

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

January 18, 2006

A regular meeting of the Orange County Industrial Development Agency was convened in public session on January 18, 2006 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, John Steinberg, and upon roll being called, the following were

PRESENT: David MacFarland, John Steinberg, Daniel Coleman, Henry Van Leeuwen,
Robert Armistead, Stephen Brescia, John Borland

ABSENT:

ALSO PRESENT: William Trimble – Administrator Director
Edda Eller, Recording Secretary
Phil Crotty - Attorney
Michael Levensohn – Times Herald-Record
Maureen Halahan, Michael Torelli – Orange County Partnership
Robert Hannan – Orange County Capital Development Corp.
Louis Heimbach – Board member OCCDC
Robert Daly – Orange County Choppers

Opening the meeting, Chairman John Steinberg asked for a motion to approve November 16, 2005 minutes. Henry Van Leeuwen made a motion to approve minutes and Daniel Coleman seconded motion. Minutes of November 16th approved by all members present.

Presented were nominations for Orange County Industrial Development Agency's officers for 2006 as follows: Chairman – David MacFarland, Vice-Chair – Robert Armistead, Treasurer – Henry Van Leeuwen, Secretary – Stephen Brescia. John Steinberg made a motion to accept nominations as presented and John Borland seconded motion. Affirmative votes of all members present resulted in motion carried. John Borland was nominated for second Vice-Chair, Daniel Coleman for Assistant Treasurer and John Steinberg for Assistant Secretary. Henry Van Leeuwen made a motion to accept nominations as presented and Robert Armistead seconded motion. Affirmative votes of all members present resulted in motion carried.

The 2006 budget was presented and reviewed. After some changes John Steinberg made a motion to accept 2006 budget and copies distributed according to law. Motion seconded by Henry Van Leeuwen and affirmative votes of all members present resulted in motion carried.

Presented was a resolution approving designation of FOIL officials for 2006. John Borland made a motion that William Trimble be designated the FOIL officer and the IDA Attorney, Philip Crotty be designated the FOIL appeals officer, and that both be authorized to coordinate with the Orange County Attorney's office for policy clarification and coordination when necessary. John Borland made a motion to accept resolution as presented and Robert Armistead seconded motion. Affirmative votes of all members present resulted in motion carried.

Presented was a resolution approving consideration of proposed Pilot Program. An economic development incentive available to this IDA under the NYS General Municipal and Real Property Tax laws is a tax abatement program. The IDA Attorney and Administrative Director are directed to notify all effected taxing jurisdictions, including the Orange County Executive and Legislature, as required by law, in order to consider the feasibility of an IDA tax abatement program which will offer to selected business categories a 100% tax abatement for the first year, declining at the rate of ten percent per year for ten years, as well as implementing for IDA projects not so selected the standard 485 (b) exemption at Stewart International Airport. A motion was made by John Steinberg to approve resolution as presented and seconded by Daniel Coleman. Affirmative votes of all members present resulted in motion carried.

Members were informed that a public hearing on the Airport Properties' application is in process and with bond counsel.

Recognized was Maureen Halahan of the Orange County Partnership, updating members regarding business retention/expansion and business attraction activities. Year-to-date there are 2 closed attractions, pending are 16 manufacturing, 2 office, 8 distribution and 5 of tourism destination/service. Also there are 6 expansions pending, one of them C&S Wholesale grocer in Chester Industrial Park, was approved by the Chester Planning Board and ground breaking on the 373,547 square foot facility could be as early as June. Members thanked Maureen for the report.

Recognized was Robert Daly, a planner on behalf of the Orange County Choppers, presenting the company's plans for a 70,000 square foot chopper shop and retail store. Henry Van Leeuwen made a motion to accept the Orange County Choppers application and authorizing a public hearing to consider it. Stephen Brescia seconded the motion and affirmative votes of all members present resulted in motion carried.

Presented was a Resolution regarding Orange Regional Medical Center, Amendment of 2002 Documents. Henry Van Leeuwen made a motion authorizing the negotiation, execution and delivery of the Amendment Documents with respect to the Orange Regional Medical Center Transaction. Stephen Brescia seconded motion and affirmative votes of all members present resulted in motion carried.

Presented was a Resolution regarding Elant at Erie Station. The Agency issued its Tax-Exempt Variable Rate Demand Civic Facility Revenue Bonds (Arden Hill Life Care Center, Inc. Project), Series 2001 A in the original principal amount of \$14,600,000 for the benefit of the Arden Hill Life Care Center, Inc. and its Taxable Variable Rate Demand Civic Facility Revenue Bonds (Arden Hill Life Care Center, Inc./The Adult Home at Erie Station, Inc. Project), Series 2001B in the original principal amount of \$1,630,00 for the benefit of Elant at Erie Station, Inc. dated September 1, 2001. Dated September 1, 2001 the Agency also issued its Taxable Variable Rate Demand Civic Facility Revenue Bonds (Arden Hill Life Care Center, Inc./Arden Hill Life Care Center at Newburgh, Inc. Project), Series 2001C in the principal amount of \$14,240,000 and collectively with the Series 2001A and 2001B Bonds for the benefit of Arden Hill Life Care Center at Newburgh, Inc. In order for the Company to sell, lease or otherwise dispose or develop the facilities financed with the Series 2001B Bonds, the Company has requested the Holders of the Series 2001B Bonds to redeem the outstanding Series 2001B Bonds on January 31, 2006. John Steinberg made a motion authorizing the negotiation, execution and delivery of the Amendment Documents with respect to the Arden Hill Senior Facilities obligated group transaction. Henry Van Leeuwen seconded motion and affirmative votes of all members present resulted in motion carried.

Presented was a Resolution regarding Amscan Inc. Refinancing approving the form of a certain mortgage, assignment of leases and rents, security agreement and financing statement by and from the Orange County Industrial Development Agency and Amscan Inc. to and for the benefit of General Electric Capital Corporation, as collateral agent for the lenders and lender counter parties referred to in the second lien mortgage and certain mortgage assignment of leases and rents, security agreement and financing statement (the third lien mortgage, and collectively, the "2005 mortgage"), by and from the Orange County Industrial Development Agency and Amscan Inc. to and for the benefit of Goldman Sachs Credit Partners L.P., as collateral agent for the lenders referred to in the third lien mortgage, each with respect to a certain project undertaken for the benefit of Amscan Inc. Stephen Brescia made a motion seconded by Henry Van Leeuwen authorizing the execution and delivery of the 2005 mortgage and any related documents. Affirmative votes of all members present resulted in resolution passed.

Presented was a Resolution approving annual agreement with the Orange County Partnership. John Steinberg made a motion to renew the contract for 2006 with the Orange County Partnership and to pay the annual sum of \$200,000, an increase of \$25,000 over last year as approved by County Executive Edward Diana, and payable in six equal installments in the amount of \$33,333.33 commencing March 15, 2006. John Borland seconded motion and affirmative votes of all members present resulted in motion carried.

Presented was a contract regarding the 2006 agreement with the County of Orange. The Agency and the County of Orange have entered into annual contracts for mutual benefit to each other and have agreed to renew their contract for 2006 and pay the sum of \$12,000 annually as per agreement to Orange County for William Trimble as the Orange County Industrial Development Agency's Administrative Director. John Steinberg made a motion to accept agreement as presented and Henry Van Leeuwen seconded motion. Affirmative votes of all members present resulted in motion carried.

Presented was a resolution authorizing the Administrative Director William Trimble to act for and on behalf of the Secretary when absent. John Steinberg made a motion seconded by Robert Armistead to appoint William Trimble to act as Secretary in relation to any and all matter until December 31, 2006 due to the possible absence of the Secretary, Stephen Brescia or any other elected Secretary and first Assistance Secretary. Affirmative votes of all members present resulted in motion carried.

Treasurer's report for November and December 2005 was presented. Treasurer's report approved by all members present as submitted.

Treasurer Henry Van Leeuwen presented the following: Received from Orange County Choppers \$5,000 application fee; voucher and payment to Dickerson & Meany in the amount of \$4,199.00 for renewal of Directors & Officers Liability Policy, voucher and payment to Dickerson & Meany in the amount of \$5,297.00 2nd of 4 installments for commercial package policy, voucher and payment to Orange County Community College in the amount of \$237,603.00 year one for business training, voucher and payment to Dickerson & Meany in the amount of \$5,298.00 3rd of 4 installments for commercial package policy, voucher and payment to Philip Crotty in the amount of \$5,000.00 pass-thru application fees, voucher and payment to Philip Crotty in the amount of \$2,500.00 for preparation of contract with Orange County Capital Development Fund, voucher and payment to Philip Crotty in the amount of \$2,000.00 for legal work on land acquisition project, voucher and payment to Philip Crotty in the amount of \$1,000.00 for preparation of contracts with Orange County Partnership and Orange County, voucher and payment to Philip Crotty in the amount of \$1,897.00 for retainer November 21, 2005 to January 18, 2006 plus expenses, voucher and payment to Philip Crotty in the amount of \$250.00 for Kingston Manufacturing IRS subpoena with IDA, voucher and payment to Philip Crotty in the amount of \$500.00 for Breonics Litigation, voucher and payment to Mid-Hudson Pattern for Progress in the amount of \$250.00 for annual membership dues. John Borland made a motion seconded by Daniel Coleman to approve vouchers and payments. Affirmative votes of all members present resulted in motion carried.

John Steinberg made a motion seconded by Henry Van Leeuwen to adjourn to executive session to discuss matters of personnel matters, financial history and or promotion of particular corporation or agencies; and to discuss proposed litigation regarding Agency claim for services against an applicant project. Any subsequent action will be taken at public session.

Daniel Coleman made a motion to end executive session and John Steinberg seconded motion.

Daniel Coleman made a motion that this meeting be duly adjourned the time being 4:50 p.m.

Edda Eller
Recording Secretary