

**Minutes for the December 7th 2011 meetings of
The Village of Lancaster Community Development Corporation**

At 7:38 a.m. on the morning of December 7th 2011, President Jeffrey Stribing convened a meeting of the Executive Committee of the VLCDC in the second floor board room of the Municipal Building at 5423 Broadway, Lancaster, New York. Also present were Secretary Craigg McRae, Treasurer John Mikoley and Director Matt Walter. Consultants Mark Aquino and Stanley Keysa were present, as was board prospect John Dennee.

Matt Walter moved approval of the minutes of the November 2nd 2011 meeting; his motion was seconded by Craigg McRae and unanimously approved. The vote was as follows:

Craigg McRae	aye	John Mikoley	aye
Jeffrey Stribing	aye	Matt Walter	aye

John Mikoley presented the Treasurer's report, as prepared by Mark Aquino. John said all items were usual, except for a payment to LiRo Engineers for \$16,840.50, which had already been covered by funds from Erie County. Craigg McRae then moved approval to issue checks 1887 thru 1896 in the amount of \$33,639.56; his motion was seconded by Matt Walter and unanimously approved. The vote was as follows:

Craigg McRae	aye	John Mikoley	aye
Jeffrey Stribing	aye	Matt Walter	aye

Mark Aquino reported that the building violations charges had been resolved at the Alden Town Court, which granted a "adjournment in contemplation of dismissal." He did note that, if certain areas were to be reoccupied, additional remediation would be needed. He also noted that the Alden Town Court was seeking reimbursement for its time, but thought that unlikely to happen, as the case was handled during regular court hours.

Mark reported that the Pony Trails were again seeking to use the former Rite Aid location, which is currently vacant in expectation of asbestos removal. They would probably pay \$500 to 600 per month, and would start in spring. It was suggested that it be put on hold until the Schutt report is delivered to the Village and it can be determined if that section is structurally sound.

Mark said the Village has sought space for storage of the Christmasville animated figures. He might have space upstairs, where about 3100 sf is vacant. Jeff Stribing said the Schutt report should be done today and will go first to the Village Board, Village Attorney and George Pease, then the VLCDC. Mark noted that Schutt brought in Tredo Engineers last week to tour the building.

At 7:44, auditors Tom Malecki and Matt Montero joined the meeting.

Matt Walter moved to authorize Mark Aquino to negotiate with both the Pony Trails and the Village for use of vacant space after the Schutt report is received and contingent on a favorable report as to the structural soundness of the areas to be leased. His motion was seconded by Craigg McRae and unanimously approved. The vote was as follows:

Craigg McRae	aye	John Mikoley	aye
Jeffrey Stribing	aye	Matt Walter	aye

Mark reported that he had met with Ann Jordan regarding the fees due from the "Lancaster Market" and that she has obtained a commission job with Verizon and promised to start masking payments shortly. He said that if she doesn't start by January, he will pursue a judgment.

At 7:48 Town Supervisor Bob Giza joined the meeting.

Mark Aquino reported that Orfeo and Life Forms receivables should be paid by next week. He also reported that there were roof leaks over the Northpointe Church area. The Church is paying \$15600 per month. He has a rough quote from Cesar Banaczek (sp?) that minimal repairs will cost a couple thousand. Consensus was to do the work, assuming that the Schutt report is favorable as to the structure of that area.

Craigg McRae then moved to close the executive committee and move into the regular meeting; his motion was seconded by Matt Walter and unanimously approved. The vote was as follows:

Bob Giza	aye	Craigg McRae	aye
John Mikoley	aye	Jeffrey Stribing	aye
Matt Walter	aye		

President Stribing then invited the auditors from Drescher and Malecki to present the report on their audit of VLCDC finances. Tom Malecki distributed a report to all present.

Malecki noted that the report again raises the question of the corporation's ability to continue as a "going concern" as the net current assets had declined. A big part of that was the fact that the loans from the B&EC RDC and the LIDA had moved to short term liabilities, but he also noted that rents had declined significantly in expectation of the asbestos removal.

Malecki observed that the directors may have a general concept of where to take the corporation, but have not formalized it with a written, formal plan to reverse the decline.

On page two of the report, Malecki noted that current assets are well above annual liabilities or long term loan payments due. Page three shows that the corporation put a real dent into the debt. Page four shows that the corporation last year brought in \$17000 more than the year before, but he expects that will flip this year, as less space is rented.

Malecki said there is continuing concern that one man is essentially doing everything, and that there should be a succession plan. His auditors also raised the question of continued federal not-for-profit status if there is no significant public support. It has dropped off, jeopardizing that tax-exempt status. "Governmental support must be restored." He recommended that the corporation secure at least \$5,000 to \$10,000 in annual public support. Following questions, Malecki and Mantero left at 8:08 a.m.

Regarding response from M&T Bank to the request for approval of asbestos removal, Stan Keysa noted that he had received a draft letter on Monday from Vince Hauber, attorney for M&T. Stan said it was a first draft, well-crafted to protect the bank, but providing the essential approval to get the asbestos removal started in sectors 2, 3 & 4 of the LVP Complex. Matt Walter moved a resolution authorizing the President to sign the final letter accepting M&T's approval of the asbestos removal with related demolition. Matt's motion was seconded by John Mikoley and unanimously approved. The vote was as follows

Bob Giza	aye	Craig McRae	aye
John Mikoley	aye	Jeffrey Stribing	aye
Matt Walter	aye		

Jeff Stribing noted that there was a meeting scheduled this afternoon with Josh Heim and possibly David Rutecki at the 12th floor of M&T's offices at One Fountain Plaza. Discussion followed as the purpose of the meeting and whether it should be delayed pending the Schutt report. Mark Aquino went over a number of financial projections based on various rental scenarios, stating that some relief will be needed from M&T. In the end, it was determined to go forward with the meeting, to be attended by Jeff Stribing, Craig McRae, John Mikoley, Mark Aquino and Stan Keysa, and probably by Ken Swanekamp and Chris Pawenski from Erie County Environment and Planning.

Regarding the next round of NYS Main Street Grants program, Jeff reminded the directors that decisions were probably not likely until early 2012.

At 8:55 a.m., Craig McRae moved to adjourn; his motion was seconded by Matt Walter and unanimously approved. The vote was as follows:

Bob Giza	aye	Craig McRae	aye
John Mikoley	aye	Jeffrey Stribing	aye
Matt Walter	aye		

Respectfully submitted,



Craig McRae, Secretary