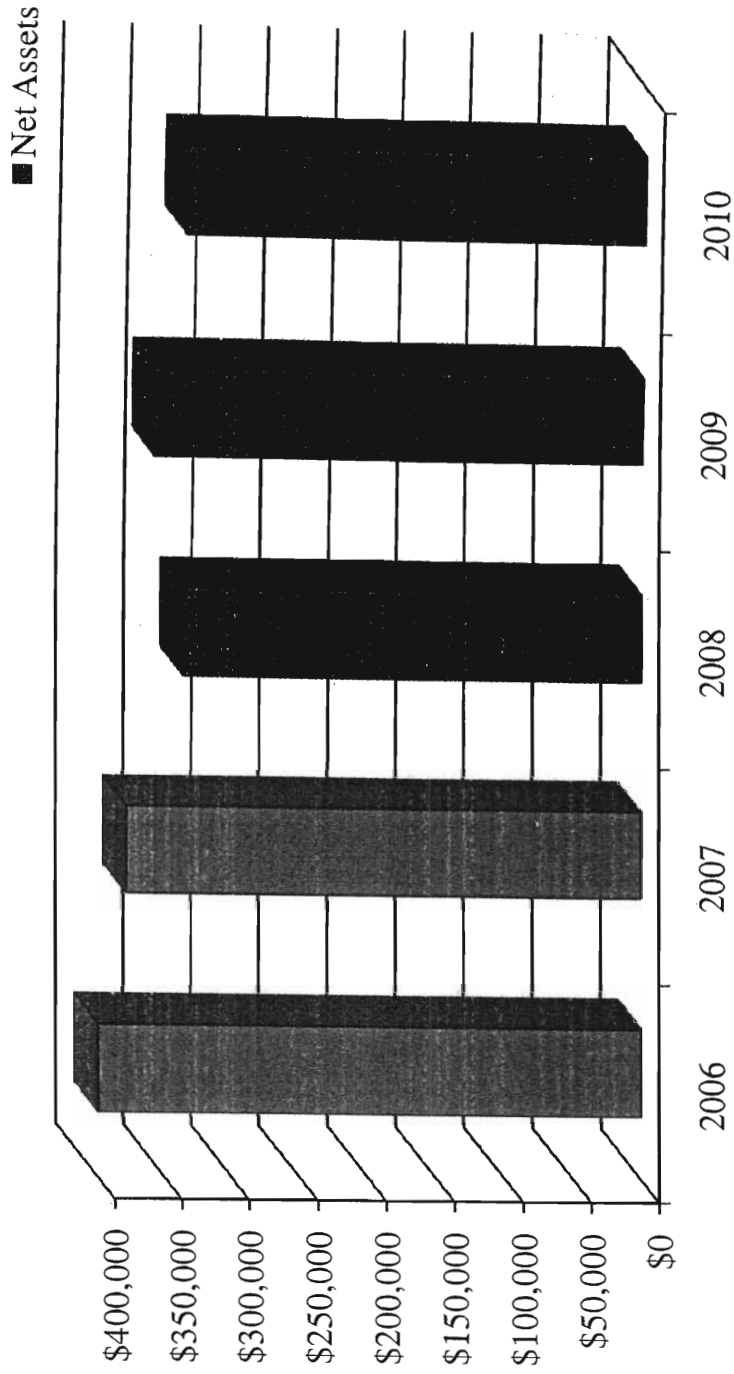
Year Ended May 31,

Village of Lancaster Community Development Corporation Rent vs. Expenses Trend



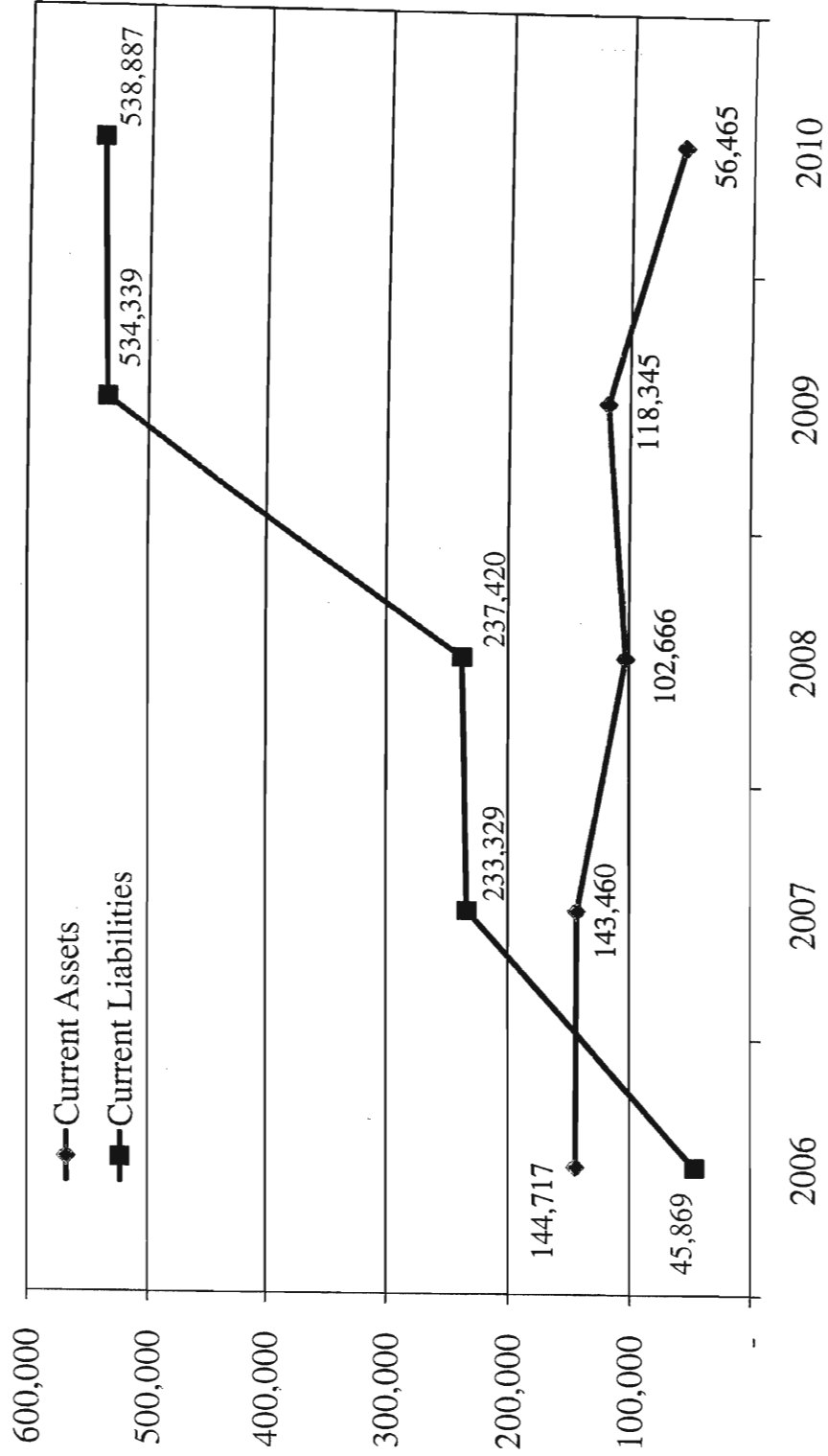
Year Ended May 31,

Village of Lancaster Community Development Corporation Net Assets Trend



Year Ended May 31,

Village of Lancaster Community Development Corporation Current Assets vs. Current Liabilities



Year Ended May 31,

LANCASTER MARKET AND EXPO 2011

Proposal:

Requesting permission to the use of the parking lot adjacent to Aurora and Broadway in Lancaster for the purpose of a farmers market and flea market. The market will operate on Thursdays, Saturdays and Sundays from 7am till 2pm from May 5, 2011 through October 30, 2011. Our schedule of next years events will be amended and coordination with the town schedule of usage of the above mentioned parking lot.

Mission Statement:

To provide a unique open-air market atmosphere to local residents and visitors to buy and sell goods and trade stories. The market will strive to provide quality organic fresh fruits and vegetables grown by local farmers. The flea /antique area will allow the community to buy and sell unique, collectible, and useful goods. The café will give the visitors an opportunity to engage with high quality organic foods prepared on the premises fresh daily. The Lancaster Market will provide an education program for the children to attend to understand how to buy quality fruits and vegetables and their importance nutritional value for a health diet. Events and programs will be designed to attract people from the area to attend to provide weekly attractions to attend. We have and will strive to attract fund raising events for area non-for profits and special interest groups.

The Plan:

To increase traffic to the downtown district providing an opportunity for new business and inject new people to experience the Lancaster Community. Advertising will engage the Western New York population to be aware of Lancaster through the Penny savers, area publications, Television, Radio and other forms of media.

The Agreement:

It is in agreement that we will give your organization \$5.00 per rented site for the use of the lot at the end of each month while in operation. Projected revenue for the organization will be approximately \$30,000 with one half capacity.

Full capacity of 125 sites at 10 feet by 20 feet using the lot providing two rows along the guardrail with a walkway along the trees for pedestrians. Our projection of visitors and traffic for the three days is estimates of hundreds people per week both walking and driving to the area.

We provide a temporary building for the café to prepare and serve food from on the grass near the beginning of the area mentioned. This building will be used for our purpose only to store and prepare food. At any time we will work with the town events to open and provide the same services for other events. We need electrical services to be made available for our use at the site which we will pay for. In addition we will need to have each individual site marked off and numbered for the vendors selection for the season.

We will work together on event planning and coordinate with the town the schedule for next year. We will publish a map size advertisement of all merchants and businesses to engage visitors to be more aware of what community has to offer and give the visitors knowledge of the historic landmarks and encourage them to tour the business district shops and other establishments.

Our timetable:

The plan is to have kick off gala sometime in mid October to announce to the community next years opening. In addition this gala will attract advertisers, potential vendors, community officials and the town to look forward to the markets opening in May of 2011. There will be a sampling of some of the organic food. We will begin immediately producing the map sized historic map of Lancaster introducing the farmers market by the November 2010.

In addition to the use of the land Brian Schreiner, partner, will be opening an office for his web company that he owns and the market will have an office for the community to visit for questions about the market.

Future development:

The intention is add the use of the lumber yard and buildings for development of an antique only area for attraction in the historic district and potential working with the owner of the gas station on the corner to rehab and use for an antique store.

Credentials:

Ann Jordan and Brian Schreiner are partners developing the American Pickers Market at the Dunn Tire Raceway this year.

Ann Jordan has a Masters in Education and is a lifetime resident of Western New York. She has a history of chairing national and regional programs with attendance up to 5,000 at one event alone. She is a business owner and has an entrepreneurial spirit and works well to engage community involvement. She has been a long time member of the Lancaster Chamber and has been involved in community projects and sponsorship. She has many Lancaster businesses using the credit card services through her daytime business.

Brian Schreiner long time resident of Phoenix Arizona moved to Buffalo last year and has taken residency in Lancaster, New York to raise his son. He owns a web development company and has clients nationwide. While in Phoenix he developed and owned a nationwide poker tour running successfully for five years. He did promotions for the Arizona state fair. His talents are community based development and visionary in marketing a program to provide the desired results. The team has been successful in working with a vision and successfully completing the task on a timely basis.

Funding and Registrations:

- Grant application to the USDA for the development of local farmers markets
- Grant application for the development of educational programs for children's nutrition
- Registered dealer for EBT Program
- Member of the Local Harvest group
- Numerous followers on Twitter, Facebook, and YouTube.

Enclosures:

- Site illustration
- Market contract
- Business license
- Insurance policy
- Food license
- Press Release
- Schedule of the 2010 events
- Fliers and advertisements used for current years promotions