



*Empowering Businesses. Inspiring Growth.*

**Robert T. Armistead, Chairman • Mary Ellen Rogulski, Vice Chairman • John Steinberg, Jr., Second Vice Chairman  
Stephen Brescia, Secretary • Edward A. Diana, Assistant Secretary • Robert J. Schreibeis, Sr. • Michael Bonura  
Laurie Villasuso, Chief Operating Officer & Executive Vice President • Vincent Cozzolino, Managing Director  
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 March 8, 2018 at 2:00 p.m. at the **33 Airport Center Dr., Larkin Conference Room, 2<sup>nd</sup> Floor, New Windsor, New York**, to consider and/or act upon the following:

### Order of Business

- **Roll Call**
- **Approval of the minutes from November 9, 2017 meeting**
- **Financial Reports and/or Requests for Payments**
  - 2017 Audit Report
  - 2018 Investment Policies and Practices Review
- **New and Unfinished Business**
  - Chairman's Report
  - Chief Operating Officer Report
    - Shamrock Creek
  - Board Committee Reports (as needed)
    - 2018 Procurement Policy Review
- **Applications/Resolutions**
  - President Container Holdings I, LLC
    - Initial Resolution
  - Wawayanda Acquisition, LLC
    - Resolution
- **Other Board Business**
- **Executive Session(s)**
- **Adjournment**

Dated: March 1, 2018

Stephen Brescia, Secretary

By: Laurie Villasuso, Chief Operating Officer & Executive Vice President

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

January 11, 2018

A regular meeting of the Orange County Industrial Development Agency was convened in public session on January 11, 2018 at 2:05P.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, Stephen Brescia, John Steinberg, Edward Diana, Robert Schreibeis

ABSENT: Mary Ellen Rogulski, Michael Bonura

ALSO PRESENT: Laurie Villasuso – Chief Operating Officer  
Kevin Dowd – IDA Attorney  
Joel Kleiman – Chief Financial Officer  
Vincent Cozzolino – Managing Director  
Melanie Schouten – Program Director  
Heather Rieker - Accelerator  
Lisa Sommers – Focus Media  
Josh Sommers – Focus Media  
Maureen Halahan – Orange County Partnership  
Wayne Spinei - IBM  
Peter Tuohy – Orange County Legislature  
Kevindaryan Lujan – Orange County Legislature

Chairman Armistead calls to order the regular meeting of the Orange County IDA, January 11, 2018 (Pledge of Allegiance is recited). Board consists of five members. There is a quorum.

Roll Call is taken.

**Reorganization Meeting**

Chairman Armistead advises that this is the annual reorganizational meeting. Chairman Armistead asks the Board to nominate a Chairman. Mr. Steinberg moves that Chairman Armistead be reelected as chairman. Motion seconded by Mr. Schreibeis. Motion carries with four ayes and two absent.

The officers of the Board are as follows:

Vice Chairman: Ms. Rogulski

Second Vice Chairman: Mr. Steinberg

Secretary: Mr. Brescia

Assistant Secretary: Mr. Diana

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

The Chairman appointments for Committees are as follows:

Audit Committee: Rogulski (Chairman); Diana; Steinberg  
Alternate: Schreibeis

Governance Committee: Diana (Chairman); Schreibeis; Bonura  
Alternate: Rogulski

Accelerator Committee: Diana (Chairman); Rogulski (Vice Chairman); Steinberg  
Alternate: Armistead

Human Resources Committee: Armistead (Chairman); Rogulski

Chief Operating Officer and Executive Vice President resolution, appointing Ms. Laurie Villasuso, is read aloud. Motion made by Mr. Schreibeis, seconded by Mr. Diana. 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. Schreibeis, seconded by Mr. Diana. Affirmative votes of all members present results in motion carried.

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

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

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

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

Resolution to report IDA-Owned Properties as of 12/31/17, reporting that the IDA owns NO real property as of 12/31/17, is read aloud. Motion made by Mr. Steinberg, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

Resolution to approve IDA Depositories for 2018 is read aloud. Motion made by Mr. Diana, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

Resolution for Annual Review of IDA Procurement Policies & Practices in 2018 is read aloud. Motion made by Mr. Diana, seconded by Mr. Schreibeis. Affirmative votes of all members present results in motion carried.

Resolution for Annual Review of IDA Investment Policies in 2018 is read aloud. Motion made by Mr. Steinberg, seconded by Mr. Armistead. Affirmative votes of all members present results in motion carried.

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

Resolution to authorize "Agent Status" to Orange County Partnership, Orange County Chamber of Commerce, Orange County Citizens Foundation, Community Capital Foundation, Hudson Valley Agri-Business, Hudson Valley Film Commission, Orange County NY Arts Council, Inc., Rockland Economic Development Corporation "PTAC", TSEC, and Women's Enterprise Development Center and allowing the Executive Director and/or Chairman to sign Agency Agreements, is read aloud. Motion made by Mr. Diana, seconded by Mr. Steinberg. Affirmative votes of all members present results in motion carried.

## **Minutes**

Review of the prior December 14, 2017 meeting minutes. Motion to approve the minutes is made by Mr. Diana, 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 \$12,155,939, as of December 31, 2017. A CD matured in mid-December 2017, which can be noted on

the third line down as redeemed. Once it matured, it was rolled over to Sterling Bank and changed into a money market account. This will be reflected on the financials in February.

Mr. Kleiman informs the board that the depository limit has remained the same with the passing of the 2018 depository resolution. It is to be noted that no one institution can hold more than \$14M, as no one bank can cover more than that amount.

Mr. Kleiman reviews the income and expense summary, noting that YTD is just \$2,664,475, and YTD expenses are \$534,399, with revenues exceeding expenses by \$2,130,075. 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 \$187,107, and expenses are \$1,562,177. Expenses, as anticipated, exceed revenues by \$1,375,071.

Chairman Armistead asks for a motion to approve the vouchers and payments in the amount of \$531,670.23. Motion made by Mr. Brescia, seconded by Mr. Schreiber, 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 Armistead informs the board that they will receive a doodle request to organize a 2018 IDA Board Retreat. It's important that the board partake in this retreat, especially after the ABO audit.

### **Chief Operating Officer Report**

Ms. Villasuso reminds the board that a recap email was sent prior to the meeting informing the board on items to be discussed at the monthly meeting, and staff actions. The ABO had requested that more contact be made between the board and staff and, as a result, recap emails will be sent monthly.

Chairman Armistead states that these emails are very valuable. A lot can transpire within a month and updates will help keep everyone informed on current matters.

Ms. Villasuso reminds the board that the ABO evaluation and fiduciary acknowledgements need to be handed in from all the board members as they must be sent to the State by January 31<sup>st</sup>.

Ms. Villasuso informs the board that management is working with Mr. Bette to finalize the lease and get it signed. The remainder of the facility has been rented out and the consolidation is anticipated for February. Ms. Schouten has reserved space across the street, at the new Accelerator Satellite location, and the County Building, for upcoming monthly meetings. The board will be thoroughly informed in advance of that month's meeting location. With the reduction of space, they'll be saving over \$100,000 in 2018. Mr. Reilly was also able to get a reduced rate on the fiber at the Crotty location. Therefore, the savings resulting from reduced space and fiber reduction is over \$120,000 in the 2018 budget. These savings will help further support the growing Accelerator network.

Ms. Villasuso reminds the board that in the fall JGS visited to review the financial documents of the first three quarters of 2017. Now that the fourth quarter has wrapped up another visit is anticipated to close out the 2017 financial review. The audit compliance letters have been sent out to all the projects and some responses have already been received by JGS. Those who fail to comply with the audit will be contacted and brought before the board for action, if needed.

Ms. Villasuso informs the board on project matters stating that, the Mountco project closed in late December, the Legoland project has yet to close, and the IBM public hearing was held on January 8<sup>th</sup>. The IBM public hearing was successful and lightly attend.

### **Church Hill Properties**

Ms. Villasuso reminds the board that the Church Hill Project was undertaken by the IDA Board in 2014. It is a hotel located in Highland Falls. To date, it is up for foreclosure and as a result a resolution has been drafted to rescind the financial assistance to the project.

Mr. Dowd gives the board the highlights of the resolution. It is a resolution rescinding the financial assistance to Church Hill Properties, LLC, the grounds being that the project was approved in November 2014, and since that time the project has not moved forward. The project has not executed any of the agencies closing documents, and neither the agency nor counsel were properly informed of its foreclosure. The foreclosure sale took place this morning.

Motion is made by Mr. Diana, seconded by Mr. Brescia, accepting resolution to rescind the financial assistance to Church Hill Properties of Highland Falls New York, LLC. Roll call is taken. Affirmative votes of all members present results in motion carried.

#### Shamrock Creek

Ms. Villasuso informs the board that the Shamrock Creek project has had some issues regarding delinquent payments to the school district. This matter was discussed with the Governance Committee. The Committee decided to give the project sixty days to resolve the issue. If not resolved the matter will come before the board again in March.

#### Retford Piller

Ms. Villasuso reminds that this project has an ongoing labor audit policy issue. The project is participating with the auditors, and therefore the project will be given more time and board will revisit this matter in February.

Ms. Villasuso informs the board that construction at the Middletown Accelerator is wrapping up and tenants are expected to move in the earlier part of February. Management is working with Focus Media to host an official ribbon cutting. New Windsor is at full occupancy and work has begun regarding the retrofit and upgrade of the last building on the campus.

Mr. Dowd recaps by stating that Governance Committee discussed the matter Ms. Villasuso mentioned previously. Shamrock Creek informed them that they are in the process of refinancing. Retford Piller has been working the labor auditors regarding percentage of compliancy. There seems to be a difference of opinion on the percentage of local labor being used and it is anticipated that that will wrapped up next month.

Chairman Armistead states that there has been a great effort from the labor policy audits over the past year. A great deal was learned from the process and it further solidifies that it was the correct move to engage the auditors and update the process.

Mr. Dowd informs the board that there was a pending lawsuit due to an accident that took place on the construction site. That lawsuit has been settled by the principals.

Mr. Brescia informs the board that two new county legislators are present, Mr. Tuohy and Mr. Lujan. An orientation for new legislators is coming up on January 22<sup>nd</sup>. Ms. Villasuso and Mr. Cozzolino have been invited to present at the orientation.

Chairman. Armistead welcomes the legislators.

Mr. Brescia informs the board Mr. Rodriquez of the County Executives office has been in touch regarding the continued hosting of championship football games in Orange County.

Ms. Villasuso says that he will need to reach out to the OCFC but that he is welcome to contact management regarding the matter.

### **Applications/Resolutions**

#### IBM Corporation Project – Final Resolution

Mr. Dowd informs the board that the IBM public hearing was held on Monday. Besides the project representative, Mr. Spinei, and the Town Assessor, there were no other attendees. It was a successful public hearing.

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

#### Med Parc, LLC – Final Resolution

Mr. Dowd reads aloud the Med Parc, LLC Final Resolution. Motion is made by Mr. Schreibeis, seconded by Mr. Steinberg, accepting resolution to take action on certain matters pertaining to a proposed project for the benefit of Med Parc, LLC. Roll call is taken. Mr. Brescia abstains. Affirmative votes of four members results in motion carried.

#### **Other Board Business**

Focus Media presents the update to 2018 IDA marketing plan to the board.

The objective of the plan was to expand the education and understanding of the IDA's activities, to counter misinformation, and to generate new potential fields of job generation for the IDA.

A phase one print ad and radio are presented that were run regionally illustrating the positive things the IDA and The Accelerator have done and the jobs that have been created.

One of the key elements of phase two is digital advertising. This will assist in targeting the appropriate audience and provide feedback of effectiveness. Audience profiling will track actions of geography, actions, and views. A microsite has been developed, along with pre-roll and new radio ad. Video advertising will take place on Youtube and Facebook. Video is a compelling way to tell the IDAs story and generate interest.

At the completion of the campaign, the results will be reviewed to make sure it was effective as possible.

Ms. Villasuso reminds the board that the current IDA website is primarily compliancy based. It's complicated for the average citizen to view that site and really get a feel for what the IDA does. This microsite will position the average consumer to get a true understanding of the IDA and afford the IDA the opportunity to brag a bit about The Accelerator on a community-based level.

The microsite will present a key message concentrating on the strengths of the IDA, the benefits it provides, and demonstrates the success of the county. They will affiliate this success by featuring logos of the larger companies that have received benefits.

The new radio ad played for the board. The ad will have a strong reach for the IDA and will fall inline with other economic agencies that are marketing themselves in the metropolitan and surrounding markets.

Chairman Armistead states that board has been discussing this and is looking forward to seeing how successful the campaign will be. Nobody really knows what the IDA does, and this will give a solid breakdown of the IDA efforts and benefits.

Ms. Villasuso states it will help make the IDA more multi-dimensional and humanize its efforts.

#### **Executive Session**

Chairman Armistead entertains a motion that the committee enter into executive session pursuant to section 105(1)(f) of the open meetings law to discuss the compensation benefit package of employees of the IDA. Motion made by Mr. Schreibeis to enter executive session issued. Motion seconded by Mr. Brescia. All in favor.

*Enter Executive Session*

The members discuss the compensation benefit package of employees of the IDA.

*End Executive Session*

**Adjournment**

With no further business, meeting called for adjournment by Chairman Armistead, motion made by Mr. Schreibeis, seconded by Mr. Diana, the time being 3:27 p.m.

# Orange County IDA

FEBRUARY 2018

## Funds Received

Med Parc (Labor Escrow Audit)	10,000.00
Amy's Kitchen (Final 50% payment)	271,862.50
<b>Total</b>	<b>\$ 281,862.50</b>

## Vouchers & Payments

Orange Bank & Trust (Labor Escrow Audit for Med Parc)	10,000.00
R&D Legal Bookkeeping, Inc (Bookkeeping Services Jan. 2018)	239.75
Kevin Dowd (Legal Services Jan. 2018)	9,610.00
Loewke Brill Consulting Group, Inc. (Jan. 2018)	3,155.00
Brown Weinraub (NYS lobbying services Jan. 2018)	5,000.00
Frances Roth (Hearing for IBM)	250.00
NYS Joint Commission on Public Ethics - filing fee (Paid)	50.00
<b>Total</b>	<b>\$ 28,304.75</b>



# Orange County IDA

MARCH 2018

**Funds Received**

IBM (Closing Fee)	100,000.00
<b>Total</b>	<b>\$ 100,000.00</b>

**Vouchers & Payments**

R&D Legal Bookkeeping, Inc (Bookkeeping Services Feb. 2018)	113.00
Kevin Dowd (Legal Services Feb. 2018)	6,480.00
Loewke Brill Consulting Group, Inc. (Feb. 2018)	3,530.00
Brown Weinraub (NYS lobbying services Feb. 2018)	5,000.00
<b>Total</b>	<b>\$ 15,123.00</b>



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February 27, 2018

John M. Murphy  
Direct Dial: 414-298-8316  
jmurphy@reinhartlaw.com

SENT BY EMAIL AND COURIER

Laurie Villasuso  
Chief Operating Officer  
Executive Vice President of Economic Development  
Orange County IDA - The Accelerator  
4 Crotty Lane, Suite 100  
New Windsor, NY 12553  
Email: [lvillasuso@ocnyida.com](mailto:lvillasuso@ocnyida.com)

Dear Ms. Villasuso:

As you know, our firm represents Wawayanda Acquisition, L.L.C., a New York limited liability company ("Wawayanda") and Medline Industries, Inc., an Illinois corporation ("Medline").

Wawayanda, as landlord, and the Orange County Industrial Development Agency (the "IDA"), as tenant, are parties to that certain Lease Agreement dated as of September 1, 2008 (the "Ground Lease"), whereby Wawayanda leased to the IDA certain real property located in Wawayanda, Orange County, New York, as more particularly described in the Ground Lease (the "Property"). Additionally, the IDA, as landlord, and Wawayanda, as tenant, are parties to that certain Leaseback Agreement dated as of September 1, 2008 (the "Leaseback Agreement"), whereby IDA leased the Property back to Wawayanda. The IDA and Wawayanda are also parties to that certain Payment in Lieu of Tax Agreement as of September 1, 2008 (the "PILOT Agreement," together with the Ground Lease and the Leaseback Agreement, the "Incentive Documents").

Wawayanda, as seller, and PPF Industrial 3301 US-6 Middletown, L.L.C., a Delaware limited liability company ("Purchaser"), intend to enter into a Purchase and Sale Agreement (the "PSA") whereby Wawayanda will sell the Property to Purchaser and Purchaser will simultaneously lease the Property back to Wawayanda's affiliate, Medline, until December 31, 2020 (the "Medline Leaseback"). Pursuant to the terms of the PSA, Wawayanda is assigning all of its right, title and interest in the Ground Lease and the Leaseback Agreement to Purchaser (collectively, the "Assignment") and amending the PILOT Agreement to provide that Medline shall assume all obligations of Wawayanda under the PILOT Agreement (the "Amendment").

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Milwaukee, WI • Madison, WI • Waukesha, WI • Rockford, IL • Chicago, IL • Phoenix, AZ • Denver, CO

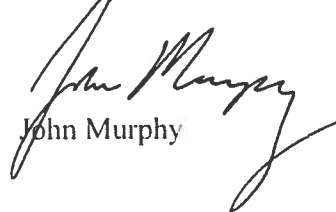
Lauric Villasuso  
February 27, 2018  
Page 2

The Incentive Documents require that Wawayanda obtain the IDA's consent to the Assignment and the Amendment. In connection with the IDA consenting to the Assignment and the Amendment, the IDA has requested the following information:

1. **Brief Description of Site Operations:** The Facility (as defined in the PILOT Agreement) is used for warehouse and office uses for the distribution of medical supplies.
2. **Current Number of Employees at the Facility:** There are currently 314 employees.
3. **Commitment to Continue Operations:** Following the sale of the Property and pursuant to the terms of the Medline Leaseback, Medline intends to continue operating the Facility at its current capacity for the remaining life of the PILOT Agreement.

If you have any further questions or comments regarding the sale of the Property or the Assignment, please do not hesitate to contact the undersigned.

Thanks,



John Murphy

cc Mr. Dmitry Dukhan  
Mr. Kilian Murphy

**Motion By:** \_\_\_\_\_  
**Seconded By:** \_\_\_\_\_

**RESOLUTION**  
*(Assignment of Medline Industries, Inc. Project)*

A regular meeting of the Orange County Industrial Development Agency was held on March 8, 2018 at 2:00 p.m. (local time) at 33 Airport Center Drive, New Windsor, New York 12553.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the assignment, amendment and subordination of certain agreements for the benefit of Wawayanda Acquisition, LLC (the "Company") in connection with the Company's proposed sale/leaseback transaction with Prime Property Fund (the "Purchaser").

RESOLUTION AUTHORIZING THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO (I) CONSENT TO THE ASSIGNMENT, AMENDMENT AND SUBORDINATION OF CERTAIN AGREEMENTS FOR THE BENEFIT OF WAWAYANDA ACQUISITION, LLC (THE "COMPANY") IN CONNECTION WITH THE COMPANY'S PROPOSED SALE/LEASEBACK TRANSACTION WITH PRIME PROPERTY FUND (THE "PURCHASER") AND (II) NEGOTIATE AND EXECUTE RELATED DOCUMENTS IN CONNECTION THEREWITH.

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 390 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **WAWAYANDA ACQUISITION, LLC** (the "Company") was previously appointed as agent of the Agency for the purposes of undertaking a certain project (the "Project") consisting of: (i) the acquisition of title to or a leasehold interest in a parcel of land located at 3301 U.S. Highway 6 in the Town of Wawayanda, Orange County, New York (the "Land"), (ii) the construction and equipping on the Land of an approximately 505,000 square-foot building to be used by the Company as a distribution center (the "Improvements"), and (iii) the acquisition in and around the Improvements of certain items of equipment and other tangible personal property, all in furtherance of the Company's medical supplies manufacturing and distribution business (the "Equipment" and, collectively with the Land and the Improvements, the "Facility"), all pursuant to: (a) a certain Lease Agreement, dated as of September 1, 2008, from the Company to the Agency (the "Lease Agreement"); (b) a certain Leaseback Agreement, dated as of September 1, 2008, from the Agency to the Company, as amended by a certain Leaseback Agreement, dated as of January 1, 2011, from the Agency to the Company (as amended, the

"Leaseback Agreement"); and (c) a certain Payment-In-Lieu-Of-Tax Agreement, dated as of September 1, 2008, by and between the Agency, the Company and Medline Industries, Inc. (the "Guarantor"), as amended by that certain First Amendment to Payment-In-Lieu-Of-Tax Agreement, dated as of January 1, 2011, by and between the Agency, the Company and the Guarantor (as amended, the "PILOT Agreement"); and

WHEREAS, the Company is contemplating entering into a sale/leaseback transaction (the "Transaction") with Prime Property Fund or such other entity as may be identified by the Company (the "Purchaser") and after the closing of the Transaction, the Company intends to continue operating the Facility pursuant to a lease agreement with the Purchaser (the "New Lease Agreement"); and

WHEREAS, in order to complete the Transaction, the Company will (i) assign its interest in the Lease Agreement, the Leaseback Agreement and the PILOT Agreement to the Purchaser; (ii) amend the PILOT Agreement in order to, among other things, clarify that the Company and the Guarantor will be responsible for the Company's current payment and performance obligations thereunder and (ii) enter into the New Lease Agreement with the Purchaser, which New Lease Agreement shall be subordinate to the Lease Agreement and the Leaseback Agreement; and

WHEREAS, prior to the (i) assignment of the Company's interest under the Lease Agreement, the Leaseback Agreement and the PILOT Agreement to the Purchaser, (ii) amendment of the PILOT Agreement in order to, among other things, clarify that the Company and the Guarantor will be responsible for the Company's current payment and performance obligations thereunder and (iii) subordination of the New Lease Agreement to the Lease Agreement and the Leaseback Agreement, the Agency must first consent to such assignment, amendment and subordination; and

WHEREAS, the Agency desires to adopt a resolution authorizing it to consent to (i) the Company's assignment of the Lease Agreement, the Leaseback Agreement and the PILOT Agreement to the Purchaser, (ii) the amendment of the PILOT Agreement in order to, among other things, clarify that the Company and the Guarantor will be responsible for the Company's current payment and performance obligations thereunder and (ii) the subordination of the New Lease Agreement to the Lease Agreement and the Leaseback Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Company has presented a letter in a form acceptable to the Agency describing the Transaction, the operation of Facility and the current number of employees that are and will continue to be employed at the Facility. Based upon the representations made by the Company therein, the Agency hereby finds and determines that the Agency has the authority to take the actions contemplated herein under the Act and that it is desirable and in the public interest for the Agency to undertake such actions.

Section 2. The Agency consents to (i) the assignment of the Company's interest under the Lease Agreement, the Leaseback Agreement and the PILOT Agreement to the Purchaser, (ii) the amendment of the PILOT Agreement to, among other things, clarify that the Company and the Guarantor will be responsible for the Company's current payment and performance obligations thereunder; and (iii) the subordination of the New Lease Agreement to the Lease Agreement and the Leaseback Agreement.

Section 3. The Chairman, Vice Chairman and/or the Chief Operating Officer of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute such documents as may be necessary to (i) assign the Lease Agreement, the Leaseback Agreement and the PILOT Agreement, (ii) amend the PILOT Agreement and (iii) subordinate the New Lease Agreement to the Lease Agreement and the Leaseback Agreement (collectively, the "Agency Documents"), provided that such agreements include indemnification of the Agency by the Company, the Guarantor and/or the Purchaser for actions taken by the Company, the Guarantor and/or the Purchaser and/or claims arising out of or related to the Project and that in all events recourse against the Agency is limited to the Agency's interest in the Project.

Section 4. Where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency, if any, to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or Chief Operating Officer of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman and/or Chief Operating Officer of the Agency to constitute conclusive evidence of such approval.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. Due to the complex nature of this transaction, the Agency hereby authorizes the Chairman, Vice Chairman and/or Chief Operating Officer of the Agency to approve, execute and delivery on behalf of the Agency, such further agreements, documents and certificates as the Agency may be advised by counsel to the Agency to be necessary or desirable to effectuate the foregoing, such approval to be conclusively evidenced by execution of such agreements, documents or certificates by the Chairman, Vice Chairman or Chief Operating Officer of the Agency.

Section 7. These Resolutions shall take effect immediately.

*[Remainder of Page Intentionally Blank]*

The question of the adoption of the foregoing Resolution was duly put to vote on roll call, which resulted as follows:

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Robert T. Armistead				
Mary Ellen Rogulski				
John Steinberg, Jr.				
Stephen Brescia				
Edward A. Diana				
Robert J. Schreibeis, Sr.				
Michael Bonura				

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK )  
COUNTY OF ORANGE ) ss:

I, the undersigned Secretary of the Orange County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "Agency") including the resolution contained therein, held on March 8, 2018, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this \_\_\_\_ day of March, 2018.

---

Stephen Brescia, Secretary



February 5, 2018

Laurie Villasuso  
Chief Financial Officer  
Executive Vice President of Economic Development  
Orange County IDA  
4 Crotty Lane, #100  
New Windsor, NY 12553

Dear Ms. Villasuso:

Please accept this letter as an amendment to our application that was approved in 2016. We have decided to purchase an existing building and build out to meet our needs instead of continuing with our plan for new construction.

The building is located at 453 Route 211 E, Middletown, NY 10940 in Orange County in the Town of Wallkill. The total cost, including purchase and build out, will be \$8,000,000. The jobs created (50) and retained (50) will remain the same as well as the equipment purchases. The building will be purchased by RG Hudson LLC, 111 Maltese Drive, Middletown, NY 10940.

Please let me know if you need any other information to complete this amendment. Thank you in advance for your consideration.

Sincerely,

Rajan Gulati, MD  
President



## New hotel planned for Town of Wallkill

By **Daniel Axelrod**

**Times Herald-Record**

Posted Jan 12, 2018 at 8:45 PM

Updated Jan 12, 2018 at 8:52 PM

TOWN OF WALLKILL - Med Parc LLC of Montgomery is planning to open a \$14.73 million, 93-room Holiday Inn Express & Suites Hotel in the spring of 2019 at 599 E. Main St. in the Town of Wallkill, according to a recent successful application for tax breaks approved by the Orange County Industrial Development Agency.

Construction on the 54,280-square-foot hotel will begin next month.

The IDA approved more than \$600,000 worth of sales tax exemptions for up to 18 months for construction of the project, plus nearly \$83,000 in mortgage recording tax exemptions.

The project will create 28 jobs, including 18 full-time positions and 10 part-timers.




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ETHAN ALLEN

## **Orange County seeks \$400K grant to bring water to Route 17M businesses**

By Chris McKenna

Times Herald-Record

Posted Feb 10, 2018 at 5:52 PM

Updated Feb 11, 2018 at 11:45 PM

GOSHEN - Orange County has applied for a \$400,000 federal grant to help pay for pipes to bring municipal water and sewer service to five businesses at a Route 17M intesection that now rely on wells and septic tanks, plus a future hotel that could be built there.

The grant submitted by the county's Industrial Development Agency estimates the project would cost \$887,000, with the IDA chipping in \$50,000 and the businesses sharing the remaining \$437,000 expense if the grant is approved. The work would include installing a 1.3-mile sewer main to the Village of Goshen's sewage treatment plant and a 2,000-foot water line to the village's water system.

The existing businesses at Route 17M and 6 1/2 Station Road that would benefit from the project are: a Healey Brothers car dealership; Milmar Food Group, a frozen-food manufacturer; Hudson River Tractor, a John Deere dealer; Orange Hollow Racquet & Fitness Club; and Tool Factory Outlet.

The grant application indicates a future hotel to be built by "the Spensieri Group" also would receive service and contribute to the cost. Luca Spensieri, co-owner of Primo Sports, owns 10.5 acres at the intersection and previously has tried to develop that property. No hotel plans have been submitted to the Town of Goshen Planning Board.

Rep. Sean Patrick Maloney, the Cold Spring Democrat who represents Orange County, wrote a letter last month to the federal Economic Development Administration to support the grant application, saying the proposed work would help keep major employers from leaving and bring more development to the area. In his Jan. 19 letter, Maloney called the slow expansion of water and sewer service in that commerical corridor "a barrier to sustained regional growth."

The grant application claims Milmar will hire 57 more people and Healey will add 25 workers if they get central water and sewer service. Milmar now has 400 employees, and Healey has 114, according to the application.

The application calls the existing wells and septic systems inadequate and alludes to businesses “trucking in” water, without elaborating. “Without this project, the businesses in this corridor will cut jobs, cancel expansion and hiring plans, and some will ultimately leave the area,” the application warns.

Paul Healey of Healey Brothers told the Times Herald-Record in 2016 that he had replaced the septic system for his Ford shop three times in 20 years, at a cost of \$150,000 each time. He also said he wanted to add a car wash, but couldn’t do so without municipal sewer service.



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