

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

August 19, 2009

A regular meeting of the Orange County Industrial Development Agency was convened in public session on August 19, 2009 at 3:00 P.M. at the County Government Center, Goshen, in Orange County, New York.

The meeting was called to order by the Chairman, James Petro, and upon roll being called, the following were

PRESENT: James Petro, Stephen Brescia, Henry Van Leeuwen, Mary Ellen Rogulski, Robert Armistead

ABSENT: John Steinberg, Daniel Coleman

ALSO PRESENT: James O'Donnell – Acting Executive Director  
Edda Eller – Recording Secretary/Bookkeeper  
Joel Kleiman – Chief Financial Officer  
Phil Crotty – Attorney  
Maureen Halahan, Judy Eurich – Orange County Partnership  
Chris Bette – First Columbia  
Michael DiTullo – Orange County Business Accelerator  
Irwin Glenn – Orange County Capital Development Corp.  
Michael S. Blustein – Attorney for President Container  
Michael Levensohn – Times Herald-Record

Chairman, James Petro asked for a motion to approve June 17, 2009 minutes. Henry Van Leeuwen made a motion seconded by Stephen Brescia to approve minutes as presented. Affirmative votes of all members present resulted in motion carried.

Chief Financial Officer Joel Kleiman presented the financial report for July 2009 stating that expenditures exceed revenues by \$20,000 of budget. He distributed an Investment Portfolio as of August 14, 2009 and also showing the next maturity of the Orange County Trust Company on October 21, 2009. Also presented were the following vouchers and payments: Received from President Container \$5,000 for application fee; vouchers and payments to: First Columbia 4-LA, LLC \$5,000 deposit for space for Business Accelerator, Orange County Partnership \$50,000 for 3<sup>rd</sup> quarter 2009, GET \$50,000 payment for 3<sup>rd</sup> payment for 3 year grant, Philip Crotty \$5,532.98 for legal fees May 2009, Philip Crotty \$5,600 for legal fees June 2009, Edda Eller \$1,625 for 3<sup>rd</sup> quarter 2009. Robert Armistead made a motion seconded by Mary Ellen Rogulski to approve financial report and vouchers and payments as presented. Affirmative votes of all members present resulted in motion carried.

Recognized was Irwin Glenn, Director of Orange County Capital Development Corp., updating members. Received final draft of audited report, which will be approved at their next board meeting. Investments are going well and they invested \$125,000 in a 2.1% CD and making investments from fund #1 of \$400,000 for one project. Also had 3 events since last meeting and lots of activities.

James Petro updated members regarding the Business Accelerator plans, to be located in a new building at New York International Plaza. He introduced Michael DiTullo as the new managing director of the Business Accelerator and said they are still working out some details. DiTullo's employment contract at present is from August 17, 2009 until January 20, 2010. Chris Bette of First Columbia is doing the build out for \$300,000 and any monies left will go towards TV's, computers, etc. Also, 2 weeks ago, a 3-year lease was signed with a 1-year option, and paying rent will start October 1, 2009 or when they will receive a Certificate of Occupancy.

Recognized was Michael DiTullo expressing his excitement of managing the Business Accelerator. He had a few meetings with James Petro and also had consultants contact him, including marketing agents. Will get media exposure at the ribbon cutting in October.

James Petro asked Chris Bette to show members some pictures of what the finished Business Accelerator's space would look like when finished.

Maureen Halahan of the Orange County Partnership informed members of inquiries at the present, ranging from small to mid-size businesses. At the moment there are 2 food manufacturers planning to expand in Orange County. They are working with 7 business attractions and closed 4 attractions this year. Business attractions have created 100 new jobs.

James Petro informed members that Ondamed has withdrawn their application and Attorney fees and Bond Counsel fees have been waived.

Recognized was Michael Blustein, Attorney for President Container, briefly explaining their project consisting of a 44.25-acre parcel of land located at 290 Ballard Road, Wallkill, Orange County, New York and the improvement of an approximately 522,000 square-foot building. President Container submitted their application and are looking for Mortgage Tax Exemption, Sales Tax Exemption and also considering a PILOT based on approximately \$3 million.

Presented was a Resolution accepting the application of President Container Holdings, Inc. with respect to a certain project, describing the forms of financial assistance being contemplated by the Orange County Industrial Development Agency with respect to such project and authorizing a public hearing with respect to such project. A motion was made by Stephen Brescia to accept Resolution as presented. Henry Van Leeuwen seconded motion and affirmative votes of all members present resulted in motion carried.

Presented was a Resolution approving IDA grant for \$250,000 to Kolmar Industries with conditions. Kolmar Industries is a manufacturing company located in the City of Port Jervis, Orange County, and provides 500 good-paying jobs. Kolmar has received offers from other states to relocate its manufacturing operation elsewhere; and Kolmar has indicated to the Orange County Executive and NYS officials that it will remain in the City of Port Jervis, and also move an additional 150 manufacturing jobs to Port Jervis, if Kolmar receives adequate financial incentives. The NYS EDC is providing financial incentives to Kolmar, and has requested that Orange County also provide financial assistance. It is the consensus of the Orange County Executive and this IDA that Kolmar's potential departure will be devastating to the economy of Port Jervis and Orange County, and a \$250,000 grant has been requested of this IDA. This IDA agrees to grant \$250,000 to Kolmar Industries, directly or indirectly as permitted by law, as an economic development grant, provided Kolmar agrees to keep its manufacturing operation in Port Jervis and retain 500 manufacturing jobs, and provided further that this grant shall be disbursed upon a satisfactory showing to this IDA that an additional 150 manufacturing jobs will be created at Kolmar in Port Jervis; and provided finally that such IDA grant will coincide with the NYS EDC requirement for job retention and other requirements. Henry Van Leeuwen made a motion seconded by Robert Armistead to approve Resolution as presented. Affirmative votes of all members present resulted in motion carried.

Presented was a Resolution approving NYSDOT assignment of claim and release for BHK of America. BHK of America received financing assistance from this IDA in or about 1985, and a deed or lease is of record in the Orange County Clerk's office; and the State of New York has acquired by eminent domain a small segment of land from BHK of America, for which BHK of America is entitled to compensation in the amount of approximately \$15,000; and the NYSDOT is requiring as assignment of claim and release from this IDA in order for BHK of America to be paid. Therefore Be It Resolved that this IDA authorizes the Executive Director to execute the NYSDOT assignment of claim and release for the benefit of BHK of America for zero consideration and forward on as appropriate. Mary Ellen Rogulski made a motion to approve Resolution as presented. Robert Armistead seconded motion and affirmative votes of all members present resulted in motion carried.

Presented was a Resolution authorizing the execution and delivery of an amended and restated intercreditor agreement and related documents with respect to the projects undertaken with St. Luke's Cornwall Hospital. Henry Van Leeuwen made a motion seconded by Stephen Brescia to approve Resolution as presented. Motion carried with 4 ayes and 1 recuse.

James Petro made members aware of an invitation received from Kevin Armistead inviting members to an event, at which the Boy Scouts of America will present the "Distinguished Citizens" Award to Robert Armistead, President of Armistead Mechanical, Inc. for many years of leadership and commitment to the Orange County Community. Henry Van Leeuwen made a motion seconded by Stephen Brescia to buy 4 tickets @ 125 for a total of \$500. Motion carried with 4 ayes and 1 recuse.

Henry Van Leeuwen made a motion seconded by John Steinberg that this meeting be duly adjourned, the time being 4:20 pm.

Edda Eller  
Recording Secretary