



*Empowering Businesses. Inspiring Growth.*

**Mary Ellen Rogulski, Chairman • Edward A. Diana, Vice Chairman • James DiSalvo, Second Vice Chairman  
Stephen Brescia, Secretary • Michael Gaydos, Assistant Secretary • Robert J. Schreiber, Sr. • John Steinberg, Jr.  
Laurie Villasuso, Chief Executive Officer • Vincent Cozzolino, Managing Director • Melanie Schouten, Chief Operating Officer  
Kevin Dowd, Attorney • Russell E. Gaenzle, Harris Beach • Joel Kleiman, Chief Financial Officer**

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## Agenda

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on February 13, 2020 at 2:00 p.m. at the **Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, New York**, to consider and/or act upon the following:

### Order of Business

- **Roll Call**
- **Approval of the minutes**
  - January 9, 2020 Board Meeting
  - January 9, 2020 Governance Committee Meeting
  - January 9, 2020 Audit Committee Meeting
- **Financial Reports and/or Requests for Payments**
- **New and Unfinished Business**
  - Chairman's Report
  - Chief Executive Officer Report
  - Board Committee Reports (as needed)
    - Audit Committee Report
    - Governance Committee Report
    - Accelerator Committee Report
- **Executive Session**
- **Applications/Resolutions**
  - Danskammer Energy, LLC
    - Final Resolution
  - Leentjes Amusements Corp.
    - Resolution
- **Attorney/Client Session**
- **Other Board Business**
- **Adjournment**

Dated: February 6, 2020

Stephen Brescia, Secretary

By: Laurie Villasuso, Chief Executive Officer

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

January 9, 2020

A regular meeting of the Orange County Industrial Development Agency was convened in public session on January 9, 2020 at 2:04P.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, January 9, 2020 (Pledge of Allegiance is recited). Board consists of seven members. There is a quorum. Upon roll call, the following were:

PRESENT: Mary Ellen Rogulski, John Steinberg, Edward Diana, James DiSalvo, Stephen Brescia, Michael Gaydos, Robert Schreibeis

ABSENT: NONE

ALSO PRESENT: Laurie Villasuso – Chief Operating Officer  
Kevin Dowd – IDA Attorney  
Russell Gaenzle – Harris Beach  
Joel Kleiman – Chief Financial Officer  
Vincent Cozzolino – Managing Director  
Melanie Schouten – Program Director  
Cathie Hunter – Compliance Administrator  
Christine Cordova – Focus Media  
Kaitlynn Perez – Orange County Partnership  
Bill Fioravanti – OC Economic Development  
Conor Eckert – SUNY Binghamton  
William Reid – Danskammer Energy  
Thomas Gray – Danskammer Energy  
Michelle Hook – Danskammer Energy  
Kirk Phillips – OC Veteran

**Attorney Client Session**

Chairman Rogulski entertains a motion that the committee enter into Attorney Client closed-door session. Motion made by Mr. DiSalvo to enter the closed-door session. 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 regular meeting. Motion made by Mr. DiSalvo to end the closed-door session. Motion seconded by Mr. Steinberg. All in favor.

**Reorganization Meeting**

Chairman Rogulski advises that this is the annual reorganizational meeting. Chairman Rogulski asks the Board to nominate a Chairman. Mr. Diana moves that Chairman Rogulski be reelected as chairman. Motion seconded by Mr. Steinberg. Affirmative votes of all members present results in motion carried.

The officers of the Board are as follows:

Vice Chairman: Mr. Diana

Second Vice Chairman: Mr. DiSalvo

Secretary: Mr. Brescia  
Assistant Secretary: Mr. Gaydos

Motion to elect officers as noted is made by Mr. Schreibeis, seconded by Mr. Steinberg. Affirmative votes of all members present results in motion carried.

The Chairman appointments for Committees are as follows:

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

Chief Executive Officer resolution, appointing Ms. Laurie Villasuso, is read aloud. Motion made by Mr. DiSalvo, seconded by Mr. Gaydos. Affirmative votes of all members present results in motion carried.

Managing Director resolution, appointing Galileo Technology Group under the supervision of Mr. Vincent Cozzolino, is read aloud. Motion made by Mr. DiSalvo, seconded by Mr. Steinberg. Affirmative votes of all members present results in motion carried.

Chief Operating Officer resolution, appointing Ms. Melanie Schouten, is read aloud. Motion made by Mr. Gaydos, seconded by Mr. DiSalvo. Affirmative votes of all members present results in motion carried.

Chief Financial Officer resolution, appointing Mr. Kleiman, is read aloud. Motion made by Mr. Brescia, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

IDA Attorney resolution, appointing Mr. Dowd. Motion made by Mr. Brescia, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

IDA Contract Officer resolution, appointing Mr. Dowd. Motion made by Mr. Brescia, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

IDA Freedom of Information Law Officials, appointing Ms. Schouten as FOIL Officer and Mr. Dowd as FOIL Appeals Officer. Motion made by Mr. Brescia, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

Lobbying Designee resolution, appointing Ms. Laurie Villasuso. Motion made by Mr. Brescia, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

Resolution to report IDA-Owned Properties as of 12/31/19, reporting that the IDA owns NO real property as of 12/31/19. Motion made by Mr. Brescia, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

Resolution to approve IDA Depositories for 2020. Motion made by Mr. Brescia, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

Resolution for Annual Review of IDA Procurement Policies & Practices in 2020. Motion made by Mr. Brescia, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

Resolution for Annual Review of IDA Investment Policies in 2020. Motion made by Mr. Brescia, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

Resolution approving \$25,000 Annual Contract with Orange County Foreign Trade Zone. Motion made by Mr. Brescia, seconded by Mr. Schreiber. Affirmative votes of all members present results in motion carried.

Resolution to authorize "Agent Status" to Friends of the Orange County Youth Bureau Fund, Hudson Valley Agri-Business, Rockland Economic Development Corporation "PTAC", TSEC, and Women's Enterprise Development Center and allowing the Chief Executive Officer and/or Chairman to sign Agency Agreements, is read aloud. Motion made by Mr. Brescia, seconded by Mr. Schreiber. Affirmative votes of all members present results in motion carried.

### **Minutes**

Review of the December 12, 2019 board meeting minutes. Motion to approve the minutes is made by Mr. DiSalvo, seconded by Mr. Schreiber. Motion carries with all in favor.

Review of the December 12, 2019 Audit Committee meeting minutes. Motion to approve the minutes is made by Mr. DiSalvo, seconded by Mr. Diana. Motion carries with all in favor.

Review of the December 12, 2019 Governance Committee meeting minutes. Motion to approve the minutes is made by Mr. Schreiber, seconded by Mr. Brescia. 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 \$8,888,218, as of December 31, 2019.

Mr. Kleiman reviews the income and expense summary, noting that YTD is just \$1,776,837, and YTD expenses are \$1,702,253, with revenues exceeding expenses by \$74,583. Mr. Kleiman cautions that these are not final figures as the end of the year expense accruals and revenues will affect these numbers.

Mr. Kleiman reviews the income and expense summary for the Business Accelerator, noting that revenues YTD are \$158,475, and expenses are \$2,733,050. Expenses, as anticipated, exceed revenues by \$2,574,575.

Chairman Rogulski asks for a motion to approve the vouchers and payments in the amount of \$453,704.87. Motion made by Mr. Gaydos, seconded by Mr. DiSalvo, that the Board accept the financial reports and authorize IDA payments and vouchers. Open for discussion. Affirmative votes of all members present results in motion carried.

### **Chairman's Report**

Chairman Rogulski passes on giving the Chairman's Report.

### **Chief Operating Officer Report**

Ms. Villasuso informs the board that the addition of a Finance Committee took place per a new law recently implemented.

Ms. Villasuso informs 2019 PARIS reporting is underway. The project letters have been sent out. The Compliance Administrator, Ms. Hunter, will be handling all the reporting requirements.

Ms. Villasuso reminds the board that recently project NYTT was delinquent paying the 2019 school bill. To date, they have paid this bill along with the accrued late fees.

Ms. Villasuso informs the board that management is currently working on a FOIL received regarding the Heritage Trail project.

Ms. Villasuso states that each board member has received the Committee on Investigations and Government Operations report. It was also emailed to the board earlier this month. This report was commissioned by Senator Skoufis, requiring all IDAs throughout the state share information regarding their standard practices, etc. this report

also includes some case studies. The OCIDA is mentioned in one pertaining to its involvement with the Medline project. The OCIDA was commended on its ability to quickly respond to any requests for information.

Ms. Villasuso stated that two pieces of legislation that were before the Governor are worthy of mentioning. The first would have required that every PILOT document be sent certified mail return receipt. This legislation was not approved because it would cause unnecessary administrative burden. The second legislation was approved and authorizes the Office of the State Comptroller to audit LDCs. The OCFC is an LDC.

Ms. Villasuso reminds the board that Leentjes Amusements came before the board for a Sales and Use Tax Exemption at last months meeting. This project also filed a mortgage. There is no incentive associated with this mortgage, but because the OCIDA is part of the property ownership signatures will be required.

## **Board Committee Reports**

### **Audit Committee**

Mr. DiSalvo gives the Audit Committee report.

The Audit Committee reviewed an exemption request for the Kraftify Project in Warwick. This project continues to have compliance and documentation issues required for the labor audit. A company exemption was being requested even though they were working onsite prior to Committee approval. This company is handling a small percentage of the project work but failing to comply with standard audit procedures continues to be habitual. As a result, the Committee has rejected the exemption. Companies have the option to work with the OCIDA, but to receive incentives all procedures must be followed, and compliance met.

### **Accelerator Committee**

Mr. Cozzolino states out of respect for the board's time, a full Accelerator report will be given at next month's meeting. Management is happy to discuss any progress with board members prior to next month.

## **Applications/Resolutions**

### **Danskammer Energy, LLC – Initial Resolution**

Ms. Villasuso informs the board that this project request is really an extension of the current PILOT. However, this request will be treated like a new project.

Mr. Reid presents on behalf of Danskammer Energy, LLC.

Danskammer has been in business for over 60 years. It is a locally owned and operated business. The company spends over \$5M annually on payroll and over \$10M annually on property taxes. As a result of a financial audit, it was discovered that there was a discrepancy regarding municipality billing. After meeting with the local municipalities, a conclusion was met that there had been an over-payment of approximately \$1M resulting from bills issued by the municipalities. An agreement was met in which the project would overlook the over-payment in exchange for the municipality support of a PILOT extension. This would also present the opportunity to fix the current PILOT payment structure eliminating any billing confusion. The project is therefore requesting the OCIDA board's approval to extend the PILOT for another four years. The community benefit agreements for the Town and School District have been updated amicably.

This PILOT extension will ideally help the project until the new facility is up and running. The current plant was originally a coal plant constructed in the 50s. The modern facility will feature the latest technology, help to eliminate carbon emissions, and save the rate payers in Orange County \$20M a year by creating a competitive market. The new project will be a \$500M construction project creating an estimated 450 union construction jobs for approximately 3 years. The new facility will house 25 – 30 full time employees. An article 10 has been filed. The project will be informed if they can move forward within the next 12 months. Danskammer will come before the OCIDA board requesting incentives for this new facility.

Mr. Dowd reads aloud the Danskammer Energy, LLC Initial Resolution. Motion is made by Mr. Brescia, seconded by Mr. DiSalvo, 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 members present results in motion carried.

### **Other Board Business**

C&S Wholesale Grocers, Inc.

Ms. Villasuso informs the board that C&S Wholesale Grocers contacted management and informed them that they are selling the facility and the current PILOT is no longer needed. As a result, the board will need to take action to terminate the PILOT.

Mr. Dowd reads aloud the C&S Wholesale Grocers, Inc. Termination Resolution. Motion is made by Mr. Steinberg, seconded by Mr. Schreibeis, accepting resolution to terminate the current agreements and related documents in connection with the C&S Wholesale Grocers, Inc. project. Roll call is taken. Affirmative votes of all members present results in motion carried.

### **Adjournment**

With no further business, meeting called for adjournment by Chairman Rogulski, motion made by Mr. DiSalvo, seconded by Mr. Schreibeis, the time being 3:15 p.m.

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY & ORANGE COUNTY FUNDING CORPORATION

GOVERNANCE COMMITTEE

MINUTES

January 9, 2020

Orange County Business Accelerator in New Windsor, New York.  
1:00pm - 1:30pm

PRESENT: Edward Diana, Robert Schreibeis, James DiSalvo

ALSO PRESENT: Laurie Villasuso – Chief Operating Officer  
Kevin Dowd – IDA Attorney  
Vincent Cozzolino – Managing Director  
Melanie Schouten – Project Manager

Orange County Funding Corporation

**TSEC – Expenditure Request**

Ms. Villasuso reminds the Committee that they have supported this expenditure request for the past several years. This year's expenditure request for \$75,000 enables grant management and the support offered to The Accelerator. The increased amount will help with the added equipment and maintenance for the Highland Falls and Warwick Accelerators.

Motion made by Mr. Diana, seconded by Mr. DiSalvo, recommending the \$75,000 TSEC project expenditure.

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AUDIT COMMITTEE MINUTES

January 09, 2020

Orange County Business Accelerator in New Windsor, New York.  
1:30pm- 1:50pm

**PRESENT:** John Steinberg, Michael Gaydos, James DiSalvo

**ALSO PRESENT:** Laurie Villasuso - Chief Executive Officer (Acting), Kevin Dowd - Attorney, Joel Kleiman – CFO, Melanie Schouten – Chief Operating Officer, Kelly Reilly, Cathy Hunter, Kevin Loewke – Loweke Brill (Phone)

**Labor Audit Exemption Request**

Ms. Villasuso stated the meeting will start with an exemption request from Kraftify for drywall installation. Loewke Brill recommends the Committee to approve the waiver based on price differential with backup as an adequate number of bids were received. The Committee discussed this exemption. Mr. Gaydos stated that there are several drywall companies in the area. The Committee then went through the bids. The Committee had a discussion about the bids and Mr. Gaydos stated the work for drywall has already been started. Ms. Villasuso called Mr. Loewke to discuss this exemption. Ms. Villasuso asked Mr. Loewke if the drywall work has started and he stated yes but does not know why. Mr. Gaydos stated that the work is being done now without the approval of the waiver. Ms. Villasuso stated that this is not the first time this has happened. Mr. Loewke stated that this project is also late in delivering the weekly labor reports. Ms. Villasuso stated that since the contractors are on site working with the denied exemption, not only is there a violation of the labor policy but now some of the benefits could be recaptured. Mr. Steinberg spoke about this project and stated that the bids that are received should be in the Hudson Valley that it is stated in the Labor Policy. If this job was under a time constraint, and needed to have the drywall done, Mr. Krafti should have reached out to the IDA to have that conversation to state that time is of the essence. Ms. Villasuso stated that it is very clear in the labor policy what you should and should not do, and it is very clear that work should not be started until the exemption is approved.

Motion is made by Mr. Steinberg, seconded by Mr. Gaydos to approve the Kraftify Exemption Request. Mr. DiSalvo and Mr. Gaydos voted nay; Mr. Steinberg voted aye. Waiver is denied for the Drywall Installation Exemption.

Audit Committee Meeting ended at 1:50pm.





**From:** Bob Green <[bobgreenuniverse@gmail.com](mailto:bobgreenuniverse@gmail.com)>  
**Date:** Sunday, January 26, 2020 at 6:42 PM  
**To:** Laurie Villasuso <[lvillasuso@ocnyida.com](mailto:lvillasuso@ocnyida.com)>  
**Cc:** Russell Gaenzle <[rgaenzle@HarrisBeach.com](mailto:rgaenzle@HarrisBeach.com)>, "Brian W. & Alison Leentjes" <[castlefc@gmail.com](mailto:castlefc@gmail.com)>, "Brian W. & Alison Leentjes" <[bazs@optonline.net](mailto:bazs@optonline.net)>, Kevin Dowd <[kdcommish@aol.com](mailto:kdcommish@aol.com)>, Bob Krahulik Good Deed - Abstract Co <[bob@everygooddeed.us](mailto:bob@everygooddeed.us)>, Bob Krahulik Good Deed - Abstract Co <[karen@everygooddeed.us](mailto:karen@everygooddeed.us)>, "ggogerty@drakeloeb.com" <[ggogerty@drakeloeb.com](mailto:ggogerty@drakeloeb.com)>, "atudico@drakeloeb.com" <[atudico@drakeloeb.com](mailto:atudico@drakeloeb.com)>  
**Subject:** Leentjes ("The Castle") re refinancing BAZS, LLC property subject to a Leaseback & needing an IDA resolution.

TO: Orange County IDA, Att: Laurie Villasuso, Chief Executive Officer.

Ms. Villasuso: i represent the Leentjes and their various entities and with respect to this email, "BAZS LLC" (hereinafter "BAZS").

BAZS is in the process of refinancing 2 properties. the title report came back showing the IDA's Leaseback. the subject leaseback and its amendment may be found at the tail end of the attached title report.

In order for the lender to proceed with its refinance and taking a first position mortgage on BAZS' property, the lender requires the leaseback to be subject to the lender's mortgage and or subordinate to the lender's mortgage on the BAZS property.

i am advised that we need a resolution from the IDA approving this mortgage/subordination so that the lender's atty can prepare the appropriate mortgage document and send it to the IDA's attorneys (Russ Gaenzle & Kevin Dowd, both copied hereon) for their approval & circulation to the IDA for execution & return.

please place this on the agenda for the next IDA meeting in order for us to obtain such a resolution.

does the IDA require our appearance at such meeting ?

do you have any questions or do you need anything further explained ?

thank you, bob.

Bob Green, Esq.  
845-294-5573  
eFax 845-504-2701  
Mobile 914-419-9133 (text 1st to see if available)  
55 St. John Street  
Goshen, NY 10924

# Danskammer seeks extended PILOT in return for waiving tax overpayment

January 10, 2020



**TOWN OF NEWBURGH** – The owners of the Danskammer power plant in the Town of Newburgh are seeking an extension on their six-year payment-in-lieu-of-taxes agreement with the Orange County Industrial Development Agency.

In return for a four-year PILOT extension, the company, which wants to build a new power plant at its site, said it would waive the \$900,000 overpayment it made to the town and Newburgh Enlarged City School District.

IDA Chief Executive Officer Laurie Villasuso said the request was made to the agency board on Thursday. “They reached out to both the town and school district and the town and the school district passed resolutions approving not only the extension of the PILOT, but approving extension of that PILOT meant Danskammer would no longer seek reimbursement for the overpayment,” she said.

That extended PILOT proposal will now go through the normal IDA process including a public hearing before the board acts on it.

# Villasuso named CEO of Orange County IDA

January 13, 2020



*Laurie Villasuso*

**NEW WINDSOR** – Laurie Villasuso, until now the chief operating officer of the Accelerator Powered by the Orange County Industrial Development Agency, has been named chief executive officer of the IDA and Accelerator.

Villasuso credited the successful operation of the agency to its leadership starting with the board of directors. “This board is committed to making sure that we bring the best jobs to Orange County, and now especially in the last few years, we have really committed to transparency, and oversight and compliance, and in addition to doing the job that we need to do in terms of attracting and expanding businesses, we are also making sure that we have an eye on what we need to do for the citizens of New York and Orange County to see what we are doing,” she said.

The Accelerator program provides specific research and development and manufacturing sectors in their facilities in New Windsor and the cities of Newburgh and Middletown. Under development at present is an incubator in the Town of Warwick.