

## ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

### MINUTES

April 12, 2018

A regular meeting of the Orange County Industrial Development Agency was convened in public session on April 12, 2018 at 2:00 P.M. at the 33 Airport Center Dr., Larkin Conference Room, 2<sup>nd</sup> floor, 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, Mary Ellen Rogulski, Edward Diana, Stephen Brescia, John Steinberg, Robert Schreibeis, Michael Bonura

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  
Heather Rieker– The Accelerator  
Lisa Sommers – Focus Media  
Hema Easley – Focus Media  
Carl Meyer – TSEC  
Amanda Dana – O.C. Partnership  
Wayne Booth – O.C. Executive Office  
Richard Goldberg – President Container  
Charles Darling – Retford/Piller  
Anthony Martinisi – Retford/Piller  
Amanda Spadaro – Times Herald Record

Chairman Armistead calls to order the regular meeting of the Orange County IDA, April 12, 2018 (Pledge of Allegiance is recited). Board consists of seven members. There is a quorum.

Roll Call is taken.

Chairman Armistead welcomes Mr. Booth.

### **Minutes**

Review of the prior March 8, 2018 meeting minutes. Motion to approve the minutes is made by Ms. Rogulski, seconded by Mr. Steinberg. 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 \$12,188,556, as of March 31, 2018.

Mr. Kleiman reviews the income and expense summary, noting that YTD is \$381,171, and YTD expenses are \$172,764, with revenues exceeding expenses by \$208,407. Some changes might be seen once the accruals are adjusted in the books.

Mr. Kleiman reviews the income and expense summary for the Business Accelerator, noting that revenues YTD are \$186,797, and expenses are \$396,347. Expenses, as anticipated, exceed revenues by \$209,551. Some changes might be seen once the accruals are adjusted in the books.

Chairman Armistead asks for a motion to approve the vouchers and payments in the amount of \$431,131.95. Motion made by Mr. Bonura, seconded by Mr. Brescia, 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 reminds the board that management sent out an email addressing the upcoming Board Retreat and potential retreat discussion topics. He asks that the board review what was sent and discuss any preferences or concerns with management. In addition to the discussion topics, he asks the board to please review the current by-laws prior to the Retreat.

Chairman Armistead informs the board that Mr. Bonura will be stepping down from his position on the IDA Board. On behalf of the board, Chairman Armistead thanks Mr. Bonura for his time served on the board.

Chairman Armistead states that the coverage regarding the Middletown Accelerator ribbon cutting was well handled. He thanks Ms. Sommers and Focus Media for their assistance. He states that management should be very proud of what has been accomplished at this new satellite location.

### **Chief Operating Officer Report**

Ms. Villasuso informs the board that the annual PARIS reporting is complete for 2017. Practices were refined when engaging the open projects for 2017. Management will meet in the near future to discuss those projects that did not appropriately respond to the audit request. The four projects that did not respond to the IDA Audit Request were: Clear Key, The Sentinel, Stewart FBI, and NYTT. The three projects that did not respond to the OCFC Audit Request were: Sheri Torah, Bnai Yoel, and The Sentinel. Ideally, the requested information will be provided, and management will be able to reopen PARIS to complete the reporting. Management will come back to the board to discuss the best recourse for those who fail to comply. This is an important matter and action should be taken with these failures, as the board was written up in the ABO Audit for not following up on such actions. Hopefully, in 2018 all projects will respond with the necessary figures and supporting documents.

Ms. Villasuso reminds the board that the Middletown Accelerator ribbon cutting took place on March 13<sup>th</sup>. The space is currently full, and additional rooms will be upfitted as needed for new businesses.

Ms. Villasuso informs the board that a kiosk will be rented at Woodbury Commons Premium Outlets during the week surrounding Memorial Day. Accelerator clients will be given the opportunity to showcase their wares during this time. Woodbury Commons management was kind enough to offer the kiosk at a fraction of the original price. This is the second highest traffic time for shoppers behind Black Friday, making this a great opportunity for these local entrepreneurs.

As Chairman of The Accelerator Committee, Ms. Villasuso ask Mr. Diana if he would like to comment on recent activity.

Mr. Diana states that the ribbon cutting was a success and the Middletown Campus is full. Additional businesses have been attracted to the facility, due to the Accelerator efforts. The results have positively exceeded initial expectations and has been a worthwhile investment. The Committee and management are currently working on gathering the resources to install a cleanroom on site.

Ms. Villasuso informs the board that one of the items the Accelerator Committee voted on in their meeting was funding the operation of the Middletown Accelerator. The original plan was to partner with the City of Middletown on that venture, and since then the plan has shifted. The Committee has discussed the IDA funding Galileo Technology Groups' management of that facility.

Motion is made by Mr. Steinberg, and seconded by Mr. Schreibeis, approving Galileo Technology Group as Managing Director of the Orange County Business Accelerator in Middletown, NY. Affirmative votes of all members present results in motion carried.

Mr. Cozzolino informs the board that the Lucky Bug is moving to the City of Newburgh. Melo is expanding quickly with eleven on staff currently and six more anticipated in the near future. Many of these staff members are Newburgh residents. The two new companies moving on-site, Seco Silk Screening and Limberti Evolution, will each start by hiring five to six staff members.

Ms. Villasuso informs the board that Mr. Cox has put a great deal of effort into laying out, upkeeping, and managing the equipment in The Accelerator facilities. He's been instrumental in the growth of The Accelerator.

Mr. Cozzolino informs the board that management will be working on a plan to upfit and place clients in a Newburgh based facility. They plan on bringing it to the attention of the board at the next meeting.

### **Board Committee Reports**

#### **Audit Committee**

Ms. Villasuso informs the board that the Audit Committee has approved the final construction waiver for the Retford/Piller project. The approval will be passed to Fellenzer so that they can produce an Audit Closeout Report.

#### **Governance Committee**

Mr. Diana informs the board that the Committee discussed the Route 94 North, Primo Sports project. This project never progressed and has remained open since 2015. Too much time has passed without having this project move forward, and if they would like benefits, the project can reapply. The Committee recommends the board rescind any prior approved benefits.

Motion is made by Mr. Diana, and seconded by Mr. Schreibeis, rescinding the initial resolution for Route 94 North, LLC D/B/A Primo Sports. Affirmative votes of all members present results in motion carried.

Mr. Diana informs the board that the Committee discussed the NYTT project. This project throughout the life of its PILOT has failed to comply in a timely manner to the annual Audit Requests. The Committee recommends a strongly worded letter be sent by Counsel stating that failure to comply with all recent requests, and submission of payments owed will result in loss of benefits.

Ms. Villasuso informs the board that this project has never responded on time to an audit request since the beginning of their PILOT in 2010. They frequently tend to be delinquent on their PILOT payments. They have three years left on their PILOT. Mr. Dowd will draft a letter giving them until the May 10<sup>th</sup> meeting to comply.

Motion is made by Mr. Brescia, and seconded by Mr. Bonura, authorizing Mr. Dowd to send a letter to NYTT giving the project until May 10<sup>th</sup> to become compliant on all matters. Affirmative votes of all members present results in motion carried.

### **Applications/Resolutions**

#### **President Container Holdings I, LLC**

##### **Presentation**

Mr. Goldberg speaks on behalf of President Container. President Container moved its facility to Middletown in 2010. By the end of 2017 production has almost doubled and space is at full capacity. The requested incentives would assist the project in adding approximately 130,000 sq ft of extensions on either side of the building. These expansions will house new machinery and add storage for production and shipping purposes. The expansion is anticipated to create between 50-60 new jobs.

Mr. Brescia reminds Mr. Goldberg that recently the OCIDA labor policy was updated and that 85% local labor must be used on all current projects. Some exemptions can be given for certain cases, but it is mandatory that these new requirements be met.

Mr. Goldberg states that beyond those few needed exemptions for special installations that all local labor is expected to be used.

Ms. Villasuso reminds that board that Leowke Brill will work closely with the project to make sure they remain compliant throughout the process. If any issues arise they will be addressed early on.

#### Initial Resolution

Mr. Dowd reads aloud the President Container Holdings I, LLC Initial Resolution. Motion is made by Mr. Brescia, seconded by Mr. Schreibeis, accepting resolution to take action on certain matters pertaining to a proposed project for the benefit of President Container Holdings I, LLC. Roll call is taken. Mr. Diana abstains. Affirmative votes of six board members results in motion carried.

#### **Other Board Business**

No Other Board Business is presented.

#### **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**

Meeting called for adjournment by Chairman Armistead, motion made by Mr. Bonura, seconded by Mr. Schreibeis, the time being 2:48 p.m.