

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

February 13, 2020

A regular meeting of the Orange County Industrial Development Agency was convened in public session on February 13, 2020 at 2:00P.M. at the Orange County Business Accelerator in New Windsor, New York.

Chairman Rogulski calls to order the regular meeting of the Orange County IDA, February 13, 2020 (Pledge of Allegiance is recited). Board consists of five members. There is a quorum. Upon roll call, the following were:

PRESENT: Mary Ellen Rogulski, Stephen Brescia, Michael Gaydos, Robert Schreiberis, John McCarey

ABSENT: Edward Diana, James DiSalvo

ALSO PRESENT: Laurie Villasuso – Chief Executive Officer
Kevin Dowd – IDA Attorney
Joel Kleiman – Chief Financial Officer
Russell Gaenzle – Harris Beach
Vincent Cozzolino – Managing Director
Melanie Schouten – Chief Operating Officer
Cathie Hunter – Compliance Administrator
Dean Brady – The Accelerator
Christine Cordova – Focus Media
Stu Shinske – Focus Media
Bill Fioravanti – Orange County Economic Development
Kaitlynn Perez – Orange County Partnership
Michelle Hook – Danskammer Energy
Dan Axelrod – Times Herald Record
Chris Harrison- ATC

Chairman Rogulski welcomes new board member John McCarey to the board. She states that he was recently appointed.

Minutes

Review of the January 09, 2020 board meeting minutes. Motion to approve the minutes is made by Mr. Schreiberis, seconded by Mr. Gaydos. Mr. McCarey abstains. Motion carries with four board members in favor.

Review of the January 09, 2020 Audit Committee meeting minutes. Motion to approve the minutes is made by Mr. Gaydos, seconded by Mr. Brescia. Mr. McCarey abstains. Motion carries with all in favor.

Review of the January 09, 2020 Governance Committee meeting minutes. Motion to approve the minutes is made by Mr. Brescia, seconded by Mr. Schreiberis. Mr. McCarey abstains. Motion carries with all in favor.

Financial Reports and/or Requests for Payment

Mr. Kleiman reviews the summary of IDA bank accounts, certificate of deposits, and money market accounts that reflect a total of \$8,456,086 as of January 31, 2020.

Mr. Kleiman reviews the income and expense summary, noting that YTD income is \$48,071 and YTD expenses are \$31,178, with revenue exceeding expenses by \$16,893.

Mr. Kleiman reviews the income and expense summary for the Business Accelerator, noting that revenues YTD are \$5,923, and expenses are \$91,817. Expenses, as anticipated, exceed revenues by \$85,894.

Chairman Rogulski asks for a motion to approve the vouchers and payments in the amount of \$214,483.98 for February. Motion made by Mr. Schreibeis, seconded by Mr. Gaydos, that the board accepts the financial reports and authorizes IDA payments and vouchers. Open for discussion. Affirmative votes of all members present results in motion carried.

Chairman's Report

Chairman Rogulski informs the board that, due to the appointment of Mr. McCarey, she will be making recommendations for Board Committees.

The Chairman appointments for Committees are as follows:

Audit Committee:	DiSalvo (Chairman); Diana; Gaydos Alternate: Schreibeis
Finance Committee:	DiSalvo (Chairman); Diana; Gaydos Alternate: Schreibeis
Governance Committee:	Diana (Chairman); Schreibeis; DiSalvo Alternate: Gaydos
Accelerator Committee:	Diana (Chairman); Rogulski; McCarey Alternate: Brescia

Chief Executive Officer Report

Ms. Villasuso gives the Chief Executive Officer's report.

2019 PARIS reporting is underway. Judelson, Giordano and Siegel, CPA, PC is working on the annual IDA financial audit. The Compliance Administrator, Ms. Hunter, is working with the projects on the annual project reporting.

Management is currently reviewing all OCIDA policies. A full review of the policies will be brought to the Governance Committee in a few months.

The GAM Properties Corp. project is in the process of closing.

Two hotel projects in the Town of New Windsor have been inactive for a year since receiving final approval in 2019. Counsel will be reaching out to the projects and requesting a project status update. The project responses will be brought before the board at next month's meeting for review.

The NY State Economic Development Council held an annual conference in Albany on January 29th. Management and Mr. Dowd were in attendance. Compliance was a topic of interest at this conference. It is being recommended to the NY EDC that a more in-depth meeting is held with the Office of the State Comptroller to further discuss some of the challenges with the PARIS system.

The 2020 NY EDC IDA Academy will be held in the Hudson Valley. This event will include a board member training session with members of the ABO and the Office of the State Comptroller. Once a date is set, the board will be informed as attendance will satisfy the required annual PAAA training for board members.

The Orange County Economic Development office held a Foreign Trade Zone presentation on January 30th. Ms. Schouten and Ms. Wilson were in attendance. The OCIDA contributes \$25,000 annually to the maintenance and administration of the FTZ.

Audit Committee Report

Ms. Villasuso gives the Audit Committee report.

The Committee agreed to extend that engagement of Loewke Brill to monitor the Warwick construction site. Construction at the Warwick based hemp park was delayed due to necessary revisions for the factory. As a result, the site will need to be monitored a few additional months to ensure that all IDA funds are appropriately used.

Motion is made by Mr. Brescia, seconded by Mr. Schreiber, authorizing the Loewke Brill agreement extension. Affirmative votes of all board members results in motion carried.

Mr. Kleiman conducted the annual Investment Policies and Practices review with the Audit Committee.

Governance Committee Report

Ms. Villasuso informs the board that Mr. Dowd conducted the annual Procurement Policies and Practices review with the Governance Committee.

Accelerator Committee Report

Mr. Cozzolino gives The Accelerator report. A packet is handed out with a year-end 2019 report.

2019 Review

Outcomes

145 Jobs

3 Industry Clusters: Fashion & Sewing Manufacturing, Personal Care products and Medical Devices, and CBD/Hemp
29 Companies in the cluster, 38% are women owned businesses

Key Accomplishments

Hosted 4 sewing training classes

Received \$1.2M in grants

Developed private sector funding sources

Kaycha successfully completed the NYSDOH site inspection

Association with sister accelerator in Japan (Tokushima Prefecture)

2 new developing clusters: CBD/Hemp & Artificial Intelligence

Program Reach

Newburgh Area Campus – Fashion and CBD

Middletown - Personal Care products, Medical Devices, and CBD

Warwick – CBD/Hemp (new 2019)

Highland Falls (new 2019)

AWOW (Accelerator Without Walls)

Services

Reduced rent / 7 buildings

Business development

Marketing

Facilities management support

Operations and engineering support

Training

Workforce Development

Access to capital

Clusters

Fashion: Elizabeth Collection, Inform Lightworks, Limberti, M and M Specialty Enterprises, Melo, NYCe Blu, Rondon
Footwear, Seco Silk Screen, Shelli Scott, Ziel, FPS Apparel

Personal Care / Medical Devices: Addibots, Alternate E-Source, Asterism, Drone Tech UAS, Ecsoothe, Farm Body,
Goats in a Coat, NY Hemp Alliance, Organofab, Bird's Creation

Hemp/CBD: Kaycha Labs, UrbanXtracts, Fusion CBD, God's Flower

AI (2020): located at Highland Falls proximate to West Point. Will include genetics, big data, telemedicine, robotics, automation, etc.

2020 Goals

New services offered for Accelerator companies (marketing and branding)

Develop more Accelerator locations
Promote entrepreneurialism throughout the region

Applications/Resolutions

Danskammer Energy, LLC

Ms. Villasuso reminds the board that the project is requesting an extension of the current PILOT. Both the Town of Newburgh and the School District support this extension. They have Community Benefit Agreements that are contingent upon the approval of this extension. This will also allow some of the confusing payment language within the current agreement to be revised and clarified going forward. There was a \$900,000 overpayment made to the affected jurisdictions with the original agreement. With the approval of this extension, Danskammer will waive the repayment of these funds. The public hearing was held on January 31. There were a few attendees, but everyone spoke in support of the project extension.

Final Resolution

Mr. Dowd reads aloud the Danskammer Energy, LLC. Final Resolution. Motion is made by Mr. Gaydos, seconded by Mr. Schreibeis, accepting resolution to take action on certain matters pertaining to a proposed project for the benefit of Danskammer Energy, LLC. Roll call is taken. Affirmative votes of all board members present results in motion carried.

Leentjes Amusements Corp. (dba The Castle)

Ms. Villasuso informs the board that Leentjes Amusements is not requesting a Mortgage Recording Tax Exemption, but they are refinancing. Since the OCIDA is part of the property ownership, signatures are being requested.

Mr. Gaenzle informs the board that the project wants the IDA to be a co-mortgagor, on a non-recourse basis, since they have a lease hold interest in the property. It's a ministerial act.

Resolution

Mr. Dowd reads aloud the Leentjes Amusements Corp. Resolution. Motion is made by Mr. Schreibeis, seconded by Mr. Gaydos, accepting resolution authorizing the execution of mortgage documents on a non-recourse basis. Roll call is taken. Affirmative votes of all board members present results in motion carried.

Chairman Rogulski states that she wants to extend her personal thanks to John Steinberg for his long-standing service to the OCIDA board. He served the board for 30 years. He was first appointed in 1989. Mr. Steinberg was a very active member of the Accelerator and Audit Committee. He was most recently assisting with some of the challenges at the Warwick location. She wanted to publicly acknowledge his dedication to the board and his service to the County of Orange.

Attorney Client Session

Chairman Rogulski entertains a motion that the committee enter into attorney client closed door session. Motion made by Mr. Brescia to enter the closed-door session issued. Motion seconded by Mr. Schreibeis. All in favor.

Enter Attorney Client Session

The members discuss the legalities of certain matters.

Chairman Rogulski entertains a motion that the committee end the attorney client closed door session and reconvene the meeting. Motion made by Mr. Brescia to end the closed-door session issued. Motion seconded by Mr. Schreibeis. All in favor.

Other Board Business

No Other Board Business is presented.

Adjournment

Meeting called for adjournment, motion made by Mr. Gaydos, seconded by Mr. Schreibeis, the time being 4:06p.m.