

**Minutes for the October 3rd 2012 meetings of
The Village of Lancaster Community Development Corporation**

At 7:35 a.m. on the morning of October 3rd 2012, 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 Vice President Craigg McRae, Secretary Matt Walter, Directors Jim Allein and Edward Myszka, as were Kenneth Swanekamp and Christopher Pawenski from Erie County DEP, consultants Mark Aquino and Stanley Keysa, and newly-appointed Superintendent of Public Works William G. Cansdale.

Edward Myszka moved approval of the minutes of the September 5th 2012 directors meeting; his motion was seconded by Craigg McRae and unanimously approved. The vote was as follows:

Jim Allein	aye	Craigg McRae	aye
Edward Myszka	aye	Jeff Stribing	aye
Matt Walter	aye		

Mark Aquino reviewed the Treasurer's report, saying all items were usual, and noting that he expects to get a refund of about \$3000 from National Fuel. The report calls for total expenditures of \$19,344.41, and Mark recommended issuance of checks #2011 thru 2017.

Craigg McRae moved to approve expenditures of \$19,344.41, and issuance of checks 2011 to 2017; his motion was seconded by Matt Walter and unanimously approved. The vote was as follows:

Jim Allein	aye	Craigg McRae	aye
Edward Myszka	aye	Jeff Stribing	aye
Matt Walter	aye		

At 7:38, Director Linda Mallia joined the meeting.

Mark went on to report that Anne Jordan was behind in her payments owed by her Lancaster Market for the 2011 season, and that he would likely bring a law suit against her. Life Forms has fully paid its debt. He agreed to an adjustment to \$250 with the Lancaster Area Chamber of Commerce due to the several days without air conditioner. He reminded Superintendent Cansdale that the Village has materials it has yet to move out of the LVP Complex, and suggested he might have a place to move into. Mark said he had provided several showings to a collection company, a music teacher, and to a beautician. He will "try to cut the best deal." Discussion followed on whether the appraisal might be reimbursable. Chris Pawenski thought not.

At 7:45 a.m., Director John Dennee joined the meeting, as did auditor Tom Malecki. With their arrival, the meeting transitioned from Executive Committee to full board.

Stan Keysa provided an update on gathering the information needed to transfer the right

of way for the extension of West Main Street to the Village. He said Wm Schutt Associates had completed the field work and that he expected prints of the survey later today. He had also ordered a stub search from the 1971 deed running from the Lancaster Urban Renewal Agency to Harvest Markets, Inc. in order to prepare the documents which will need to be signed on behalf of M&T Bank, the ECIDA and LIDA.

Tom Malecki distributed copies of the draft auditor's report to the officers and directors. He said the financial statements fairly represent the condition of the corporation. As previously, they included a "going concern" paragraph pointing out the deteriorating fiscal condition of the VLCDC. He had been satisfied by oral presentations as to the plan to address the goals of the corporation, but suggested that the corporation adopt written policies to guide future managers. He said there were no big differences in the conditions from last year, and that current liabilities were stable, but noted that the corporation could not cover the secondary demand loans if the creditors demanded repayment. The long-term debt is being consistently paid down. The rent is trending downward, but that is not surprising given that the LVP Complex was cleared of tenants for the asbestos removal project. Further, the existing accounting software needs to be upgraded, as it doesn't tie back.

In response to a question from Stan Keysa, Malecki said he could provide a sample of policies adopted elsewhere, and Mark said he could revise those for consideration for adoption by the directors. Mark also asked Tom to assist with the PARIS report.

Edward Myszka moved to accept the auditor's report after it has been amended to note the commitment by the Village to purchase the West Main Street ROW for \$100,000, and further, to authorize the President to sign the representation letter. His motion was seconded by Matt Walter and unanimously approved. The vote was as follows:

Jim Allein	aye	John Dennee	aye
Linda Mallia	aye	Craig McRae	aye
Edward Myszka	aye	Jeff Stribing	aye
Matt Walter	aye		

Jeff Stribing reported that he, John Dennee, Mayor Cansdale, Mark Aquino, Matt Murphy and Stan Keysa had met with Hermenia Quitlaig (an engineer with NYSEG), and Jason Colvin and David Carr from LiRo to discuss the possibility of moving Save-A-Lot and segment 1 of the LVP Complex to a different electrical feed. She is investigating that cost. Further, Jeff went to the Economic Development people at NYSEG to seek a \$40,000 grant to cover some of the cost of the conversion.

Mark added that it looks like NYSEG will propose moving the power to two new poles (to be located behind his office) one for Save-A-Lot and one for the balance of the building. Chris said he is awaiting a figure so LiRo can continue with their plans and specifications. Mark said it may be as low as \$20,000. Chris noted that there will still be engineering costs to rewire the two segments to connect to the new power source. Chris

said the benefit will be a cleaner demolition as it eliminates a projection into the street and the cost of supporting the existing electrical room, but that the decision on electric is now holding up the project. DPW Superintendent Cansdale said he would call Hermenia.

Ken Swanekamp said that the County had continued to search for more funds, and that the grant to the Village was now up to \$650,000. He has the Village signature and is gathering those at the County. With the \$100,000 from the ROW sale, there is now \$750,000 available, which should cover the project. McRae asked if the project cost had grown? Chris replied it had, modestly, in additional engineering costs, but that you cannot know until you start a demolition whether there will be unexpected surprises, and that we were working off engineer's estimates and not hard bids.

Mark reminded Ken that the corporation will need much of the \$100,000 to cover operating expenses until more space can be brought under lease and until he can get the mortgage holders to adjust their loans. Discussion followed on the verbal promises of a prior Mayor to have the Village cover overruns. This was not reduced to writing. Discussion also followed as to what needs to go to M&T , ECIDA and LIDA. Mark said he would send copies of the "80%" drawings for their review and comment.

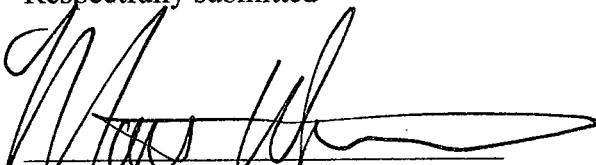
Matt Walter moved to authorize an amended CDBG pass-through agreement with the Village to add the additional \$100,000 to the \$550,000 approved earlier for administration by the VLCDC. Linda Mallia seconded his motion, which was unanimously approved. The vote was as follows:

Jim Allein	aye	John Dennee	aye
Linda Mallia	aye	Craigg McRae	aye
Edward Myszka	aye	Jeff Stribing	aye
Matt Walter	aye		

Stribing reported that the Village had been approved for a Main Street façade program administered by Erie County. Although the project usually requires five participants, only four have signed letters of intent so far (the Elks Lodge, Wendell & Loecher Funeral Home, Picassos Pizzeria and the Doggy Day Care). However, Erie County is moving ahead with the grants, which will match up to \$20,000 from each business owner.

At 8:27, Matt Walter moved to adjourn; his motion was seconded by Craigg McRae and unanimously approved.

Respectfully submitted



Matthew Walter, Secretary

CONFIDENTIAL

MEMO

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September 7, 2012

To: Jeffrey Stribing, President, VLCDC
Mark Aquino, Esq.

From: Stanley J. Keysa, Esq.

Per request of Paul Leone, consultant to the LIDA, I met with Paul and Marty Memminger today at Memminger's office at 2500 Commerce Parkway. Marty is again considering purchase of the vacant lot at 2700 Commerce Parkway. You may recall he showed interest in 2007, but then backed away. He has gotten permission to fill the south portion of his existing lot by Dick Bulman, and has brought in 200 loads of fill to construct an extension to his warehouse.

I indicated that the lot was still for sale, that we could sell it intact subject to riparian rights of others to drainage across the parcel, and reminded him the VLCDC had requirements imposed by state law to provide 90 days notice to the Governor, Comptroller, Senate and Assembly of any proposed sale. I also showed him the appraisal done in July 2008 showing an estimated value of \$85,000 for the 2.287-acre parcel. I asked what he was thinking in terms of price and was told \$40,000. I said that would not be acceptable, as it was less than half of appraised value, and that we had sold previous parcels at \$40,000 per acre but that there may be ways to cut the cost.

He figured that the existing detention pond (used by Bimbo Bakeries) reduced the usable space to 1.8 acres. I tentatively agreed, saying that could reduce the price to \$72,000. He said he would deal directly, without a broker, and I said that could reduce the price 10% or \$7200. He thought he could accept the existing survey by Susan King (whom he has used on his own parcel) and I said that could reduce the price another \$800, to about \$64,000. I said that, below that, I would really have to scratch to come up with justification for the reduction. I said I had to sell the offer to an 11-member board, but thought their interest in other projects and the rising stock market might make this a good time to make an offer.

He has my number and said he would get back to me.

Stan Keysa