

## **Minutes for the January 3, 2007 Meeting of the Directors of The Village of Lancaster Community Development Corporation**

At 8:02 a.m. on January 3, 2007, President Jeff Stribing convened a meeting of the VLDC Board of Directors in the Board Room of the Village Municipal Building, 5423 Broadway. Others present included Mayor Bill Cansdale, Supervisor Bob Giza, Joseph Maciejewski, Alan Kurtzman, William Schutt and Richard Young. Also present were consultants Mark Aquino and Stanley J. Keysa. In the audience were Jim Parkes and Jim Toner of Fox & Company, Village Treasurer Mike Stegmeier, and Town Director of Finance and Administration Dave Brown.

President Stribing distributed folders including copies of the By-Laws and also a list of committee assignments (see attached). After it was noted that several email addresses were outdated, Jeff suggested leaving the folders after the meeting for correction.

Bill Schutt moved to approve the minutes of the meeting of December 6, 2006 which had been mailed by Stan Keysa; his motion was seconded by Joseph Maciejewski, and unanimously approved.

John Mikoley joined the meeting at 8:06 a.m.

President Stribing suggested a change in the agenda to hear from the representation of Fox & Company, independent auditors. There being no objection, he introduced Mr. Parkes, Mr. Toner, Mr. Stegmeier and Mr. Brown.

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Jim Parkes then led the board members through the draft audit report, noting that it appeared to be a fair reflection of the financial status of the corporation for the years ending May 31, 2006 and 2005. He pointed out that cash was down about \$14 thousand, there were essentially no changes in property and equipment, debt was down about \$39 thousand, and net assets close to the year before. Unrestricted net worth is down about \$9 thousand, with operating revenues up about \$22 thousand. Sale of lands in the industrial park generated significant profit.

Tom Kazmierczak joined the meeting at 8:14 a.m.

Mark Aquino asked what was reflected as a recurring liability. Mr. Toner said it was the amount owed National Fuel. Mr. Aquino told him that had been settled, and could be removed. He also suggested that it might be better to net out the electrical expenses, which will show that expense as comparable to the year before, to be consistent. Parkes noted that \$300,000 will be due in 2009 on the B&ECRDC-LIDA loan, on which the VLDC is now paying interest only at 4%, or \$1000 per month. Mark reported that he was already looking at refinancing that debt.

Dave Brown asked about the negative figures under cash, and suggested aggregating out cash. Jim Parkes agreed that was a good idea. Stan Keysa suggested a note regarding the donated lot on Sawyer Avenue, and Parkes said he would add that. The board directed Mark to place a sign on the lot to see if it can generate any interest.

Mayor Cansdale moved to accept the audit report, seconded by Supervisor Giza, and unanimously approved.

Mark Aquino then reviewed the financial reports, noting that he had added three more checks for payment included \$275 to Besch Heating (for repair to a heat exchanger), \$600 to Stan Keysa, and \$1000 to the B&EC RDC. Joe Maciejewski moved to approve issuance of checks #1153 through 1162 in total amount of \$22,860.45. His motion was seconded by John Mikoley and unanimously approved.

Mayor Cansdale then moved to authorize President Stribing to sign a lease with Mid-Erie Consulting on the terms presented; his motion was seconded by John Mikoley and unanimously approved.

Mark Aquino reviewed the status of various tenant items. He noted the interest of the Lancaster Opera House in using the area formerly occupied by Buffalo Thrills for workshop space, and the concern with the cost of electric heat. Conversion to natural gas could be quite expensive. Mark is working with NYSEG to develop a history of utility use which he will review with Tom Kazmierczak.

Mark reported he and Jeff Stribing had met with a principal of Family Dollar Stores, which is interested in occupying the space now used temporarily by Rite Aid. The prospect suggested a ball-ark of \$8 to \$8.50/sf. The store would need to be expanded to 8 to 10,000sf, which would require moving the east wall, back about 30 feet. Mark said question include who would do that, and how to amortize the cost over a lease period as short as two years. Alan Kurtzman asked about the roof, and Mark said it had been inspected last month. Mayor Cansdale asked that it be the subject of a separate meeting, and Jeff Stribing referred it to the LVP Complex Committee.

Mark said he had had no callback from Dennis Bamberg, who was interested in storage space for used costumes. He also reported he had been given a lead on a hat company interested in relocating from Buffalo. Stan Keysa indicated that the prospect was in a badly deteriorated section of the city, and was internationally renown for custom-made hats. A newspaper article about ten or twelve years ago noted that he had made hats for actor Harrison Ford and others. Discussion followed that this would be a good type of unique store to try to attract. Mark will follow-up.

Regarding the Village Industrial Park, Stan Keysa observed that there as a single lot left in VLCDC control, and suggested it might make sense to develop the lot as an incubator. He said there seemed to be demand for warehouse space in the 8-10,000sf range, that there might be CDBG funds available through the County, and that such a project could generate continuing income for the VLCDC to offset loses when part of the LVP Complex is demolished. President Stribing asked Stan to prepare a report on the history of the industrial park, costs of developing an incubator, and steps to e taken for the next meeting. Stan reported that he would be having surgery on January 18<sup>th</sup>, so that a report might not be ready by February 7<sup>th</sup>, but that he would try to have it before the following meeting.

Regarding lawsuits, Mark reported that he had had no response from the owner of Buffalo Thrills, and asked direction. Dick Young moved to authorize a lawsuit, seconded by Bill Schutt, and unanimously approved. Regarding the suit against Southtown Sports, Mark said he was awaiting the assignment of a new judge.

Bill Schutt reported that, due to the holidays, he had not completed work on preparation of a request for proposals (RFP) for development of apartments over the stores on West Main St.

Mark reported that someone had suggested the name of a party possibly interested in taking over the LVP Complex. He will follow-up and report back to Jeff Stribing.

President Stribing then praised Tom Kazmierczak for the success of his "Christmasville" project, which has brought thousands of visitors to the central business district, and gathered repeated coverage in written and electronic media. Dick Young commended Tom for creating a positive attitude for the CBD. Tom reported he has more displays for next year, and planned for an opening about November 16<sup>th</sup>. He is already lining up window sponsors.

President Stribing also commended both Bob Giza and Dick Young for efforts to build a volunteer fire museum. Dick Young has been pushing this concept for a number of years, and has donated the space in the former G.C. Murphy building that he owns. Bob Giza serves as chair of the Town of Lancaster Industrial Development Agency, which has agreed to grant \$125,000 to build a new façade on West Main Street.

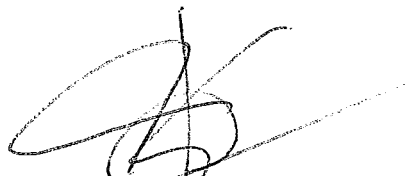
Joe Maciejewski said he wants to revamp the presentation of Tax Law section 485b for presentation again to the Lancaster Central School District (on which he sits). He noted that the partial exemption is available to commercial properties from the town, village and county, but that the school district had elected to withdraw from participating. Stan Keysa noted that school taxes are now about 55% of the total real property tax burden, so a change of policy by the school district could have significant impact on construction or renovations. Joe suggested focusing on creation of specific development districts (such as the CBD or industrial park), and that a presentation by Mayor Cansdale and Supervisor Giza might receive a better reception from the current board.

Dick Young added that, if such a district were designated, it would be beneficial to create a taxpayers association within the district to provide support for redevelopment efforts.

President Stribing scheduled a meeting of the LVP Complex committee for 8 a.m. on next Wednesday, January 10<sup>th</sup>, at the Municipal Building. He also asked Dick Young to meet with him to discuss the action group concept on Wednesday, January 17<sup>th</sup> at 8 a.m.

At 9:07 a.m., Joe Maciejewski moved to adjourn, seconded by Alan Kurtzman, and unanimously approved.

Respectfully submitted,



Alan Kurtzman  
Secretary