

Minutes for the October 17, 2007 special meeting of the Directors of The Village of Lancaster Community Development Corporation

At 8:15 a.m. on Wednesday, October 17, 2007, President Jeffrey Stribing convened a special meeting of the directors in the board room of the Municipal Building, 5423 Broadway, Lancaster, New York. Also present were Directors Robert Giza, Thomas Kazmierczak, Craig McRae, and John Mikoley, as well as consultants Mark Aquino and Stanley Keysa.

While awaiting the fifth director, Jeff had asked Mark Aquino to explain the risk management analysis/ recommendations submitted by Mark in response to suggestions by architects Ken Pearl and Tom Foss. Mark said most of the items will be addressed before the next meeting, and that he will contact Town Building Inspector Jeff Simme.

Jeff Stribing reported on the meetings he, John Mikoley and Mark Aquino had held with David Rutecki and Joshua Heim of M&T Bank regarding the future of the LVP Complex. They asked that the bankers "look at the big picture" and Rutecki had responded that he "never had a bad loan." Rutecki would not take a copy of the WSA report, but Heim did. Rutecki seemed open to lending more dollars, possibly to take out the B&ECRDC and LIDA loans, and to other modifications to the loan to permit CBD redevelopment to move forward. Another meeting is scheduled for 9:00 a.m. on Tuesday, October 23rd, to which all directors are invited.

Jeff also reported on his meeting with Bill Paladino of Ellicott Development and with Chris Dirr of Savarino Construction. Bill Schutt's meeting with Carl Montante Jr. of Uniland and with Ciminelli Construction. Jeff plans to meet shortly with Paul Neureuther of Krog Corporation. Stan Keysa suggested contacting Iskalo Development, Mark Aquino suggested contacting Patrick Development, and John Mikoley suggested contacting Ben Obletz and David Olinsk. Paladino had noted that parking will be critical, and spoke of the potential of residential units above retail in conjunction with People, Inc. He thought it best to keep Save-A-Lot, demolishing the balance of the building for redevelopment. Paladino was concerned over the \$1.2 million of debt that would need to be taken over, but Jeff suggested that could be offset by the Village bonding street and utility infrastructure.

Stan Keysa briefly described how to use an RFP process to select a designated developer, who could then devote more resources to creating a plan which could be locked in by contract. Jeff asked that he contact Gregg Stamm of the NFTA as to the process it used on the waterfront.

Mark reported that the attorney for Harry Konst had presented a letter dated May 9, 2002, signed by Joe Giallanza, which agreed to pay commissions to Konst if Save-A-Lot signed a lease for space in the LVP Complex. After discussion, Bob Giza moved to authorize Mark Aquino to negotiate a settlement on terms discussed; his motion was seconded by John Mikoley and unanimously approved.

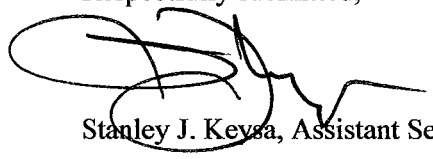
Stan Keysa reported he had received an indication of interesting purchasing the last lot owned by VLDC in the Village Industrial Park. Discussion followed as to acceptable terms. Stan also noted that M&T Bank held a mortgage on the property, but that, if M&T would go along, suggested the board look at acquiring other undeveloped property in the VIP to promote development of the park. Undeveloped parcels are owned in the VIP extension by Fourth Group, Inc. of Syracuse and by Lancaster Mall, Inc. (a subsidiary of Casilio Development, Inc. of Clarence), and in the original section by R & J Metal Finishing, Inc. of Gould Avenue in Depew.

Jeff Stribing reported that Alan Kurtzman had indicated he would be submitting his resignation, and expressed his appreciation for Alan's long period of contribution to the VLCDC.

Jeff also noted that the VLCDC was co-hosting an event at the Lancaster Opera House on November 17th. Tickets will be \$40.00 per person, and the VLCDC will share in the proceeds.

At 9:05 a.m., Craig McRae moved to adjourn, seconded by John Mikoley and unanimously approved. **The next regular meeting of VLCDC directors will be held at the Board Room in the Lancaster Municipal Building at 8 a.m. on November 7, 2007.**

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Stanley J. Keysa', with a large, stylized initial 'S'.

Stanley J. Keysa, Assistant Secretary