

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

October 16, 2013

A regular meeting of the Orange County Industrial Development Agency was convened in public session on October 16, 2013 at 3:09 P.M. at the Orange County Business Accelerator in New Windsor, New York.

The meeting was called to order by the Chairman, Robert Armistead, and upon roll being called, the following were:

PRESENT: Robert Armistead, Russell Vernon, Stephen Brescia, Robert Schreibeis, John Steinberg, Henry VanLeeuwen

ABSENT: Mary Ellen Rogulski

ALSO PRESENT: Kevin Dowd – Attorney
Laurie Villasuso – Administrative Assistant
Brian Gates – HVEDC
Peter Malone – OCBA
Maureen Halahan – Orange County Partnership
Michael Sullivan – Orange County Partnership
Lou Heinbach – Orange County Citizens Foundation
Nancy Proyect – Orange County Citizens Foundation
Chairman Michael Pillmeier – Orange County Legislature
Allan Ross – AJ Ross Creative Media
Carlos Vega – AJ Ross Creative Media
James Walsh – Times Herald Record

Chairman Armistead calls the meeting for the Orange County IDA, October 16, 2013 (Pledge of Allegiance is recited). Board consists of six members. There is a quorum.

Review of the prior September 11 and October 2, 2013 meeting minutes. Motion made by VanLeeuwen, seconded by Schreibeis, to approve the minutes as presented. Motion carries with all in favor.

Roll Call taken.

Financial Reports and/or Requests for Payment

Mr. Kleiman asks the members to refer to the voucher and payment schedule, and advises that the IDA took in \$31,538.24 and invoices total \$191,623.28. Moving on to address the Income and Expense summary, Mr. Kleiman notes that YTD, the IDA has received just under \$1.5M, and expended \$512K, revenues exceeding expenses by \$969K, which is \$164K greater than the budget projection. Mr. VanLeeuwen asks about the "Recovered Funds" line item for \$255K, and is advised by Mr. Kleiman that the line reflects the anticipated Drury Lane monies. Mr. Kleiman then addresses the Bank Account schedule, and advises the Members that \$500K was moved from the Chase checking account to the Provident Money Market earning 0.51%. That transaction will be reflected in November's reports.

Mr. Kleiman then quickly reviews the OCFC reports. The vouchers totaled \$1,877.75, with no receipts. The OCFC has revenues of \$328K, and expenses of \$9K, revenues exceeding expenses by just under \$320K.

Motion made by Brescia, seconded by VanLeeuwen, that the Board accepts the financial report and authorization of IDA payments and vouchers for October 2013. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Motion made by VanLeeuwen to enter executive session pursuant to section 105(1)(f) of the open meetings law to discuss the financial and/or credit history of a particular person or company. Motion seconded by Brescia. All in favor.

Executive Session

The members discussed a particular company

End of Executive Session

Motion to close Executive Session made by Schreibeis, seconded by Brescia. All in favor. No action taken in Executive Session.

Chairman's Report

Chairman Armistead begins by advising that the Shovel Ready Initiative is under way. He creates a sub-committee of Schreibeis, VanLeeuwen and himself to sit with Mr. Dowd and Ms. Halahan to put together information to present to the rest of the Board at November's meeting. He notes that the IDA has done this type of thing before, about fifteen to twenty years ago. The sub-committee will look to other NY counties' Shovel Ready programs for examples, iron out the particulars and have a plan to present at the next meeting.

He also notes that Allan Ross and his team are attending the meeting, and will be giving a presentation to the Board later in the meeting. They will be discussing how they can help the IDA clear up public perception of its mission and achievements.

Chairman Armistead moves on to address the recent issue of local labor policy. The recent discussion around the Town of Montgomery IDA's UNFI project has caused the Board to look more closely at its own policy. Chairman Armistead creates a sub-committee of Brescia, Vernon and himself, which will review the current policy and offer possibilities to revise it to more effectively urge local labor. Mr. Dowd will also be involved in the discussions. Chairman Armistead reminds the Members that the desired goal is to provide local construction jobs, in addition to the permanent jobs the IDA projects create.

He advises the Board that former IDA attorney Phil Crotty recently reached out to him and sent him an article about CNC manufacturing in the US. Chairman Armistead also notes that he toured the Armory last week, and commented on the recent collaboration of the Armory and local colleges to bring more education to Newburgh.

Orange County Citizens Foundation

Chairman Armistead begins by reminding the Board that he discussed the Quality of Life Report Card book that the Citizens Foundation distributes, and notes that it is an excellent marketing tool for the County, the Partnership and the IDA, with a wealth of information on Orange County. Mr. Heinbach begins by explaining that the funding for the report card originally came from New York State. The report has been updated since its most recent publish, but it's time to publish a new book with updated information. He notes that the report card book includes items like demographics, planning board information, average wages, and more. He adds that it is the most useful publication that organizations like the Partnership use in their efforts to attract people and businesses to Orange County. He advises that the Orange County Citizens Foundation is asking the IDA to assist in the production and publication of the book in the amount of \$50K. Ms. Proyect notes that they publish up to 1000 copies of the book, and the information is made available online and in disc format. The budget for the book is \$53.5K and covers not only publication, but also research and development of the new book; the remainder of the budget will be covered by sponsorships.

Chairman Pillmeier adds that he believes the Report Card is a valuable resource for the County.

Motion made by VanLeeuwen, seconded by Brescia, to approve an expenditure of \$50K to the Orange County Citizens Foundation for the publication of the Quality of Life Report Card. Motion carries with all in favor.

Ms. Proyect notes that the new book should be available in the spring.

OCBA Report

Mr. Gates begins by advising that Kudokit, a Business Challenge Silver Winner, no longer needs space in the Accelerator and will vacating their space. Mr. Malone adds that Mag 3 International will be coming in to replace them. They source products for HSN, QVC and NBC Shopping. One of the two current members of the company is a guest host on QVC, and they look to grow by two employees within the next six months.

Mr. Steinberg asks for an explanation of Kudokit. Mr. Gates advises that their product would create a profile that follows children from grade school to high school and would accompany SAT scores and college applications. Mr. Vernon notes that Kudokit continues to move forward and make progress, but the space wasn't necessary for them.

Mr. Malone adds that two associate members have come on board: Hirezoom.com, which created a cloud-based applicant management system for companies looking to hire new employees, and JanMetrics.com, which is a cloud-based Customer Relationship Management software package, geared toward the janitorial services market.

To clarify, Chairman Armistead notes that Associate clients don't have offices at the Accelerator, but have access to the facilities, like the conference room.

Regarding Start-Up NY, Mr. Gates believes that the Accelerator will in fact be a part of Start-Up NY, but the legislation is still in process. Moving on to address marketing, Mr. Gates notes that website views are up, and page views are lasting longer. Lastly, there is an event coming up at Continental Organics. Working with UVANY, Continental Organics will host an open house and Mr. Finnegan will have a presentation about working with the Accelerator, and UVANY will be addressing how to gain access to capital.

OCP Report

Mr. Sullivan begins by noting that the UNFI groundbreaking held recently came only six short months after the Partnership began working on the deal. In addition, the Mediacom grand opening was held in September, a project facilitated by the IDA.

Because of their persistent marketing, the Partnership is working with 64 leads. He distributes post cards that were recently mailed, highlighting the testimonials of companies who have worked with the Partnership. Business Expansion and Retention is a huge portion of the Partnership's workload. He notes that there is an exciting improvement on the horizon, which is a web portal that will be available to brokers and affiliates. The portal will be business leads from all over the state, from newspapers and meeting minutes.

He moves on to highlight three projects:

Project Anvil: A manufacturing company in the organic food industry, they are looking for 350K square feet, with the expected creation of 300-700 jobs. At this time, they have a site in mind.

Project Heat: An "economic relocation," this company is seeking the cheaper square footage that Orange County has to offer. They need 25,000 square feet, and have a site chosen in the Town of Crawford.

Project Relocation: A Long Island company looking for 100-125K square feet with 3-4 truck bays. This company deals in manufacturing of promotional products.

Mr. Sullivan goes on to display photos from the recent renovation of the future Touro Medical School, noting that their first class is slated for August 2014. He also mentions Project Vet, which is an exciting venture dealing in the treatment of PTSD.

In the BR&E pipeline, there are 790 jobs and 322K square feet. Of the 64 new projects in the pipeline, 23 of them are in manufacturing, 19 are in distribution. Mr. Sullivan also notes that the Partnership recently held a SEQRA summit, and distributes copies of the WSJ Ad Insert.

AJ Ross

Mr. Ross begins by thanking the Board for the opportunity to work with the IDA. He explains that he's been in business for 23 years. He also displays for the Board some examples of other AJ Ross projects, including the Orange County Partnership, the Orange County Chamber of Commerce and Orange County Tourism. He discusses the strategic marketing deployed for all of their clients.

He moves on to advise the Board it seems to him that the public doesn't understand what the IDA does, and recommends educating the public and discussing projects as they come up, not waiting until someone else has told the story. He explains that he'd like to overhaul the IDA and OCFC logos, and would like to set up social media for the IDA, in addition to getting the word out about what the IDA does.

He introduces Mr. Vega, who begins by explaining that the first, most important step is already underway: The new website. He elaborates that it is the corner stone of the new marketing plan, serving as the jumping off point for all of the IDA's social media. He goes on to explain Search Engine Optimization, back links and coding the IDA website. He

then discusses reaching the portion of the market and community that doesn't read the newspaper; the portion that only uses sites like LinkedIn and Facebook. He also explains the demographics of social media, and how it brings your brand directly to interested parties.

Mr. Vernon notes that it is extremely important to explain the good works the IDA does; Mr. Ross agrees and, taking it further, notes that AJRoss has an excellent relationship with local press and will get the word out about the IDA projects.

Chairman Armistead asks Ms. Villasuso for her recommendation in terms of where the Board should start. She advises that the best place to start would be with new logos for the IDA and OCFC, a brochure, LinkedIn and Facebook page creation, print media ad and Press Release templates. Mr. Ross adds that he wants the Members to feel free to reach out to him to create the best, and clearest, message possible. For everything she mentioned, the cost is \$12,500. Mr. Steinberg asks how long the process will take to get the process started, and is advised that most of the materials can be ready within a few months.

Mr. Brescia asks about editing the IDA video, produced a few years ago, and asks if it can be updated. Mr. Ross advises him that he can look at it, but isn't sure he would be able to update it. The Members agree it would be ideal to have an updated or new IDA video.

Motion made by Vernon, seconded by Brescia, to move forward with the AJ Ross Marketing and PR proposal, in the amount of \$12,500.00. Open for discussion. Affirmative votes of all members present resulted in motion carried.

The Monroe Cable Company, Inc. – Final Resolution.

Mr. Dowd notes that there is a cap on the Monroe Cable Co's Sales Tax Exemption, in the amount of \$121,875, and also notes that the IDA will assign a portion of its Bond Allocation to the OCFC.

Mr. Dowd reads The Monroe Cable Company, Inc. final resolution aloud. Motion made by VanLeeuwen, seconded by Schreibeis. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Motion made by VanLeeuwen to enter executive session to discuss issue relating to the employment history of a particular person. Motion seconded by Schreibeis. All in favor.

Executive Session

The members discussed employment matters.

[Mr. VanLeeuwen enters the meeting]

End of Executive Session

Motion to close Executive Session made by VanLeeuwen, seconded by Steinberg. All in favor. No action taken in Executive Session.

Such other and further business as may be presented

Chairman Armistead mentions that he distributed the Pattern for Progress report on Orange County's aging population. In addition, he notes that the Pattern for Progress awards reception is being held on November 7th.

Motion made by VanLeeuwen, seconded by Schreibeis, to purchase a table for ten at the Pattern for Progress dinner. Motion carries with all in favor.

Lastly, Chairman Armistead notes that there is an upcoming event for the County Executive, and seats for the event must be purchased.

Motion made by VanLeeuwen, seconded by Steinberg, to purchase seats for the IDA Board, Attorney and Administrative Assistant at the price of \$50 per seat. Motion carries with all in favor.

With no further business, meeting called for adjournment by Chairman Armistead, motion made by VanLeeuwen, seconded by Rogulski, the time being 5:35 p.m.