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Laurie Villasuso, Chief Executive Officer • **Vincent Cozzolino**, Managing Director • **Melanie Schouten**, Chief Operating Officer
Kevin Dowd, Attorney • **Russell E. Gaenzle**, Harris Beach • **Edward Januszkiewicz**, Chief Financial Officer

Agenda

Due to the COVID-19 public health crisis, this meeting will be held via video conference.
To watch the livestream, please visit our website: www.ocnyida.com

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on July 9, 2020 at 2:00 p.m. to consider and/or act upon the following:

Order of Business

- **Roll Call**
- **Approval of the minutes**
 - June 11, 2020 Board Meeting
 - June 11, 2020 Audit Committee Meeting
- **Financial Reports and/or Requests for Payments**
- **New and Unfinished Business**
 - Chairman’s Report
 - Chief Executive Officer Report
 - Adopt Mission Statement
 - Accelerator Report
 - Board Committee Reports (as needed)
 - Governance Committee Report
- **Other Board Business**
 - NDC/ Monroe Presentation
- **Adjournment**

Dated: July 2, 2020

Stephen Brescia, Secretary

By: Laurie Villasuso, Chief Executive Officer

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

May 14, 2020

A regular meeting of the Orange County Industrial Development Agency was convened via Zoom video conference June 11, 2020 at 2:10P.M.

Chairman Rogulski calls to order the regular meeting of the Orange County IDA, June 11, 2020 (Pledge of Allegiance is recited). Board consists of six members. There is a quorum. Upon roll call, the following were:

PRESENT: Mary Ellen Rogulski, Edward Diana, James DiSalvo, Michael Gaydos, John McCarey, Robert Schreiber

ABSENT: Stephen Brescia

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
Marty Borrás – Executive Assistant
Edward Januszkiewicz - OCIDA
Dean Brady – Tech Management
Nancy Proyect – Consultant
Mark Servidone – Hampton Park
Dominic Cordisco – Merlin Entertainments
Stephanie Johnson – Merlin Entertainments
Brian Shaw – Merlin Entertainments

Minutes

Review of the May 14, 2020 Board meeting minutes. Motion to approve the minutes is made by Mr. McCarey, seconded by Mr. Diana. Motion carries with all in favor.

Review of the May 14, 2020 Governance Committee meeting minutes. Motion to approve the minutes is made by Mr. DiSalvo, seconded by Mr. Diana. 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 \$6,681,939 as of May 31, 2020. One CD and a treasury bill are maturing in August, and one CD is maturing in March 2021. Interest rates in the money markets accounts have dropped over the last few months.

Mr. Kleiman reviews the income and expense summary, noting that YTD income is \$182,046 and YTD expenses are \$167,890, with revenues exceeding expenses by \$14,156. In the past the financials were reported on a cash basis. Going forward, reporting will be presented on an accrual basis for accuracy. This will help the monthly reports reflect the year end outcome.

Mr. Brescia joins the meeting at 2:16pm.

Mr. Kleiman reviews the income and expense summary for the Business Accelerator, noting that revenues YTD are \$70,805, and expenses are \$1,016,239. Expenses, as anticipated, exceed revenues by \$945,434.

Chairman Rogulski asks for a motion to approve the vouchers and payments in the amount of \$26,568.50 for June. Motion made by Mr. Schreiber, 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.

Resolution – Appointing CFO

Mr. Dowd reads aloud the Chief Financial Officer Resolution. Motion is made by Mr. Schreiber, seconded by Mr. DiSalvo, appointing Edward Januszkiewicz as the new IDA Chief Financial Officer. Roll call is taken. Affirmative votes of all board members present results in motion carried.

The Chairman thanks Mr. Kleiman for his many years of service with the IDA.

Chairman's Report

Chairman Rogulski welcomes Mr. Januszkiewicz to the IDA staff.

Chairman Rogulski thanks Mr. Steinberg for his thirty years of service to the IDA. A plaque has been made honoring his dedication. He served as both a Board member and Chairman during his time. His technical expertise in engineering, construction, and real estate made him a valued member of the Board.

Mr. Steinberg thanks everyone that served with him on the Board over the years. The experience was interesting, challenging, and sometime frustrating. He welcomes Mr. McCarey and wishes him good luck.

Mr. Brescia wishes Mr. Steinberg all the best. He states that the legislature presented Mr. Steinberg with a plaque as well.

Mr. Gaydos congratulates Mr. Steinberg.

Chief Executive Officer Report

Ms. Villasuso tells Mr. Steinberg that he was lovely to work with, and he will be missed.

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

The ABO is auditing the Dana Distributors and IMB 2018 projects. Management sent a response to the report issued by the ABO. The ABO was questioning reported employment figures and resolution details. The Board will be notified of any updates regarding this matter.

Management has been working closely with the ABO and Office of the State Comptroller to fix some past PARIS reporting inaccuracies. The 2017, 2018, and 2019 reports have been updated and submitted.

The Executive Order to host meetings remotely was extended to July 6th. The OCIDAs office is part of Phase 2. To open, a safety plan must be submitted. Management continues to work remotely. If the Executive Order is extended further, Management will update the Board.

The NYSED is hosting a virtual IDA Academy on June 24 and 25. Topics will cover State Comptroller reviews, Prevailing Wage Law, Legislative updates, NYSERDA incentives, among others. There will be a Board and Staff compliance training on the 25th hosted by Mr. Pearlman. Attending this portion would satisfy the PAAA requirement for all Board Members.

During the April meeting, the Board discussed line items that have been carried over for multiple years. These items included Drury Lane, Breonix, and New Hampton Technologies. Information on these projects is currently in cold storage and, due to Phase 2, it can now be accessed, and figures confirmed.

Certificates of Independence were sent to a majority of the Board Members along with the monthly meeting packets. Those that received a certificate need to sign and return that document.

FOCYB Revised IDA Agent Proposal

Ms. Schouten informs the board that the Friends of the Orange County Youth Bureau is requesting the following revisions to the 2020 Agent Proposal:

- Shifting the Emerging Leaders Youth Conference into a series of videos and/or virtual webinars. THE FOCYB would partner with BOCES and OC Employment to cover such topics as: interviewing skills, time management, fiscal literacy, life skills, and connecting to local resources.
- Shifting the Hudson Valley Career Program into a series of videos. The Ramapo Catskill Library System would create videos covering such topics as: resume writing, filling out working papers, etc (ideally in English and Spanish)
- Pausing work on the Medical Reserve Corps Career Guidance and Support Program. Instead work with local non-profits and municipalities to identify volunteer opportunities for youth, draft listings and get them posted on the United Way's Volunteer Portal and actively direct youth to this resource.
- To assist with the sudden changes caused by COVID-19, FOCYB partnered with WEDC to host a 2-part webinar on hosting effective online meetings for non-profits and educators that had to quickly change the format in which the engaged youth and staff.

The Board supports the revisions.

Ms. Villasuso continues her report.

The IDA created a COVID-19 response team to alleviate the stressors created by the pandemic on the local business community. The OCFC created a loan fund to provide financial support. \$500,000 in loans was approved and issued to 50 businesses in Orange County. 9 webinars have been hosted with hundreds of attendees. The last two webinars covered the reopening process. Over \$6M in CARES Act funding was enabled with the assistance given by the response team. Mr. Brescia connected the response team with companies in need in the County. Assistance included helping businesses manage funding received, pivot businesses to take on new transitioning endeavors, among other needed specific to each business. The Town of Montgomery IDA asked the OCIDA to partner with them and help support businesses in need in their community. The OCFC Loan process was shared with IDAs and LDCs throughout the state to help them model their own program after what was created. The next webinar, on June 18th, will cover PPP forgiveness. The AWOW program was expanded and as a result the response team has been to expand the scope of businesses and provide more assistance in the County.

Chairman Rogulski states that the webinars have been well thought out, organized, covered relevant topics, and she commends Management for their efforts. The constant changes in the PPP Loan requirements are unsettling and the guidance provided has been very helpful.

Chairman Rogulski states that she was pleased with how Management and the Board created and issued the OCFC Loan Program. Everyone came together to structure the program in a short amount of time during this crisis. The loans were deployed across the County to businesses in need in a variety of industries. Most of the assisted businesses had been open for more 15 years or more in Orange County.

Accelerator Report

Mr. Cozzolino gives the Accelerator Report.

A chart is shown titled the Existing Accelerator Status.

- Middletown Campus is in Phase 1.
 - Safety CDC procedures have been put in place.
- Fashion cluster is working together to promote PPE production.
 - Catalogs have been distributed to promote PPE products.
- Shelli Scott has relocated to a "store front" POD instead of moving to a location in downtown Newburgh.
- PRG & Kentex partnered to create a no-touch, automatic face temperature scanner.

A sign has been put up featuring all the clients at the 603 and 605 Broadway Accelerator location.

A chart is shown listing AWOW activities.

- Every OCFC Loan recipient in addition to any that reached out for COVID-19 assistance, has been in communication with the COVID response team to ensure help could be provided for any current concerns. Success regarding the EIDL and PPP Loans was surveyed.
- AWOW service have been extended beyond manufacturing.
- Webinars were hosted covering on PPP, Re-Opening New York, and the New York Forward Loan for those companies that did not receive CARES funding.
- Ongoing consulting with FPS, Pergamena, 5 Spoke Creamery, and Trade Show Design Consultants.

The AI Accelerator will be located a short distance from West Point. The location will help to leverage the engineering school and centers of excellence at West Point. This cluster has received interest from many companies. These companies specialize in such things as telemedicine and virtual reality. It is hoped that this will be transformational for Highland Falls, encouraging high-skilled and high paid jobs. The Accelerator plans on hosting an AI conference in the future. They are working on securing a building now for this Accelerator. Ideally clients would start moving in in the fall.

Mr. DiSalvo states that prior to his tenure on the IDA Board, he did not understand how the Board or Accelerator program worked. The community of Highland Falls, in which he lives, has been speaking with excitement about the Accelerator program having a location in Town. It has created a sense of unity between the Town and West Point. Everyone is hopeful about the jobs and attraction to the Town it will create. He thanks all those involved.

Mr. Cozzolino continues his report.

A chart is shown listing Key Takeaways.

- 100 survey responses from companies assisted in applying for CARES funding received a total of \$5,006,927.
- Provided hands on assistance to companies and address all PPP Forgiveness questions.
- Helped 140 Companies
- Helped retain 240 jobs
- Helped with the creation of 30 jobs
- OCFC Board approved \$500,000 in small business loans and the COVID-19 Resiliency Loan Committee approved 50 recipients.

The CBD and cannabis cluster is not doing well. The NY State Commerce laws that were anticipated to protect the NY market were never approved. It is believed that these laws will be revisited later in the year and put into place to protect NY businesses.

Chairman Rogulski states that she was concerned about the \$1.5M investment The Accelerator put towards the creation of the CBD cluster in Warwick and if they would receive repayment. They had a meeting with Mr. Sweeton, Warwick Town Supervisor, and he understood the concerns. He feels confident that the State will continue to support this industry and the grants supporting the cluster and IDA will get repaid.

The Accelerator Committee approved the recommended real estate for the Highland Falls AI Accelerator. It was requested that Management work with the landlord and see if they can secure half the building to start and expand into the space if there is a real demand for growth.

Applications/Resolutions

Hampton Park, LLC

Ms. Villasuso informs the Board that the Hampton Park project has come before the Board today to request an adjustment on their Sales and Use Tax Exemption and Tax Agreement. Due to COVID-19, their construction site was shut down which caused a delay on progress of the project. The School Tax year is 2020/2021 and any approvals to delay the PILOT would need to take place now so that the adjustments don't conflict with the School District billing.

Mr. Servidone speaks on behalf of the project.

Mr. Servidone states that they are requesting assistance from the Board to push back the dates on the Sales and Use Tax Exemption and Tax Agreement so that they get the full value of the incentives.

Chairman states, for the record, that no additional incentives are being granted. The Board would just be adjusting the dates on the Sales and Use Tax Exemption and Tax Agreement.

Mr. Diana states that the taxing jurisdictions should be notified of the change as soon as possible.

Mr. Dowd confirms that the jurisdictions will be notified.

Resolution

Mr. Dowd reads aloud the Hampton Park, LLC Resolution. Motion is made by Mr. Schreibeis, seconded by Mr. DiSalvo, authorizing the amendment of project agreements. All vote in favor.

Merlin Entertainments Group US Holdings, Inc.

Ms. Villasuso informs the Board that the Merlin Entertainments project has come before the Board today to request an adjustment on their Sales and Use Tax Exemption and Tax Agreement. Due to COVID-19, their construction site was shut down which caused a delay on progress of the project. The School Tax year is 2020/2021 and any approvals to delay the PILOT would need to take place now so that the adjustments don't conflict with the School District billing. No additional incentives are being granted. The Board would just be adjusting the dates on the Sales and Use Tax Exemption and Tax Agreement.

Mr. Cordisco speaks on behalf of the project.

Mr. Cordisco states that it was a great disappointment that the park could not open as scheduled and construction delay due to COVID-19. Construction has slowly started again as permitted by the State. Though construction that was needed to ensure the timely opening of the park was halted with the onset of the pandemic, it is now anticipated that the park will open in 2021.

Resolution

Mr. Dowd reads aloud the Merlin Entertainments Group US Holdings, Inc. Resolution. Motion is made by Mr. Schreibeis, seconded by Mr. Gaydos, authorizing the amendment of project agreements. All vote in favor.

Attorney Client Session

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

Other Board Business

No Other Board Business is presented.

Adjournment

Meeting called for adjournment, motion made by Mr. Schreibeis, seconded by Mr. Gaydos, the time being 3:53p.m.

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AUDIT COMMITTEE MINUTES

June 11, 2020

Via Zoom / Conference 12:35pm- 12:45pm

PRESENT: Michael Gaydos, Edward Diana, James DiSalvo

ALSO PRESENT: Laurie Villasuso - Chief Executive Officer, Joel Kleiman – CFO, Melanie Schouten – Chief Operating Officer, Vincent Cozzolino – Managing Director, Kevin Dowd – Attorney, Kelly Reilly, Dean Brady, Edward Januszkiewicz

Ms. Villasuso stated that Mr. DiSalvo will be joining the meeting shortly.

Merlin (Legoland)

Ms. Villasuso stated that Merlin Entertainment has asked if they can shift their PILOT one year due to COVID as the construction was shut down resulting in Legoland not being able to open up in 2020. They will be requesting an extension. Loewke Brill contacted the IDA and stated that there have been some document issues recently. Due to the pandemic and shutdown Loewke Brill has been patient and understanding but while the construction was starting up again and entertaining the request for the extension, we wanted to be sure we got the document matter closed. Stephanie from Merlin has been working with Kevin from Loewke Brill and Merlin has provided most of the documents that are necessary for Merlin to be back in compliance. Most of these documents are insurance and certificate issues and are not Local Labor issues. Merlin has provided a lot of documents with a few outstanding. Merlin has committed to providing all the documents by the end of June and we will work with them to ensure that all documentation is received by the end of June beginning of July and will report back next month on their compliance. Ms. Villasuso stated that on the Local Labor report Merlin is technically at a 59% compliance rate which she is not concerned about at all since the compliance is on a sliding scale. She stated that Merlin is well aware of their requirements and have been very cooperative. Ms. Villasuso also stated that Merlin has a PLA and the trades are watching as well. As of now things are back on track and Merlin is starting their construction up and they are anticipating their opening in 2021. Ms. Villasuso asked if the Committee has any questions and Mr. Gaydos stated that if Loewke Brill needs anything he can help.

Kraftify

Ms. Villasuso stated that before COVID we had a compliance issue with Kraftify and JB Installation which was a sheet rocker. At that point there was a request submitted for a waiver for JB Installation due to them not being local and the waiver request was denied. JB Installation came in at 63% compliance rate rather than being 85% or above. Our policy and procedure have been if there is a compliance issue the project will incur a penalty. She reminded the Committee that we just recently extended their sale tax exemption and continued their PILOT for a year, but this denied waiver was outstanding. Ms. Villasuso went over the policy penalty equation with the Committee. The value of the JB Installation contract was \$12,850.00, the local labor was supposed to be at least 85% so the amount of the contract multiplied by the actual local labor percentage (63%) and the difference between the two was \$2,827.00. Ms. Villasuso stated that the fee is a sliding scale depending on the penalty score which is 1 – 5. She said that she would suggest they get a 2 due to the fact that all other contractors were 100% in compliance except for one which was at 88%. She stated that they have done a good job being compliant on the project, but also wanted to mention that there have been issues before about compliance and they have come to the Audit Committee in the past with the failure of getting documents to us on time. Ms. Villasuso stated that with all that said she will let the Audit Committee talk it over and decide what penalty if any they want to change. Mr. Dowd asked if the project is done and the answer was yes, Kraftify is waiting on a C of O. Mr. DiSalvo joined the meeting. Ms. Villasuso reviewed what was being discussed for Kraftify and whether the Committee wants to charge a penalty for the out of compliance contractor. Mr. Gaydos stated that he thought the penalty is fair, Mr. DiSalvo stated he thought it was more than fair and Mr. Diana agreed. The Committee approved the penalty. Ms. Villasuso restated that the Committee is in agreement that the penalty will be \$1,413.50 which you take the \$2,827.00 and divide by penalty score of 2. She said that a document will be put together for this penalty fee and she will report back to the Audit Committee. Mr. Kleiman stated that Kraftify had given us \$5,000.00 initially for the Labor Escrow, then they gave the IDA an additional \$2,000.00. Since the projects has proceeded Kraftify is short again. There will be a close out fee that Loewke Brill will charge. Mr. Kleiman suggest that once we receive a final bill from Loewke Brill we then bill Kraftify for the balance they will owe us. Mr. Diana asked how much the balance will be and Mr. Kleiman responded stating that Kraftify owes us \$550.00 now and about another \$500.00 for close out.

Audit Committee Meeting ended at 12:45pm.

Orange County IDA

July 2020

Funds Received

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	Total	\$ -

Vouchers & Payments

UHY Advisors	June Accounting Retainer	\$ 337.80
McAllister & Quinn	July Retainer	\$ 5,000.00
Loewke Brill Consulting	Site Visits, June Reporting	\$ 4,855.00
Keven Dowd, Esq	June Legal Services	\$ 8,977.50
Brown & Weinraub	July Consulting	\$ 5,500.00
	Total	\$ 24,670.30

June 30, 2020

**HVADC activities in Orange County
January – June 2020**

HVADC

507 Warren Street, 2nd Floor
Hudson, NY 12534
P: 518.432.5360
F: 888.317.5556

Orange County Ag Implementation Committee

Deputy Director Mary Ann Johnson is an original member of this committee whose charge is to ensure implementation of the Orange County Agriculture and Farmland Protection Plan. During the committee's monthly meetings, Mary Ann offers guidance, insights and HVADC services in coordination with other members of the committee to address the needs of Orange County farmers. Recent activities have included providing a scope of services for a dairy feasibility study.

**BOARD OF
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Eric Ooms

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Todd Erling

USDA Regional Food System Partnership Grant (RFSPG)

HVADC is a founding member of the Hudson Valley Food Systems Coalition organized by the Community Foundations of the Hudson Valley. This coalition developed and submitted for the RFSPG with Cornell Cooperative Extension – Orange as the applicant for the grant. Mary Ann worked extensively with Maire Ulrich of CCE to prepare the grant and coordinate the partners. If successfully, HVADC and CCE-Orange will work together on many aspects of the grant ensuring Orange County farmers and feeding agencies are represented within the regional effort.

Below is a summary of this implementation grant:

The Hudson Valley has a long history of regional cooperation across private, non-profit, and government in food production and access. Most recently, Community Foundations of the Hudson Valley, Dutchess Outreach, and Bread Alone launched the Hudson Valley Food System Coalition (HVFSC) to build food systems. Over the last year, the participants in the coalition has grown to include many more partners. To that end, this implementation project solidifies HVFSC role as the regional guide and will enhance regional connectivity through the partners and beyond while providing tangible short and long-term assets to producers and food access agencies.

- *Hire HVFSC Coordinator*
- *Assess production and processing short-falls in the region*
- *Develop infrastructure project list & funding protects*
- *Increase availability of storage capacity for producers, processors and food access agencies*

The infrastructure gaps of the producers and processors converge with those of the emergency feeding system. This project will help build that collaborative and infrastructure capacity which will develop capacity in the regional food system, while robust, lacks elasticity.

HVADC Agricultural Loan Fund

HVADC has been named as a designated lender to help administer a recently established \$10 million fund from New York State that will be available to assist local agribusinesses have easier access to capital. The Agriculture Loan Fund Program is another tool to help provide access to

capital for small agribusinesses that otherwise may face limited opportunities, not only supporting the success of these businesses but also improving the economic outlook for rural and surrounding communities. Eligible borrowers of program funds include value-added processors, food distribution companies, food aggregators, wineries, breweries, distilleries, cider producers, farms and Food Hub participants. Projects qualifying for loans primarily include the purchase of machinery and equipment used in support of the New York State agricultural industry.

HVADC has received an application from a Orange County business as the Covid crisis began. Per the request of the owner, the application is on hold until the owner as they evaluate the consequences of the pause in operations.

Hemp Processing

As part of the team working on the development of a hemp processing facility led by the Orange County Accelerator, HVADC has been making connections and referrals with farmers in the region in support of this on-going effort.

Farm and Food Funding Accelerator (FFFA)

The FFFA is an intensive mentoring and training program for Hudson Valley farmers and food entrepreneurs seeking to scale their business, gain access to capital, and build sales. Over the course of six to eight months, participants engage in a series of one-on-one mentoring sessions, group interaction and industry networking events to learn how to talk to investors, discover new market opportunities, and pitch to potential funders. HVADC is final phase of the third FFFA class including Orange County business Ardent Homesteader, maker of hand-crafted small batch Cara-Sel salted caramel sauce. Through this program, which started in November of 2019, owner Kristin Nelson worked on developing a new product including preparing financial projections, sourcing New York State popcorn and identified several co-packing opportunities.

FeedHV

FeedHV is a regional food rescue and gleaning network dedicated to meeting the needs of neighbors while mitigating the impacts of food waste. The concept evolved out of community dialogues with farmers, volunteers, nonprofit agencies and key stakeholders. Through our web-based and mobile application powered by ChowMatch, FeedHV links food donors of prepared but unserved food and fresh produce (including farms, restaurants, catering services, grocery stores, hospitals, universities and more) to nonprofit organizations with food assistance programs (such as food pantries, soup kitchens and shelters) through the efforts of a network of volunteers who transport, glean and process donated food. With this technological solution, FeedHV enhances and streamlines the good work of businesses, agencies, and organizations already doing food recovery work. The network covers Ulster, Orange, Dutchess, Sullivan, Greene, Columbia and Putnam counties in the Hudson Valley.

FeedHV team members Brianna Merrill and Erica Doyle regularly work with Stiles Najac, the Food Security Community Liaison CCE Orange County, and due to Covid-19 have worked more intensely than was required. With feeding agencies throughout the Hudson Valley seeing increases averaging 40-60%, HVADC was able to provide a regional perspective and to assist in the coordination of donated food to Orange County agencies with partner CCE Orange. Recent examples of our work are below:

- Brianna joins on a weekly Orange County Agency Check-in call by Stiles where agencies share resources and help each other to understand best practices to address current challenges. HVADC serves as a network provider and connector to resources. HVADC provides perspective regarding solutions implemented in other counties for similar problems.
- Erica has worked with Stiles to facilitate the transportation and redistribution of several large donations in the past few months. Through FeedHV, Stiles received and transported a donation of 2,200 pounds of apples from Fishkill Farms in Dutchess County, NY. A portion of the donation went to Dutchess Outreach in Poughkeepsie, and the remaining went to CCE Orange's emergency feeding program.
- In May, FeedHV received a large donation of Chobani Yogurt from the National Guard and worked with Stiles and her team to delivered 1,320 pounds of yogurt to several agencies in the FeedHV network.

- FeedHV facilitated a donation from the Empanada Nirvana restaurant in Newburgh who hosted a Feed the Need food giveaway event, of which 5 trays of prepared hot food was donated to a local men's shelter, Community Housing Innovations in Newburgh.
- FeedHV often receives donations from school districts when the school year ends, and we received a donation of 1,300 pounds of milk from the Beason School District, which was picked up by volunteers and the Glean Mobile which were delivered to Community Housing Innovations of Newburg and other agencies in Orange County.
- In May, HVADC also worked with Ermin Siljkovic, Orange County DPW Recycling Coordinator, to a P2I Grant. HVADC contributed details about how FeedHV's program could support a food waste diversion effort, including a letter of support for this effort.
- The FeedHV team continues to conduct outreach in search of donations, which dropped off significantly during the NYS Pause. Now that NY State is in Phase 3 of reopening, we plan to revisit existing relationships with donors in the county and the Hudson Valley at large.

BOARD OF DIRECTORS

June 10, 2020

Mary Ellen Rogulski
- CHAIRMAN

Edward A. Diana NYS Authorities Budget Office
- VICE CHAIRMAN P.O. Box 2076

James DiSalvo Albany, NY 12220-0076
- SECOND VICE CHAIRMAN ATTN: Ashley Parslow

Stephen Brescia
- SECRETARY

Michael Gaydos
- ASSISTANT SECRETARY

Robert J. Schreiber, Sr.

John McCarey

RE: Orange County IDA – ABO Review of Dana Distributors and IBM 2018 Projects

Dear Ms. Parslow:

Please accept this letter as the Orange County IDA's response to the matters raised in your review of the above referenced 2018 projects.

OPERATIONS STAFF

Laurie Villasuso
- CHIEF EXECUTIVE OFFICER

Melanie Schouten
- CHIEF OPERATING OFFICER

Joel Kleiman
- CHIEF FINANCIAL OFFICER

Kevin T. Dowd
- ATTORNEY

1. Dana Distributors:

- A. Job Creation, Retention and Reporting. We acknowledge that there is confusion with the numbers of jobs created, retained and reported. As the Project Application states, there were 85 FTEs and 5 PTE's at the commencement of the Project. The applicant reported that it would create an additional 18 FTEs and 12 PTE's within three years of completion of the project. In the column for the number of jobs to be retained in the Application, the applicant added the number of current FTE jobs (85) to the number to be created (18) to arrive at the 103 FTEs and did the same for the PTEs adding current (5) to those to be created (12) to derive the retained number (17). The IDA Board and staff were fully aware of these figures, how they were derived and had no problem with the numbers contained in the Application.

With respect to PARIS reporting, other than the correct number of FTEs prior to financial assistance, we rely upon the applicant for the accuracy of this information. The IDA has no way to independently verify information provided by applicants. This applicant reported to us that, as of the end of 2018, the number of FTEs was 114 with 30 of those jobs being created in 2018. The applicant also reported that 24 FTE jobs were retained, a number that our employee assigned to compile the employment numbers accepted without questioning it for accuracy. Internal controls have been modified to correct this issue going forward.

- B. Resolution, Project and PILOT Agreements. The Board's Final Resolution states the total sales tax exemption amount as is required by statute. However, we are not aware of any statute that requires a mortgage recording tax exemption estimate to be contained in the Final Resolution. In this particular application, Dana Distributors was not requesting a mortgage recording tax exemption (nor was one awarded) but it was included in the Final Resolution as a placeholder just in case the applicant determined that it would be needed. The inclusion in the Resolution thus avoids the necessity of a new public hearing and additional delays for the project construction. Additionally, we note that an estimate for a mortgage recording tax exemption is included in the Project Agreement as you correctly pointed out.

We are unclear as to what exactly you are looking for with regard to the PILOT. As stated above, we are not aware of any statute that requires the IDA Board's resolution to include an estimated amount of the PILOT. However, as you point out, we do include in the Tax Agreement, the terms of the PILOT and the schedule as to how the PILOT is calculated. We also include a schedule that is generated in conjunction with the Orange County Office of Real Property Taxation (which in turn works with the individual Town Assessors) that provides an estimate of the exemptions to be received. We would note that we do not grant tax exemptions on the existing property value but merely on the value of the improvements. Additionally, at the time the PILOT is executed, we do not have a final assessed valuation for the improvements nor can we know each individual taxing jurisdiction's tax rate for any of the given years of the PILOT. In the many years that we have used the calculation schedule in our PILOTs, we have had very few issues with the local assessors who seem to prefer this formulaic approach.

2. International Business Machines (IBM):

- A. Job Creation, Retention and Reporting. We acknowledge that there is confusion with the number of jobs created, retained and reported. The application clearly states that there would be no new jobs created and 260 FTEs would be retained. The applicant reported that, as of the end of 2018, the number of current FTEs was *estimated* at 275 with 10 FTE *construction* jobs created. Unfortunately, the employee who was assigned the task of ensuring reporting accuracy did not question or inquire of the applicant about the discrepancy between the application and the 2018 end of the year reporting to determine the actual number of FTEs at the site, and the figure entered into PARIS was in error. As stated above, our internal controls have been modified to correct this issue going forward.

- B. Resolution, Project and PILOT Agreements. We are unclear as to exactly what you are looking for with regard to the PILOT. We are unaware of any statute that requires the Resolution to include an estimated amount of the PILOT. As you indicate, the PILOT was an extension of the existing PILOT and all of the proper legal proceedings were performed in accordance with the law – we do not know of any legal requirement that the approval resolution state that it is an extension of an existing PILOT. The PILOT agreement was coordinated with the Orange County Office of Real Property Taxation and the local Town Assessor. The terms of the PILOT did not deviate from the IDA's Uniform Tax Exemption Policy ("UTEF") and therefore procedures for deviation were not undertaken. Lastly, there was no Project Agreement for this PILOT Extension as there were no other benefits sought by the applicant and we believe the PILOT or Tax Agreement posted on our web site meets both the spirit and intent of the law.

We will consider this matter closed unless we receive a written response to this letter within ten (10) days of the date of this letter.

Very truly yours,

Mary Ellen Rogulski
by permission Laurie Villasuso

Mary Ellen Rogulski
Chairman
Orange County IDA

Laurie Villasuso

Laurie Villasuso
Chief Executive Officer
Orange County IDA

Orange County Industrial Development Agency – Dana Distributors (33051806A)

This project is for an existing beverage distributor to build a warehouse addition and recycling facility. Total project costs were estimated to be \$7,907,300. The project application states that there are currently 85 full time and 5 part time jobs, and the project is expected to retain 103 full time and 17 part time jobs and create an additional 18 full time and 12 part time jobs by the third year following projects completion.

The IDA board resolution approves the project to receive sales tax, mortgage recording tax and real property tax exemptions. The resolution states total sales tax exemptions to be \$81,250; however, it does not state the amount of mortgage recording tax and real property tax exemptions being approved or the estimated amount of payments in lieu of taxes (PILOT) to be made.

The project agreement consists of multiple documents and provides \$81,250 in sales tax exemptions and \$26,250 in mortgage recording tax exemptions. The documents include the terms of the PILOT but do not state the amount of real property tax exemptions or the amount of estimated PILOT payments. Instead, the agreement only shows how the PILOT is calculated.

A PILOT schedule is also posted on the IDA's website. But this schedule does not identify the total amount of real property tax exemptions or the total estimated PILOT payments. Instead, the schedule reflects the annual PILOT for the improvements only and the respective net property tax exemptions to be received over the ten-year period, estimated to be \$714,834. The schedule does not reflect the PILOT related to the existing property. Without the real property tax exemptions we cannot determine the total amount of financial assistance provided to the project.

Transparency

The IDA website was reviewed on November 5, 2019 and all related project documents, application, resolution and agreements, were posted on the website.

PARIS Data Accuracy – Jobs

The project application states that 85 full time and 5 part time jobs currently exist, the project will retain 103 full time and 17 part time jobs and create 18 full time and 12 part time jobs. The IDA reported in its 2018 PARIS Annual Report that the project had 85 full time equivalent (FTEs) before IDA assistance, 24 FTEs were to be retained, and the company planned to create 30 FTEs as a result of this project. The IDA did not report the number of jobs to be retained or the jobs to be created based on the application.

Orange County Industrial Development Agency – International Business Machines (IBM) 2018 (33051506B)

This project is to extend real property tax exemptions to a data processing company to continue its operations and retain employment. There are no renovations or improvements to be made. The project application states that the project will retain 260 full time jobs and does not state any jobs are to be created.

The company has been receiving real property tax exemptions from the IDA under a payment in lieu of taxes (PILOT) agreement since 1995. The PILOT was originally extended in 2007 to end in 2017. The new project, in 2018, requested to extend the PILOT through 2028.

The IDA board resolution approves the project to receive real property tax exemptions but does not include the amount of exemption to be provided or the estimated PILOTs to be made. Further, the board resolution does not indicate that the project is an extension to an existing PILOT agreement.

The IDA does not have a uniform project agreement for this project. However, the PILOT agreement provides real property tax exemptions through 2028, but the amount of the exemptions is not included in the agreement. The PILOT agreement does include a schedule that shows fixed PILOTs are expected to total \$5,173,000 over the 10-year period.

The project deviates from the IDA's UTEP because it stipulates a fixed PILOT amount for each year, totaling \$5.1 million over the 10-year PILOT, rather than being based on a declining percentage of the real property taxes. Without the real property tax exemptions being identified, we are unable to determine what the net real property tax benefit would be to project if the UTEP was followed.

Transparency

The IDA website was reviewed on November 5, 2019 and did not contain the project agreement but did contain the project application and board resolution.

PARIS Data Accuracy – Jobs

The project application states that the project will retain 260 full time jobs no jobs will be created. The IDA reported in its 2018 PARIS Annual Report that the project had 275 full time equivalent (FTEs) before IDA assistance, 275 FTEs were to be retained, and the company planned to create 379 FTEs as a result of this project. The IDA did not report the employment numbers in PARIS based on the employment numbers in the application.

From: mschouten@ocnyida.com
To: matt@grindstoneresearch.com
Cc: [Kevin Dowd](#)
Subject: RE: FOIL - OCIDA - March 10, 2020- OCIDA Minutes 2002-2006
Date: Thursday, June 18, 2020 10:50:10 AM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[OCIDA Board Meeting Minutes 2006.pdf](#)
[OCIDA Board Meeting Minutes 2002.pdf](#)
[OCIDA Board Meeting Minutes 2003.pdf](#)
[OCIDA Board Meeting Minutes 2004.pdf](#)
[OCIDA Board Meeting Minutes 2005.pdf](#)

June 18, 2020

Via Email

Re: Freedom of Information Request

Orange County Industrial Development Agency Board Minutes

Dear Mr. Bricken:

This letter is in response to your request dated March 10, 2020, made pursuant to the NYS Freedom of Information Law. As a reminder, I was initially unable to access certain files in cold storage per our Governor's Executive Order Number 202.6 in which all non-essential New York businesses were required to shut down.

Now that our region of New York has entered Phase 2 of re-opening, a thorough search of all files onsite and in cold storage has been conducted. Additionally, I requested long-serving Board members to check their files for any pertinent documents they may have retained. I have included all such files with this letter.

Please be advised that I have been unable to locate other sets of IDA Board minutes that you requested. Unfortunately, these older records may have been lost when our County Government Center was closed due to severe flooding several years back which forced the IDA to relocate its offices to its current location. At this point in time, there are no other searches that I can undertake to find the missing records and, therefore, I consider this matter closed.

Please be advised you have the right to appeal this determination, in writing, to the attorney for the OCIDA within 30 days of the date of this email.

All the best,

Melanie Schouten

Chief Operating Officer

Records Access Officer

4 Crotty Lane, Suite 100, New Windsor, NY 12553

O: 845.234.4449

F: 845.220.2228

mschouten@ocnyida.com

mschouten@the-accelerator.com



ocnyida.com
chooseorangenyc.com



theaccelerator.business

