

**Minutes for the August 5th 2009 meeting of the Executive Committee of
The Village of Lancaster Community Development Corporation**

On August 5th 2009, President Jeffrey Stribing convened a meeting of the Executive Committee of the VLCDC in second floor boardroom of the Municipal Building, 5423 Broadway, Lancaster, New York. Also present were Vice President Richard Young, Treasurer John Mikoley and Secretary Craigg McRae. Consultants Mark Aquino and Stanley Keysa also attended.

Craigg McRae moved approval of the minutes of the July 1st 2009 Executive Committee meeting, the minutes of the July 1st regular directors' meeting, and the minutes of the special directors' meeting held July 14th 2009; his motion was seconded by John Mikoley and unanimously approved.

Treasurer John Mikoley presented the Treasurer's report as prepared by Mark Aquino, recommending approval of issuance of checks 1525 through 1541. John said all items were ordinary except for the final payment of \$3250 for roof repairs. Discussion followed as to the progress of work by Flynn Battaglia, and the \$39,000 in funds requested from LIDA; Jeff said he had not asked for more as he expects future needs for three anchor buildings. He said two buildings have yet to approve the architects plans, and one wants to wait until next year to do the work. A fourth may never come on board. Jeff expects the bill will be \$9000 max, and said we owe just under \$7000 at this point. (At 7:55 am, Bob Giza joined the meeting.)

Craigg McRae moved to approve payment of up to \$7000 from the CDC (the NYS Main Street grant allows not more than \$25000); Dick Young seconded his motion, which was unanimously approved.

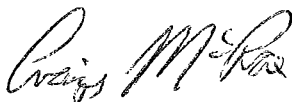
Craigg McRae then moved to accept the Treasurer's report and authorize issuance of checks 1525 thru 1541; Jeff Stribing seconded his motion, which was unanimously approved.

Mark Aquino reported on his negotiations with Kaleida; he estimates build-out of requested improvements will cost between \$25 and \$30 per square for a total of \$70,000 to \$80,000. He gave his opinion as to what Kaleida might pay, but said that VLCDC can't wait two to three years to get its money back. Discussion followed with suggestions to Mark as to tactics to follow. (John Evoy joined the meeting at 8am)

Mark discussed the potential of shifting tenants, including the Town Building Inspector. Regarding the lower level, he said Inlighten and Orffeo want to take space on the north side, and that he will be showing the former Rite Aid space today to someone interested in warehousing. Returning to Kaleida, he said he wants to hold them as tenants, but needs an answer as to where to get the financing. The directors gave directions to Mark to explore. (At 8:08 am, John Mikoley left the meeting). Dick Young raised questions on the parking, demands and said any redesign of the interior ought involve the Village Planning Commission. More discussion followed regarding Inlighten and Orffeo and the potential of bringing in Family Dollar. Regarding the ILDC loan, Mark said he had met with Dave Kickoff and had an oral understanding they would extend the loan for three years at interest only. This needs to go before their review committee. Mark said he had heard nothing new on the Konst lawsuit.

At 8:10, Craigg McRae moved to close the meeting; his motion was seconded by Dick Young and unanimously approved.

Respectfully submitted,



Craigg McRae, Secretary

**Minutes for the August 5th 2009 regular meeting of the Directors of
The Village of Lancaster Community Development Corporation**

At 8:10 am on August 5th2009, President Jeffrey Stribing convened a regular meeting of the Directors of the VLCDC in second floor board room of the Municipal Building, 5423 Broadway, Lancaster, New York. Also present were Vice President Richard Young, Secretary Craig McRae, and Directors Robert Giza and Matthew Walter, and consultants Mark Aquino, Stan Keysa, Thomas Malecki and John Costilow.

President Stribing noted that vacancy created by departure of Joseph Maciejewski and that he had asked Lancaster School Board member Ken Graber to consider taking his place. Graber declined, but recommended that Superintendent Edward Myszka be elected instead. Stan Keysa reminded all that election of a director required a general meeting of membership, but that the directors could nominate an individual for the membership to consider. Supervisor Giza then nominated Edward Myszka for election to the remaining term vacated by Joseph Maciejewski; his motion was seconded by Matt Walter and unanimously approved.

At 8:16, engineer William Schutt joined the meeting.

Mark Aquino introduced Tom Malecki and John Costilow from the firm of Drescher & Malecki, the auditors of the VLCDC. Tom started by suggesting that the VLCDC consider asking Kaleida to prepay a portion of their rent to cover build-out that they have requested. Tom also noted that the audit report is being completed much earlier this year. Last year there was a "going concern: discussion. He observed that oral understandings on the M&T Bank on-demand loan and the ILDC loans had not been formalized. He said the VLCDC does not have to cash to pay these off, and would indicate so in a note 8 in his opinion, as the loan was due 8/1/09.

Malecki commented that interest rates were down, which saved about \$25000, and that electric rates were also down. With the engineering study completed, the entity can continue on. There needs to be follow-up on a number of issues, including sales tax, legislation on utility bills, impact of requirements of the Public Authorities law such as filing reports under PARIS, putting up the budget on the web site, etc.

Dick Young asked, "Can we ever get out of debt?" Tom Malecki replied that the VLCDC is paying down its mortgage, about \$560,000 to go over 13 years, but that the issue is the \$300,000 subordinate loan from the B&EC ILDC (half shared by the LIDA), and the \$175,000 note to M&T Bank, for which there is no extra cash.

Discussion followed on compliance with requirements of the Public Authorities Accountability Act of 2005. Stan Keysa was asked to explore changes in the ethics filing requirements being considered by the Village of Lancaster.

Young reiterated his view that it does not make sense to make any further improvements to the LVP Complex. "We need to get funding." Discussion followed. Mr. Schutt joined in to note that the engineering study being funded would provide the basis for determining the cost to extend West Main Street which is being requested by grant-makers. Jeff Stribing noted that he had again looked at the New York State program "Restore New York:" which has federal funding, and that it needed definitive costs and work program. He said that program would not

pay off the VLCDC debts, but it was noted that the Village could purchase property to extend West Main Street as a legitimate village expense and then pay off at least some of such debt as a part of the price paid for the land acquisition. Jeff said that the Village had asked that VLCDC to front the study, agreeing to pay the VLCDC half afterwards, and that one of the Village trustees asked that VLCDC clear the study with M&T Bank. Discussion followed on short sales.

President Stribing directed that the auditors' report go to the Audit Committee for its review. Mr. Malecki and his colleague left at 8:45 am.

Bill Schutt said that he had submitted a proposed contract, and Jeff Stribing said he had reviewed it with Mark Aquino and found it customary in its terms. Bill said that they had earlier estimated \$63000 for full design services, and that this contract looks at the first two tasks for \$16,000, including a topographical survey and base mapping, as well as preliminary plans which will be about 70 to 75% complete (that is, they will not include coordination with the ECWA, etc.). In answer to a question from Stan Keysa, he said the plans do anticipate constructing retaining walls and a new water line. Jeff said the Village Board agreed to split the bill if the VLCDC pays upfront and gets an OK from M&T Bank.

Matt Walter moved to approve entering a contract with Wm Schutt & Associates to perform the preliminary engineering as described, at a fee not to exceed \$16,000 on confirmation that M&T Bank does not object; his motion was seconded by Dick Young and unanimously approved.

Bill Schutt noted that there was an important seminar scheduled in Rochester from September 24th thru the 26th and said he would pass along information to Jeff Stribing.

Jeff said he would hold off on a report on the facades program. He did note that Linda Mallia and others walked the CVB and saw many more apartments than they had expected. He said the NYSMS program would hopefully inspire more on West Main Street over time, but that working with SHPO was likely to be very challenging.

Matt Walter report that he is working on the website but that his hard drive crashed and he had lost about 40 hours work. He has secured and has running LancasterCDC.org and has bought a second website called AmazingRace.org at his own expense. He said Stan Keysa had provided minutes from January 2008 through July 2009 as well as the By-Laws. Regarding the race, he said there were over 1000 hits over the weekend, with about 200+/- being unique, but there were no hits from Lancaster. He and Dawn are thinking of adding a side pot (such as the best architectural firm) and will be preparing banners and seeking coverage in the Bee, Source and Artvoice. Matt said he needs bios from each of the directors, and a waiver form from Mark Aquino. September 19th is the due date to sign-up.

Craig McRae left at 9:07 am. At 9:10 am, Matt Walter moved to adjourn; his motion was seconded by Bob Giza and unanimously approved.

Respectfully submitted,



Craig McRae, Secretary