

**Minutes for the May 2nd 2012 meetings of
The Village of Lancaster Community Development Corporation**

At 7:33 a.m. on the morning of May 2nd 2012, Vice President Craigg McRae 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 Matt Walter, Treasurer John Mikoley, and Directors William Cansdale, John Dennee, John Evoy, and Edward Myszka, as were Kenneth Swanekamp and Christopher Pawenski from Erie County DEP and consultants Mark Aquino and Stanley Keysa.

Craigg McRae reported that he had received a call late last night from Kimberly Stribing saying that Jeff Stribing was quite ill and might have to go to the hospital. Craigg said he hoped that Jeff would recover soon.

John Mikoley then moved approval of the minutes of the April 4th 2012 directors meeting; his motion was seconded by John Evoy and unanimously approved. The vote was as follows:

| | | | |
|---------------|-----|---------------|-----|
| Bill Cansdale | aye | John Dennee | aye |
| John Evoy | aye | Craigg McRae | aye |
| John Mikoley | aye | Edward Myszka | aye |
| Matt Walter | aye | | |

John Mikoley presented the Treasurer's report, as prepared by Mark Aquino. Mikoley said all items were usual, but that the total was light due to timing of the mortgage payments. Matt Walter moved approval of the Treasurer's report and authorizing issuance of checks 1955 to 1963 in amount of \$7,714.23; his motion was seconded by John Evoy and unanimously approved. The vote was as follows:

| | | | |
|---------------|-----|---------------|-----|
| Bill Cansdale | aye | John Dennee | aye |
| John Evoy | aye | Craigg McRae | aye |
| John Mikoley | aye | Edward Myszka | aye |
| Matt Walter | aye | | |

Mark Aquino reported that Ann Jordan had paid \$300 and was starting her "Lancaster Market" on Transit Road this weekend. He will keep pressure on her to pay approximately \$3500 still due. He has started a lawsuit against LifeForms, which has paid the utility bill but not the rent of approximately \$5000. The matter is returnable in court at the end of June. Mark reported also that the Village still has stuff in the LVP Complex to be removed.

John Mikoley reported that marketing efforts were delayed as the young agent at Pyramid who had looked at the LVP Complex had left the brokerage, but that he expected another young man to take over the task.

At 7:45 am, directors Linda Mallia and Town Supervisor Dino Fudoli joined the meeting.

Vice President McRae declared that executive session over and the planning meeting started. He asked Mark Aquino about the appraisal of the LVP Complex. Mark said he expects to have the report in hand by Friday, and that he was supplying Mayor Cansdale with the parameters of the appraisal so that the Village can proceed with their separate appraisal comparing apples to apples. Mayor Cansdale said that he expects the Village Board to hire an appraiser at the meeting on May 14th.

Aquino reported that he had initial conversations with Lucent regarding renewal of their one-year lease, and was recommending a rate of \$650 per month, which was an increase of \$25 per month. Edward Myszka moved to authorize Aquino to negotiate a lease as recommended; Ed's motion was seconded by Matt Walter and unanimously approved. The vote was as follows:

| | | | |
|---------------|-----|---------------|-----|
| Bill Cansdale | aye | John Dennee | aye |
| John Evoy | aye | Dino Fudoli | aye |
| Linda Mallia | aye | Craigg McRae | aye |
| John Mikoley | aye | Edward Myszka | aye |
| Matt Walter | aye | | |

Mark Aquino presented a "whistle-blower" SOP for consideration; Craigg McRae suggested it be deferred to the next meeting. Stan Keysa apologized for not having other draft SOP's available due to his recent hospital stay, but promised to have those for consideration at the next meeting.

Discussion turned to the status of the \$300,000 grant of federal CDBG funds through Erie County and the prospect of an additional \$250,000 grant. Ken Swanekamp, Erie County Director of Business Assistance, confirmed that the \$300,000 grant was intact and that funds had already been drawn for engineering plans. He said that the County is under strict performance standards and that available funds for the second grant had dropped to \$250,000, but that a contract would be on its way to Mayor Cansdale this week.

Chris Pawenski, Erie County Director of Industrial Assistance, reminded the board that the original application had been for removal of slum and blight. Swanekamp added that the argument had been made that the former BOCES building constituted spot blight and at least partial removal was necessary to revitalize the central business district. Pawenski added that asbestos removal and the demolition was all one project.

Mayor Cansdale asked about a time line. Ken Swanekamp noted that many issues had been up in the air last year, including the scope of demolition, and that the engineers were told to stop pending a decision. In addition, there was a need to gain approval from the mortgage holders, and agreement between the Village and the VLCDC. He said bid documents won't go out until there is a formal agreement to transfer the land needed for the right-of-way for an extension of West Main Street. LiRo has completed the survey.

Mayor Cansdale said there had been a misunderstanding that the first grant had to be completed before the second grant would be awarded, and predicted the Village Board would likely approve accepting the grant and authorizing a pass-thru contract with the VLCDC on May 14th.

Stan Keysa reminded the board that it had approved a resolution at its April 4th 2012 meeting to authorize a contract with the Village and/or Erie County to administer the second grant, but in the amount of \$300,000., John Evoy moved to amend the April 4th resolution to clarify that the VLCDC was authorizing a contract with the Village and/or Erie County to administer a CDBG grant of \$250,000. His motion was seconded by Matt Walter and unanimously approved. The vote was as follows:

| | | | |
|---------------|-----|---------------|-----|
| Bill Cansdale | aye | John Dennee | aye |
| John Evoy | aye | Dino Fudoli | aye |
| Linda Mallia | aye | Craigg McRae | aye |
| John Mikoley | aye | Edward Myszka | aye |
| Matt Walter | aye | | |

At 7:55 am, Mayor Cansdale left the meeting.

Turning to the proposed budget for 2012-13, Mark noted that he and Jeff had met with Linda Mallia and John Mikoley and determined that there was very little that could be modified other than consulting fees, and that both Mark and Stan had consented to a reduction in fees. Linda reiterated that there were not a lot of options. The proposed budget does not include potential actions such as cutting payments to the mortgage holders, or sale of other properties. It includes use of reserves and still has a sizeable deficit. Mark noted that he expected a sizeable refund of real property taxes shortly after challenging last year's assessment on the LVP Complex. However, if the corporation can't come up with funds to remove the M&T mortgage, it will default by December. Mark reminded the board that the budget needed to be accepted before the end of May.

Discussion followed on the potential to sell property, and on e-mails exchanged between Trustee O'Brien and Jeff Stribing. Mark noted that Mayor Cansdale had taken over as lead on the West Main Street project.

Stan Keysa reminded the board that an annual meeting is to be held in late May, and that nominations for officers and directors should be made at today's meeting. Craigg McRae ascertained that all of the existing officers were willing to stay on for another year, and that the directors whose terms ended this month were willing to accept re-election to the board. Matt Walter moved to nominate the following directors:

| | |
|--|--------------|
| for re-election to term ending May 31 st 2017: | Linda Mallia |
| for election to five-year term ending May 31 st 2017: | (open) |

And Matt Walter further moved to nominate the following officers for fiscal year 2012-2013:

| | |
|---------------------|-------------------|
| President | Jeffrey Stribing |
| Vice President | Craigg McRae |
| Secretary | Matthew Walter |
| Treasurer | John Mikoley |
| Archivist | Michael Stegmeier |
| Assistant Treasurer | Michael Stegmeier |
| Assistant Secretary | Stanley J. Keysa |

And Matt Walter further moved to direct Stan Keysa to schedule the Annual Meeting after consultation with Mayor Cansdale as to an appropriate time and date to coordinate with the Village Board schedule.

Matt's motion was seconded by Linda Mallia and unanimously approved. The vote was as follows:

| | | | |
|---------------|-----|--------------|-----|
| John Dennee | aye | John Evoy | aye |
| Dino Fudoli | aye | Linda Mallia | aye |
| Craigg McRae | aye | John Mikoley | aye |
| Edward Myszka | aye | Matt Walter | aye |

*(Following conversations with Mayor Cansdale and Michael Stegmeier, Stan Keysa determined that **the Annual Meeting of Membership will be held Monday, May 14th at 6 pm. at the Village Board Room on the second floor of the Municipal Building 5423 Broadway. Notice is attached hereto.**)*

Supervisor Fudoli reported that the Town of Lancaster IDA had met in working session this week and it was his sense that the LIDA board understood they had collected about 75% of the original loan value as interest payments and were willing to consider discharging the mortgage for a reduced payment as long as it conformed to what the RDC agreed to. Fudoli said further that they did not expect the amount to be the same as paid to M&T Bank, which holds the first mortgage. Discussion followed, with Stan Keysa noting that Jeff Stribing and he had met with ECIDA officers following the Area Managers meeting last Wednesday and met the new underwriting officer, Jerry Manhart, who replaced Dave Kirchoff and needed to come to speed. John Evoy and Mark both said they know Jerry and that he is a resident on Marrano Drive.

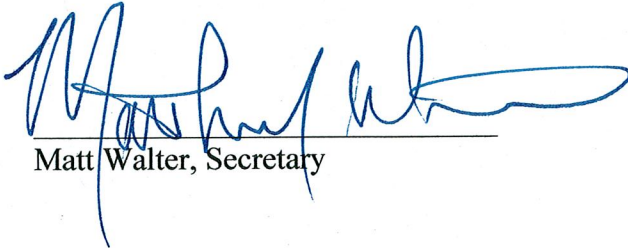
Linda Mallia reported that she had looked at the lot on Sawyer Avenue and did not hold out hopes for a significant return on sale. Discussion followed. Stan Keysa recalled prior efforts made when Joe Giallanza had been President. Dino Fudoli thought a builder with funds on hand might build a two-family rental. Mark thought he could find a residential broker to market to property. John Mikoley then moved to authorize Mark Aquino to list the property through a realtor. His motion was seconded by Linda Mallia and unanimously approved. The vote was as follows:

| | | | |
|---------------|-----|--------------|-----|
| John Dennee | aye | John Evoy | aye |
| Dino Fudoli | aye | Linda Mallia | aye |
| Craigg McRae | aye | John Mikoley | aye |
| Edward Myszka | aye | Matt Walter | aye |

Discussion followed as to other assets, including the lot in the Industrial Park, the parking lot on the west side of Central Avenue, and the parking lot on the south side of West Main Street. Stan Keysa said neither parking lot is covered by a mortgage, nor is the lot on Sawyer Avenue, but the M&T mortgage covers the industrial lot.

Linda Mallia moved to adjourn at 8:20 am; her motion was approved by John Evoy and unanimously approved.

Respectfully submitted,



Matt Walter, Secretary