

Trimble, Bill

From: Edda Eller [edda@pfprogress.org]
Sent: Thursday, August 11, 2005 5:03 PM
To: Trimble, Bill; RTARMISTEAD@ARMISTEADMECHANICAL.COM; octrust4@frontiernet.net; dcoleman@warwick.net; Henry VanLeeuwen; dmacfarland@riversidebankhv.com; steinbrg@frontiernet.net
Subject: IDA Minutes July 20 2005

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCYMINUTESJuly 20, 2005

A regular meeting of the Orange County Industrial Development Agency was convened in public session on July 20, 2005 at 3:00 P.M. at the County Government Center, Goshen, in Orange County, New York.

The meeting was called to order by the Chairman, John Steinberg, and upon roll being called, the following were

PRESENT: Robert Armistead, David MacFarland, John Steinberg, John Borland, Stephen Brescia, Daniel Coleman

ABSENT: Henry Van Leeuwen

ALSO PRESENT: William Trimble – Administrator Director
Edda Eller, Recording Secretary
Phil Crotty - Attorney
Michael Levensohn – Times Herald-Record
John D'Ambrosio – Orange County Chamber of Commerce
Charles Schachter – Harris Beach
William Richards, Donald Green, Joseph Cutshall-King –
Orange County Community College
Robert Hannan – Orange County Capital Development Corp.

Opening the meeting, Chairman John Steinberg asked for a motion to approve May 18, 2005 minutes. David MacFarland made a motion to approve minutes and Daniel Coleman seconded motion. Minutes of May 18th approved by all members present.

Presented was a resolution approving Greenwood Gardens, LLC Sales Tax Exemption which ran until June 15, 2005. The project financing did not close by that date and the Chairman executed a new letter prepared by bond counsel extending the sales tax exemption. Stephen Brescia made a motion seconded by David MacFarland to extend Greenwood Gardens, LLC sales tax exemption letter retroactively from June 15, 2005 to September 21, 2005. Affirmative votes of all members present resulted in motion carried.

It was reported that the State allocation for bond issues for manufacturing was \$8,095,000 for the calendar year 2005.

Presented was a resolution approving the Orange County IDA fee schedule last revised in 2002; brought current and simplified. The fee schedule is established as follows: One-percent of first \$2,000,000 and one-half percent above that, due at closing, IDA Attorney \$10,500 of which \$2,500 due at application and non-refundable, and balance due at closing, IDA Bond counsel \$12-15,000 for straight lease transactions; fee for tax exempt transactions to be quoted depending on complexity of deal; \$2,500 due at application and non-refundable, balance due at closing. Stephen Brescia made a motion seconded by John Borland to accept resolution as presented. Affirmative votes of all members present resulted in motion carried.

Recognized was William Richard of the Orange County Community College to discuss a letter sent to Chairman John Steinberg outlining a revised proposal of their original request of \$1.2 million funding. This revision has a significantly

smaller budget, spread over three years. They have been successful in obtaining funding for CISCO and other parts of the previous proposal. This allows them to reduce their original request to the IDA to \$555,269 over three years to fund continuing education programs in health care and technology. To make clear the effect of an IDA grant, this letter discussed the Center's potential in terms of Economic Development, Return on Investment and the overall Economic Impact on Orange County. The letter of July 12, 2005 along with a graph demonstrating the impact of IDA funding and a total investment summary has been distributed to IDA members. Chairman John Steinberg asked if there is some way we could get some money back in this activity. He had worked up a four-year repayment plan that was distributed to members. Richards had not thought about it but it could certainly be a possibility. Members thanked William Richards and said they would discuss the request further.

Recognized was Robert Hannan of the Orange County Capital Development Corp. stating that it is an organization designed for the exclusive purpose of matching new venture ideas with capital funding resources. New ventures that receive funding through the services provide by OCCDC must agree to locate their firms within Orange County. The mission remains unchanged, but the business model has been modified to meet market realities. Marketing is now regional continuing to focus on networking CPA, Attorneys and Bankers for deal flow within 100 miles radius. In addition they are networking other Angel Networks to identify opportunities to attract entrepreneurs from Metropolitan New York and Albany markets. Generating news articles to increase entrepreneur awareness of OCCDC has been very effective. They now have a very successful model and have successfully funded our second entrepreneur with \$200,000. The reason we are more effective now is directly attributable to the establishment of the Orange County Angel Network which makes us a "principal". They now have an opportunity to create a truly unique organization in Orange County. An organization that not only has access to Institutional Investor, but also manages its own Angel Network and an Investment fund from which it can make investments in worthy opportunities. By working with the Orange County IDA it can utilize part of its assets to provide capital to entrepreneurs, providing the IDA with an opportunity to obtain a better return on its assets, create an opportunity for OCCDC to generate revenue as a principal rather than a broker. Increased revenue should result in reduced funding required from IDA to support operating expenses. Creates an organization that is truly unique in NYS providing capital to start up and early revenue business in order to promote business growth in Orange County. They are requesting an allocation of \$2 million from the IDA to establish the Investment Fund. The commitment is an important credibility issue in the industry. These funds would be utilized to leverage investment by the Angel Network. Initial cash deployed to OCCDC by IDQA would be \$500,000.

IDA members are for the concept but have to make everything legal, structuring the commitment as a business transaction so that the IDA is in charge to get reports and updates. David MacFarland made a motion seconded by John Borland that the OCCDC has the consensus of the board going in as partners and working out the details. Affirmative votes of all members present resulted in motion carried.

Following was a discussion regarding marketing and advertising for 2005. Stephen Brescia made a motion seconded by David MacFarland to take out an ad in the Orange County Partnership's annual Resource Guide in the amount of \$1,250.00. Affirmative votes of all members present resulted in motion carried.

Treasurer's report for May and June 2005 was presented. Treasurer's report approved by all members present as submitted.

In the absence of Treasurer Henry Van Leeuwen, Edda Eller presented the following: Received check in the amount of \$508,138.00 from IBM for the period June 2004 through May 2005; voucher and payment to Orange County Capital Development Corp. in the amount of \$45,000.00 as per agreement of March 23, 2005, voucher and payment to Orange County Partnership in the amount of \$43,750.00 for 2nd quarter, voucher and payment to William Trimble in the amount of \$1,666.66 for administrative services November 1, to December 31, 2005, voucher and payment to Philip Crotty for legal services April 15 to July 20, 2005 including office supplies and mileage, payment to Commercial Offset Printers in the amount of \$155.16 for letterhead and envelopes, payment to Minuteman Press in the amount of \$38.00 for business cards for William Trimble and Philip Crotty. Vouchers and payments approved by all members present.

John Borland made a motion seconded by Robert Armistead to adjourn to executive session to discuss matters of personnel matters, financial history and or promotion of particular corporation or agencies; and to discuss proposed litigation regarding Agency claim for services against an applicant project. Any subsequent action will be taken at public session. Stephen Brescia seconded motion.

Robert Armistead made a motion to end executive session and Daniel Coleman seconded motion.

It was stated that County Executive Ed Diana likes the idea of committing \$500,000 to the Orange County Capital Development Corp. but does not like the \$2 million.

Members liked the new proposal from the OCCDC. John Borland feels the biggest asset is the College and the IDA should

consider support whether they will pay back or not. David MacFarland made a motion and seconded by Robert Armistead if Orange County Community College pays back the monies, they can have the requested amount subject to legal review. Affirmative votes of all members present resulted in motion carried. John Steinberg will let William Richards know that the IDA members will support if paid back and if not paid back they should come back to the next board meeting.

Robert Armistead made a motion that this meeting be duly adjourned the time being 5:03 p.m.

Edda Eller
Recording Secretary