



*Empowering Businesses. Inspiring Growth.*

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

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## 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](http://www.ocnyida.com)

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on October 8, 2020 at 2:00 p.m. to consider and/or act upon the following:

### Order of Business

- **Roll Call**
- **Approval of the minutes**
  - September 10, 2020 Board Meeting
  - September 10, 2020 Audit Committee Meeting
- **Financial Reports and/or Requests for Payments**
- **New and Unfinished Business**
  - Chairman's Report
  - Chief Executive Officer Report
  - Accelerator Report
  - Board Committee Reports (as needed)
- **Resolutions**
  - Fairbanks MFG, LLC
    - Assignment and Assumption
- **Other Board Business**
- **Adjournment**

Dated: October 1, 2020

Stephen Brescia, Secretary

By: Laurie Villasuso, Chief Executive Officer

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

September 10, 2020

A regular meeting of the Orange County Industrial Development Agency was convened via Zoom video conference September 10, 2020 at 2:02P.M.

Chairman Rogulski calls to order the regular meeting of the Orange County IDA, September 10, 2020. Board consists of six members. There is a quorum. Upon roll call, the following were:

PRESENT: Mary Ellen Rogulski, Edward Diana, James DiSalvo, Stephen Brescia, Michael Gaydos, John McCarey

ABSENT: NONE

ALSO PRESENT: Laurie Villasuso – Chief Executive Officer  
Vincent Cozzolino – Managing Director  
Melanie Schouten – Chief Operating Officer  
Edward Januskiewicz – Chief Financial Officer  
Kevin Dowd – IDA Attorney  
Russell Gaenzle – Harris Beach  
Dean Brady – Tech Management  
Christine Kecman - Svasthya

**Minutes**

Review of the August 13, 2020 Board meeting minutes. Motion to approve the minutes is made by Mr. McCarey, seconded by Mr. DiSalvo. Motion carries with all in favor.

Review of the August 13, 2020 Governance Committee 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 August 13, 2020 Audit Committee meeting minutes. Motion to approve the minutes is made by Mr. DiSalvo, seconded by Mr. Gaydos. Motion carries with all in favor.

Review of the August 18, 2020 Special meeting minutes. Motion to approve the minutes is made by Mr. DiSalvo, seconded by Mr. Brescia. Motion carries with all in favor.

**Financial Reports and/or Requests for Payment**

Mr. Januskiewicz reviews the financial reports and requests for payments.

The summary of IDA bank accounts, certificate of deposits, and money market accounts reflect a total of \$7,284,160 as of August 31, 2020. A treasury bill and CD have matured.

On the income and expense summary, YTD income is \$543,408 and YTD expenses are \$238,694, with revenues exceeding expenses by \$304,714.

On the income and expense summary for the Business Accelerator, revenues YTD are \$90,109, and expenses are \$1,747,505. Expenses, as anticipated, exceed revenues by \$1,657,315.

The Statement of Net Assets is reviewed. There has been a reduction in the Certificates of Deposit, which now become cash equivalents. Accounts receivables have been reduced. The payment from Legoland has been received. IBM overpaid the IDA in the recent past.

Ms. Villasuso states that IBM had been credited approximately \$500,000. IBM provided documentation that they owed less than that amount for 2020. A \$172,000 credit remains for the company, as the recent bill was \$400,000.

Chairman Rogulski asks for a motion to approve the vouchers and payments in the amount of \$1,217,987.30 for September. Motion made by Mr. Gaydos, seconded by Mr. McCarey, 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.

## **2021 Budget**

Ms. Villasuso states that the 2021 Budget has been reduced for both the OCIDA and The Accelerator. The Accelerator budget is more than \$200,000 lower, and that is with the addition of the Highland Falls location. The Highland Falls facility will cost approximately \$300,000 a year to run. Management was conservative with its approach to the 2021 budget. Contracts were eliminated with certain consultants, and staffing reductions were made. She is proud to say that the 2021 Budget came in lower than previous years.

Mr. Januszkiewicz reviews the 2021 budget. There is an anticipated reduction in the closing fees. The recovered line item shows the \$2,000,000 repayment expected from the Warwick Valley LDC.

Ms. Villasuso states that Warwick Valley LDC is awaiting payment from Empire State development for their grant. This will assist with the repayment from them.

Mr. Januszkiewicz continues with the 2021 Budget review. As mentioned by Ms. Villasuso, staffing has been reduced which will also lower payroll taxes. Management expenses cover the fees for Galileo Technology Group. Significant reductions were seen in Professional Fees due to the elimination of consultant contracts.

Ms. Villasuso reminds the Board that in 2020 additional funds were appropriated to assist all County-based businesses in need. Half of the additional appropriation was carried over, so that assistance can continue in 2021. Therefore, the line item saw a reduction from \$500,000 to \$400,000.

Mr. Januszkiewicz states that the conference line item went up, as it is anticipated that in-person conferences will take place in 2021. Reductions were also made for Repairs and Maintenance, Operations, and Renovations line items. Office cleaning has been increased due to COVID-19 sanitation standards. Information Technology increased as it is foreseen that Highland Falls will require additional tech needs. Funding for PTAC has been removed from Agency Support and relocated to research and development. \$1,000,000, that was previously designated for the Heritage Trail, has been removed from the Project Expenditure line item. This project is now being funded by the OCFC. Marketing has been reduced by removing vendor costs. For the entire organization expenditures are down \$1,239,063. The Net is \$2,004,923.

Ms. Villasuso states that the 2021 Budget was recommended for approval by the Audit Committee.

Motion made by Mr. Gaydos, seconded by Mr. Diana, approving the 2021 Orange County Industrial Development Budget. Open for discussion. Affirmative votes of all members present results in motion carried.

## **Chairman's Report**

Chairman Rogulski passes on giving a Chairman's Report

## **Chief Executive Officer Report**

Ms. Villasuso gives the Chief Executive Officer Report.

She and Mr. Dowd virtually attended the NYS EDC Conference, Sept 1<sup>st</sup> and 2<sup>nd</sup>. Economic organizations from around the state discussed difficulties they were experiencing due to the pandemic.

The Executive Order to allow virtual meetings was extended through October 4<sup>th</sup>. This Executive order gets signed month-to-month, and typically on the day of expiration.

The Prevailing Wage Bill overview from Brown Weinraub was included in the packet for the Board.

A few months ago, the Board approved the extension and amendment of the Hampton Park agreements and Sales and Use Tax exemption due to construction delays resulting from COVID. Those documents have now been executed. No further exemptions have been granted. The entitlements have just been extended a year.

The OCIDA COVID webinar series continues. On September 3<sup>rd</sup>, a speaker from NY Empire State Development presented on the NY Forward Loan that provides assistance to businesses that did not benefit from the SBA loans.

The Hudson Valley Women's Leadership Conference: Empowered by Change will be held virtually September 22, 23, and 24. The speakers will cover such topics as: Leadership from the Inside Out, The Golden Rules of Goal Setting, Redefining the Power of Community, and Mindful Self-Care as a Leadership Strategy.

A few more bills have been presented to the Senate for IDA reform. Management continues to track their progression via the lobbyist Brown Weinraub and the State EDC. It is currently understood that no action will take place for these bills until early 2021.

### **Accelerator Report**

Mr. Cozzolino gives an update on COVID recovery efforts. All IDA Board members have helped, in one way or another, to provide assistance to County-based companies in need. All companies that reached out for assistance were directly helped with their specific need. A specific example is Mr. Gaydos worked with a local company regarding mask production.

Mr. Cozzolino states that a campaign is being launched in which AWOW companies can feature a sticker at their place of business. It will highlight the assistance provided by the OCIDA and The Accelerator.

Ms. Villasuso states the important messaging with the sticker is to make the connection between the OCIDA and The Accelerator and create a continuity in the branding.

Mr. Cozzolino states, as mentioned by Ms. Villasuso, the OCIDA COVID webinar series continues. On September 3<sup>rd</sup>, a speaker from NY Empire State Development presented on the NY Forward Loan that provides assistance to businesses that did not benefit from the SBA loans. Future webinar topics will cover significant changes in the workforce and unemployment, and discussion of the best next steps. There will also be webinars targeted at High School students that are experiencing a change in goal or life trajectory due to the pandemic and/or other unexpected life events.

Mr. Cozzolino states that AWOW clients have been attending meetings and highlighting the benefits they have received from the program. This month's featured company is Svasthya - Natural Supplements & Skincare, and Christine Kecman is here to discuss her AWOW experience.

Ms. Kecman states that her business started as a home Etsy business. A good friend that sold Nutraceuticals under the name Svasthya suggested that they partner, and she could manufacture and sell her products under his brand. Initially she was producing product in her basement and her partner was outsourcing but, as the business started to grow, they needed to expand and find a location. Mr. Cozzolino worked with the company to find a facility for manufacturing. Due to equipment needs, they could not produce at any of the Accelerator location. They searched the tri-state area. Once they found their space in Orange County, Mr. Cozzolino informed them of the AWOW program. Mr. Cox, Galileo Technology Group, assisted with getting their equipment set up at their new facility, and ensured that their electrical needs were met. He was able to source the necessary transformer, and trouble-shoot any conversion issues with the new equipment from China. They were also introduced to WDI, and applied for a grant. The next step for Svasthya is organic products. They have also been producing private label goods in the form of liquid vitamins and a natural energy shot. They are up to 5 employees and hope to add another 3 to 5 by the end of the year, with the potential to double staff in 2021.

Chairman Rogulski states that it is a great story. The other Board Members agree. Chairman Rogulski congratulates Ms. Kecman and states she is happy AWOW was able to assist her business. To hear success stories like hers is very gratifying. As Chairman, it makes her feel good that they are good stewards of the taxpayer dollars and helping local businesses grow.

## **Audit Committee Report**

Mr. Diana states that the Committee discussed the budget and the Breonics/Drury Lane financial figures that were under review. It is anticipated that these figure will be written off as they have been on the books for an extended period of time, and the Board currently has no ability to collect what is owed.

## **Resolutions**

Leentjes Amusement Corp.

Ms. Villasuso reminds the Board that in 2018 they authorized the amendment of Tax Agreement and pushed back the start date. The documents were never executed by the project and the project is now in its third PILOT year. Since the documents were never signed, and it would be very difficult to interrupt the PILOT, the original PILOT will be left intact. By adopting this resolution, it will close out the open resolution from 2018. This will document the action taken for record-keeping purposes.

Resolution

Mr. Dowd reads aloud the Leentjes Amusement Corporation Resolution. Resolution authorizing termination of the approvals granted under the agency resolution adopted on November 14, 2018 in connection with the Leentjes project. Motion is made by Mr. Gaydos, seconded by Mr. DiSalvo. Roll call is taken. All vote in favor.

Orange County Marketing Ad

Ms. Villasuso states the Board voted last month to support \$25,000 of a \$75,000 marketing ad campaign proposal. The ad would market Camp LaGuardia in the Wall Street Journal. After the approval, Management was notified that it would be a half page and the ad was just over \$25,000. The resolution was going to be revised to reflect the new terms but, upon closer review by Mr. Dowd, the original resolution is vague enough that a revised resolution is not necessary. For the record, Management wants to make sure the Board understands that the parameters of the original proposal have been altered from what was originally presented. Mr. Fioravanti provided some statistics for the ad. There were 388 page views, 202 unique page view, 35 calls, 31 answered call, 4 missed calls, and 26 unique calls. What is being requested today is approval for the \$25,000 check with the understanding that the terms have changed.

Mr. Dowd states the original resolution still covers the action initially take by the Board and their financial commitment to the campaign. Management is looking for confirmation from the Board that they still support their action taken at the August meeting.

Mr. Gaydos states that the Board understands the County's intention.

Chairman Rogulski states that Management can move forward with cutting the check.

## **Executive Session**

Chairman Rogulski entertains a motion that the board enter into executive session pursuant to section 105(1)(f) of the open meetings law to discuss the credit, financial, and employment, history of a client of the IDA. Motion made by Mr. McCarey to enter executive session issued. Motion seconded by Mr. DiSalvo. All in favor.

*Enter Executive Session*

The members discuss the credit, financial, and employment, history of a client of the IDA.

*End Executive Session*

## **Other Board Business**

The Sentinel Realty at Port Jervis, LLC

Ms. Villasuso states that via the 2019 annual audit, it was discovered that The Sentinel Realty at Port Jervis, LLC inadvertently used their Sales Tax and Use Exemption after it have been expired. The designation expired December 31, 2018, and they used it in 2019. They saved \$12,286.45 in 2019. Once informed, they were very cooperative and provided all requested information. It was understood that the OCIDA would pursue recapture and return those dollars to the State. This was discussed in Audit Committee, and the Committee was comfortable with that approach.

Chairman Rogulski states that the OCIDA has to send the money to the State, but asks if the State issues those funds back to the municipalities.

Ms. Villasuso says that the State does issues the funds back to the municipalities.

Mr. Gaenzle says that the State is supposed to issue the funds to the municipalities, but there really isn't a way to monitor the process. Perhaps if the municipalities are notified and told to anticipate the funds.

Resolution

Mr. Dowd reads aloud the The Sentinel Realty at Port Jervis, LLC Resolution. Resolution authorizing the recapture of sales tax taken in excess of the exemption granted by the IDA to the Sentinel at Port Jervis, LLC and further authorizing IDA management to submit the recaptured amount to appropriate entities and to file all necessary documents with the state. Motion is made by Mr. McCarey, seconded by Mr. Gaydos. Roll call is taken. All vote in favor.

## **Adjournment**

Meeting called for adjournment, motion made by Mr. Gaydos, seconded by Mr. McCarey, the time being 3:10p.m.



ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AUDIT COMMITTEE MINUTES

September 10, 2020

Via Zoom / Conference 1:00pm- 1:31pm

PRESENT: Michael Gaydos, Edward Diana, Mary Ellen Rogulski

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

IDA

2021 Proposed Budget

Ms. Villasuso started the meeting by stating that the 2021 Proposed Budget will be discussed which is due to the State by the end of October. She stated that they would like to discuss the proposed budget in September and if any changes are needed, we will have a month to go back and revise if necessary and come back in the October meeting to approve the 2021 Budget. She stated that if the Audit Committee approves the 2021 Budget, it can be recommended to the full Board today for approval and then we can submit it to the state well in advance of the deadline. Ms. Villasuso pointed out that Ms. Schouten sent out a copy of The Accelerator, IDA and OCFC proposed budgets. The IDA and The Accelerator proposed budgets will be talked about first. On The Accelerator side the expenditures have been reduced by a little over \$200k that includes the new \$250k Highland Falls Lease which in the budget is \$300k. For 2021 revenues she stated that we had to tighten up and that lead to some Staff reductions, Contracted Services, Federal Lobbyist, Marketing & PR Companies, and reduced a lot of our expenses to make sure we were operating methodically and within tighter restrictions. She said that the budget looks great and that this is Mr. Januszkiewicz first year.

Mr. Januszkiewicz started with the Proposed IDA Budget. Under Revenue he stated that we will get back \$2 Million from the Warwick Valley Local Development Corp. and the closing fees from Legoland. Ms. Rogulski asked if the \$700,000.00 is Legoland and Mr. Januszkiewicz stated that Legoland is \$500,000.00, and the other \$200,000.00 is the hotel. He went to Administrative cost and \$52,000 was taken out for consultants, the auditors are the going rate, and the same with the Insurance. He stated the bill came in higher than what was budgeted for 2020. He went to Agency Support Costs and stated that PTAC is now in the Research and Support item. Under Projects / Programs he stated that the \$1,000,000.00 difference was the Heritage Trail. In 2020 it was in the IDA budget and not in the OCFC budget, and the \$500,000.00 that is still listed is for Amy's Kitchen. Mr. Januszkiewicz stated there are no changes in the Legal section. Ms. Rogulski asked if they are working at Amy's Kitchen, Ms. Villasuso stated no not yet but should be shortly. She also reminded the Committee that there is no Labor Policy for Amy's Kitchen, but we could reserve the right to audit them if we hear of any anything happening. Ms. Villasuso stated that we will be touch and Mr. Gaydos will let us know if anything happens with Amy's Kitchen. Mr. Gaydos stated that they have had minimal communication with Amy's so far. Ms. Villasuso also brought up PTAC (Procurement Technical Assistance Center) and stated that they use to be part of Rockland Economic Development Council which closed so PTAC is run through SUNY Rockland. SUNY Rockland is waiting to get their designation from the Federal Government as a Procurement Technical Assistance Center. This has been ongoing on for 2020 and some of 2019 and not sure how much longer it will be so that is the reason for moving it out of Agency Support Cost and into Projects / Programs if they were to come back on line we will still be able to contract with them and not make changes to the budget.

Mr. Januszkiewicz went on the Business Accelerator Proposed 2021 Budget. He stated that the Receipts are unchanged except a bit more on rent. Then went on to Expenditures and stated that with the Administrative Salaries there is a reduction due to staffing changes, Benefits is up slightly due to healthcare and the reimbursement of cell phone and mileage. Payroll taxes and fees follows the trend with salaries. Management Expenses which is part of the Galileo Technology Group contract and Accelerator Without Walls has a reduction. Professional Fees has a reduction due to ending the Kivvit contract, Marketing, PR, Website & Membership has a reduction due to Focus Media contract, Orange County Chamber of Commerce memberships for The Accelerator clients were taken out, and a few other media items were taken out. Special Initiatives stays about the same since we have to have money for Capital Projects. Building Expenses is driven by the addition of Highland Falls, and any of the Building Expenses that are down is driven by the going rate and not spending as much money on Repairs and Maintenance. He went on to Office Cleaning and stated the big driver was COVID cleaning which will go into effect next year and Highland Falls. Information Technology is internet, phone and cable and with Highland Falls he feels that location will be Technology Driven we will need a higher level of service other than basic WIFI. He stated that the Renovations were reduced. Equipment Maintenance was reduced based on what was spent in 2020. Office Supplies and Travel, Lodging and Meals is basically what we spent in 2020. Training & Education and Conference Expenses are up. He stated that the Conferences will start up again. Mr. Januszkiewicz stated that the difference in spending from 2020 to 2021 is reduced by a little over \$200,000.00. The loss is what we will need from the IDA would be \$2,500,000.00. Ms. Villasuso stated to have a budget reduced by \$200,000.00 with the addition of \$250,000.00 in real estate is a testament how much the team, board and

staff have come together to make sure we are being very thoughtful about every expenditure and making sure it has been addressed and that we continue to operate as lean as possible. Ms. Villasuso stated that the combined budget will be put on the website and put into PARIS.

Motion is made by Mr. Gaydos seconded by Ms. Rogulski to present the 2021 Proposed IDA Budget to the board. All voted in favor. Motion is carried.

### **Drury Lane & Breonics**

Ms. Villasuso brought up the Audit of 2019 and how we wanted to close out the New Hampton Tech Breonics Inc. and Port Authority/DOT line items in our Audits. She stated that Mr. Diana had asked to confirm the exact amounts that were outstanding, Ms. Schouten sent a memo out to the Audit Committee to affirm that \$161,750 was Drury Lane and \$248,083.00 was for Breonics. Mr. Diana stated that the numbers were reversed, and Mr. Januszkiewicz stated that the numbers were correct and those have been the numbers for 10 years. After a bit of discussion on the amounts Ms. Rogulski asked if these amounts will be charged off for 2020 and Mr. Januszkiewicz responded with yes it will come off. Ms. Villasuso stated that she will close on this at the Board Meeting.

### **Sentinel Realty**

Ms. Villasuso stated that Ms. Schouten send out an email about Sentinel Realty in Port Jervis. She reminded the Committee that it is an Assisted Living facility that took over a Days Inn Hotel. She stated that they have been good except they inadvertently used their STE(Sales Tax Exemption) in the year 2019 not realizing that it had expired December 31, 2018. This was discovered in the 2019 Audit. Sentinel Realty said they spent approximately \$73,000.00. When they were contacted to ask for the money back the Sentinel Realty went back in their books and found that it was actually \$12,000.00 spent for 2019 not \$73,000.00. Ms. Villasuso stated that there are a number of ways the IDA can get the money; she recommends entering into a recapture scenario for the \$12,000.00. The IDA would collect the money and turn it over to The Department of Tax and Finance along with the two forms that the Sentinel submitted to the state with both amounts and let the State determine what is the best and accurate number. Ms. Villasuso stated that it is best practice for us to recapture and it is appropriate for the IDA to do so. The Committee Members all agree. Mr. Dowd stated that the Sentinel was very corporative when it was brought to their attention. They had their auditors look at the books and found a lot of their expenditures were in 2018 but posted on their book in 2019. The project was completed early 2019. The Sentinel came back with what they thought they overspent with the STE and gave Mr. Dowd a list of the contractors. Ms. Rogulski stated that she agrees with Ms. Villasuso's recommendation.

### **OCFC**

#### **2021 Proposed Budget**

Mr. Januszkiewicz started with the Revenue, he said that there are no closing fees for 2021. The Loans will be starting to get paid back in December. There will be a full year of payback which is \$205,000.00 and the Loan Interest which is \$6,100.00 and the Interest Earnings that are \$2,400.00 which is driven by CD's expiring in February. He then went on to the Expenditures and stated that what we are doing currently on the Administrative Expenses, Auditor, Insurance, and not having another Loan program. The Loan Administration covers additional work from the CPA's and the loan software. Project Expenditures is reduced by \$50,000.00. The total proposed 2021 Budget is reduced by \$144,000.00. Ms. Rogulski stated that there should be some provision in the budget for non-payment of loan payments due on the revenue side as the assumption was that we will not collect 100% of what is due in 2021. Mr. Januszkiewicz agreed and stated that some people will pay in advance. Ms. Rogulski said that when the program began their expectation was not to be paid back 100%. She asked the other Committee members what they thought. Mr. Diana stated that he feels it should be left and adjusted if need be. Ms. Rogulski asked if on the expenditure side there could be some kind of reserve. Mr. Januszkiewicz stated that something could be put in like 5 or 10%. Ms. Rogulski said that there is no data yet so not sure of the expectation. Ms. Villasuso stated that we have already received some payments in full and the signs are looking good for repayment. Ms. Rogulski stated that they should be conservative and put something in the expenditures for reserves. Mr. Januszkiewicz asked for a recommendation. Mr. Diana stated he would not do it, Ms. Rogulski stated that it is standard procedure for any lending scenario that there is an expectation for unpaid and 10% is a pretty low number so if it was not put in the budget it would not change the budget significantly in any event. Mr. Diana stated that this is a new program and we don't have any information to look back on to see what it would be and thinks that after the first 3 months we will know something. Ms. Villasuso stated that the budget could also be amended.

Motion is made by Ms. Rogulski seconded by Mr. Diana to present the 2021 Proposed OCFC Budget to the board. All voted in favor. Motion is carried.

Audit Committee Meeting ended at 1:31pm



**NEWS**

# The Castle Fun Center, a 28-year-old local landmark, up for sale, another pandemic victim owner says

**Daniel Axelrod** Times Herald-Record

Published 2:11 a.m. ET Sep. 23, 2020 | Updated 9:02 a.m. ET Sep. 24, 2020

TOWN OF CHESTER – The owner of The Castle Fun Center has put the local landmark up for sale, after taking an emotional and financial walloping from the coronavirus pandemic that's left it largely closed since March.

Owner Brian Leentjes said he's heartbroken at the prospect of selling his 28-year-old amusement park and frustrated by what he called a lack of state and federal support – from financial help to reopening guidance.

He declined to provide a listing price or say whether he has a local broker. A recently erected sign in Chester, off Route 17, refers callers to the Castle's dedicated sales line.

The 50,000-square-foot, 11-acre site includes a 300-space parking lot, rides, go-karts mini golf, a zip line, a barbecue area, roller skating, ax throwing, laser tag, a large arcade, a climbing wall and other attractions. Plus, a batting cage and golf range are nearby.

The park employs up to 120, from to April to September, while averaging 58 full-time workers year-round. But Leentjes has been using a skeleton crew to run things like the Castle's new barbecue area, a \$50,000 investment.

**More:** 'We're all bleeding.' Employees, employers endure protracted labor market challenges

**More:** The Castle Fun Center creates protective facemasks

**More:** Petitioners: Keep the Castle roller rink

Leentjes said that new attraction was generating much-needed business because barbecue patrons also enjoyed throwing axes. But, after a local resident's complaint, the state forbade

him from serving food and beverages, while having ax throwing, said Leentjes, who called it a double standard that bowling alleys can have activities while serving guests.

At peak, just last year, the business and the land were worth perhaps \$15 million, Leentjes said. He's currently getting appraisals. Back then, The Castle was much-touted by local leaders as a complement to the future Legoland New York, set to open in Goshen next spring or summer. Now, the Castle's future is unclear.

“It’s just so upsetting,” Leentjes said. “I’m ready to think about what my options are. I reinvested so much into it throughout the years. I almost lost my house three times.”

Orange County Executive Steve Neuhaus, Chester’s former supervisor, called The Castle, “one of the best local entertainment venues for families,” and said he’s fighting to get reopening guidance from the state.

“It’s not like Brian submits a reopening plan, and the state officials say, ‘We like what you submitted, but you need to do X, Y and Z,’” Neuhaus added. “He gets zero answer from Albany.”

Jason Cornwall, a spokesman for Gov. Andrew Cuomo, said the state appreciates local businesses like The Castle, “but with the threat of a second (coronavirus) wave on the horizon, we are continuing to monitor how and when higher-risk industries like amusement parks can safely reopen.”

*daxelrod@th-record.com*

**NEWS**

# New multi-million dollar cannabis lab opens in Warwick, strengthens growing local industry

**Daniel Axelrod** Times Herald-Record

Published 2:04 a.m. ET Sep. 21, 2020 | Updated 5:33 p.m. ET Sep. 21, 2020

TOWN OF WARWICK – The Hudson Valley’s budding cannabis industry began blooming Monday with the grand opening of a \$2 million-plus cannabis site in the Town of Warwick.

After once imprisoning drug offenders, part of the former Mid-Orange Correctional Facility site is now home to Kaycha Labs NY, a state-of-the-art 9,000-square-foot medical marijuana and hemp testing facility, plus other new cannabis-related businesses.

Most are part of the Orange County Industrial Development Agency’s Accelerator, which founded the fast-growing Cannabis Industry Cluster. Local leaders are already hailing the cluster as a promising potential economic hub.

“This (new lab) is a homerun for Warwick,” said Warwick Supervisor Michael Sweeton. “It’s a great story for repurposing the (prison) facility, and it’s going to really jumpstart the CBD and hemp industry in New York.”

The cluster is “a boost for our local (hemp) farmers because it allows them to create value-added products, and for them to be tested in a manner that gives (the region) a competitive edge” to become the state’s cannabis epicenter, Sweeton added.

The Orange County IDA is a nonprofit that attracts and retains businesses with economic incentives such as tax breaks. Its Accelerator incubates new firms and speeds nascent firms’ growth.

**New York:** Plastic-bag ban will be enforced starting Oct. 19 in New York

The new Warwick lab “allows quicker turnaround times for farmers and manufacturers to ensure the readiness and effectiveness of their products,” said Laurie Villasuso, the IDA’s

CEO and one of the Accelerator's leaders. "Prior, many companies sent their samples out of state or to the New York State lab, which was overwhelmed."

Both the Accelerator's cannabis cluster and Kaycha Labs NY, an affiliate of privately held, Ft. Lauderdale, Florida-based Kaycha Labs, were established last year.

Besides the new lab, the local cannabis cluster also includes Fusion CBD, Hemp Farms of NY, Honey Buzz and Farm Body. Separately, the medical cannabis maker Citiva Medical LLC also has a facility on the former prison grounds.

The Accelerator's cannabis cluster has already created 30 jobs, its leaders said. And, a year ago, the Accelerator's leaders estimated that if New York legalizes recreational marijuana, the cluster could create 200 jobs for the cultivation, extraction, production and research of the medicinal cannabis compounds such as cannabidiol, or CBD.

Other than the state's Wadsworth Center lab in Albany, Kaycha Labs NY is one of just two, along with ACT Laboratories near Schenectady, with state permission for cannabis potency testing, according to state officials. Pending state approval, the Warwick lab also will conduct tests on pesticide and bacteria levels.

Marco Perone, 55, of Warwick, is the principal owner and co-founder of the Kaycha Labs NY branch. He said he's hoping to take over a hefty share of the cannabis testing currently done by state labs, and that his local lab has huge growth potential.

"If (the state Legislature) ever passes a recreational marijuana law, the lab will explode overnight, and we'll probably double or triple in size," Perone said.

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