



Empowering Businesses. Inspiring Growth.

**Robert T. Armistead, Chairman • Mary Ellen Rogulski, Vice Chairman • John Steinberg, Jr., Second Vice Chairman
Stephen Brescia, Secretary • Henry VanLeeuwen, Assistant Secretary • Robert J. Schreibeis, Sr. • Edward A. Diana
James R. Petro, Jr, Executive Director • Laurie Villasuso, Associate Executive Director •
Kevin Dowd, Attorney • Joel Kleiman, Chief Financial Officer**

Agenda

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on November 12, 2015 at 2:00 p.m. at the **Newburgh Armory Unity Center, 321 South William St., Newburgh, New York**, to consider and/or act upon the following:

Order of Business

- **Roll Call**
- **Approval of the minutes from October 8, 2015 meeting**
- **Financial Reports and/or Requests for Payments**
- **New and Unfinished Business**
 - Chairman's Report
 - Executive Director's Report
 - OCBA Report
 - OCP Report
 - Discussions
 - Pattern for Progress – Agent Update
 - The Hub 1, LLC – Stipulation
 - Orange County Choppers
 - Labor Policy and Labor Audit Updates
- **Resolutions**
 - Cross Roads Court Real Estate, LLC – Final Resolution
- **Such other and further business as may be presented**
- **Public Comments**
- **Adjournment**

Dated: November 5, 2015

Stephen Brescia, Secretary

By: James R. Petro, Jr., Executive Director

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

October 08, 2015

A regular meeting of the Orange County Industrial Development Agency was convened in public session on October 08, 2015 at 2:05 P.M. at the Orange County Business Accelerator in New Windsor, New York.

The meeting was called to order by the Chairman, Robert Armistead, and upon roll being called, the following were:

PRESENT: Robert Armistead, Mary Ellen Rogulski, Henry VanLeeuwen, Edward Diana, Robert Schreibeis, Stephen Brescia (John Steinberg joining after roll call)

ABSENT: None

ALSO PRESENT: James Petro – Executive Director
Laurie Villasuso – Associate Executive Director
Kevin Dowd – IDA Attorney
James Walsh – Times Herald Record
Bill Fioravanti- Orange County Partnership
Wayne Booth – Orange County Executive Office
Laura Mann – Galileo Tech Group/Orange County Accelerator
Whitney Bowers – Focus Media
Lisa Kelly – Focus Media

Chairman Armistead calls to order the regular meeting of the Orange County IDA, October 08, 2015 (Pledge of Allegiance is recited). Board consists of six members. There is a quorum.

Review of the prior September 10, 2015 meeting minutes. Motion to approve the minutes as presented made by VanLeeuwen, seconded by Rogulski. Motion carries with all in favor.

Roll Call taken.

Financial Reports and/or Requests for Payment

Ms. Villasuso reviews the income and expense summary, noting that income YTD is just about \$3.5M, and YTD expenses are just over \$1M, with revenues exceeding expenses by about \$2.4M which is on track to our budget. Ms. Villasuso updates the Board on the bank accounts; there is about \$10.6M between the accounts. Ms. Villasuso states that the budget that was adopted last month has been posted online into the PARIS system as per the regulations and the ABO regulations. Ms. Villasuso also states that we are working with JGS to bring the auditors in early November to audit the first three quarters, so come the end of 2015 JGS will only need to audit the fourth quarter for an easy wrap up of the 2015 audit.

Lastly, Ms. Villasuso reviews the revised payment schedule. The payments received for the month, which total \$80K, and the payments submitted for approval which comes to \$257,918.12. Ms. Villasuso notes that the shovel ready payment for Warwick Valley LDC completes the \$1M expenditure. Starting in December, WVLDC will be getting invoiced for the lease payments. The change between the schedule that was sent out in the packet and the revised schedule is that Orange County Partnership submitted their third quarter voucher, and since there was a revision Ms. Villasuso included the accountant's third quarter voucher as well.

Chairman Armistead asks how much was totally billed against the shovel ready and Ms. Villasuso responded with \$1M. Ms. Villasuso notes that this last bill brought the expenditure to a little more than \$1M, but it was adjusted down to reflect the outstanding balance. Chairman Armistead asks about the partial closing fee on Crystal Run, Ms. Villasuso confirms that it was the Monroe Crystal Run project, which was approved last month.

Motion made by VanLeeuwen, seconded by Schreibeis, that the Board accept the financial reports and authorize payments and vouchers for October 2015. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Ms. Villasuso reviews OCBA's finances. The income for the year is \$82,000 and the expense for the year totals \$510,000, with income under the expense by \$428,000. This is in line with the budget. Ms. Villasuso advises the board that we recently received word that the Accelerator's grant has been approved. Ms. Villasuso reminds the board that the grant expenses will come out of the budget, and will then be reimbursed.

[Steinberg enters the meeting]

Chairman Armistead asked the board if anyone had any questions or comments, no one responded.

Chairman's Report

Chairman Armistead mentions Continental Organics, the article that was in the paper, and that they have been on the radar for months. Chairman Armistead adds that the Board will be discussing some of their client's financials in executive session.

Executive Director Report

Mr. Petro spoke about the public hearing for the hotel in the Town of Newburgh which is Milano's hotel. Mr. Petro said there was not a big attendance and everyone that was there was in favor. Mr. Piaquadio spoke at the public hearing and emphasized his support and hoped that the IDA will give them what are looking for. Mr. Petro says that the PILOT is the 45B. The town is being made whole on the mortgage tax abatement, and the sales tax is what they are looking for. Mr. Petro mentions that the public hearing was very short and a few business people spoke in favor of the tax abatement and that there is a need for hotel rooms. Mr. Petro states there is a need for more hotels. The IDA has several coming in, and has already done a number of them. The board will receive the public hearing transcript when they receive the next packet. Ms. Villasuso states that the resolution will be on the November 12th agenda. Mr. Petro states that was the only public hearing this month.

Ms. Villasuso states that The Accelerator is moving along, and the Unshattered group is officially in residence at The Accelerator's cut and sew production facility. Ms. Villasuso says that Unshattered had a really beautiful article in the paper (The Record) on Sunday and, as a result, sold six bags. Ms. Villasuso also spoke about the digital side of the fashion design and production; equipment is coming in and the Computer Assisted Design software is being set up which is exciting and high tech. Ms. Villasuso and Mr. Cozzolino met with Susan Glendenning about her request for the Patent Model Museum in the Town of Cornwall. Ms. Villasuso feels that Ms. Glendenning's request could be steered away from the IDA and OCFC and toward the county, state or federal funds. Ms. Villasuso notes that the meeting with Glendenning was very productive, and Ms. Villasuso and Mr. Cozzolino helped sort out the 501C3, figured out the museum situation and feel that it will be to Ms. Glendenning's benefit going this direction and not OCFC.

Ms. Villasuso stated that the OC Partnership Annual Dinner will be held on December 1, and asked if any of the board members would like to attend please let s.. Reilly know. Mr. Fioravanti spoke and said that the OC Partnership would love for the board to attend and they have had a great year.

Ms. Villasuso brought up her travel voucher for the two classes she will be attend at the end of the year. Without any taxes Ms. Villasuso said it came to \$2,947.20 and there will be room taxes and baggage fees. Ms. Villasuso respectfully request the travel and education be increased to \$3,500.00 from \$3,000.00.

Motion made Stephen Brescia, seconded by Robert Schreibeis to increase travel and education to \$3,500.00. Motion carries with all in favor.

OCBA Report

Ms. Mann updates the Board on a few clients. The first company that s.. Mann spoke about is Home Into Haven. This company is relocating from Brooklyn and manufactures artisan soaps, cleaning and personal products all organic and pesticide-free. Kayce White, President of Home Into Haven, will be moving into The Accelerator mid November and will be hiring two new employees. Ms. Mann states that with the companies that are in The Accelerator now, there have been twelve jobs cultivated, and the companies continue to grow.

Ms. Mann explains about the companies they are working with for The Accelerator Without Walls (AWoW). The first company is Eco Shrimp and they are looking to hire two people. As a result of the services and assistance they are getting, they see a plan for growth. The second company is Tailor Express located at Woodbury Commons, GTG is facilitating instruction for sewing operators related to the growth plan Tailor Express has for servicing clients at Woodbury Commons that need tailoring. Tailor Express has agreed / committed to about four positions they will hire. The third company is LSI Lighting in New Windsor. It is a LED company and GTG will be facilitating, with a specialized instructor, training for twenty people LSI has committed to hire. Ms. Mann said her reports calculate thirty six (36) jobs created in the past three months, but adds that it is actually thirty eight (38) now that Eco Shrimp has announced their plans to hire.

Ms. Villasuso then discusses ways to resituate The Accelerator to maximize the amount of grants funds that we can collect from the state, and to reach the widest network of people to become part of the Accelerator. Ms. Villasuso announces that Accelerator management has decided to refine the name of the accelerator to The Accelerator, Powered by the Orange County IDA. Ms. Villasuso adds that the new name will help bring manufacturing from the Hudson Valley into Orange County. In addition, there is a new logo and new sign. Ms. Villasuso reiterates that the official name is "The Accelerator Powered by the Orange County IDA". Ms. Villasuso states that there is a resolution to vote on the name change.

Mr. Dowd reads aloud resolution for the name change from the Orange County Business Accelerator to The Accelerator Powered by the Orange County IDA to better reflect the new goals and broader market appeal. Motion made by Mary Ellen Rogulski, seconded by Henry VanLeeuwen. Open for discussion. Affirmative votes of all members present resulted in motion carried.

To unveil and view the new Accelerator sign, Chairman Armistead calls for a brief recess of the IDA Board Meeting at 2:25 P.M.

At 2:30 P.M. Chairman Armistead calls the IDA Board Meeting back to order after a brief recess.

Chairman Armistead thanks Focus Media for the sign and Mr. Petro mentions that he got the permit for the sign and the fee waived.

Chairman Armistead notes that Mr. Cozzolino was away on business and asked if there was any other business for The Accelerator. Ms. Villasuso adds there is a new web address: theaccelerator.business. Ms. Villasuso advises the board that The Accelerator is in the process of getting a new website built. Chairman Armistead added that The Accelerator is on the right track and refocusing on our mission. Chairman Armistead notes that the companies being assisted by AWOW were previously not getting help, and is proud that we can help them expand, stay in the county, and stay in business.

OCP Report

Mr. Fioravanti states that they have fifty two leads they are following up on. Half of the leads are manufacturing and nine are energy. OCP has ten closed attraction projects to date. Mr. Fioravanti stated that Hudson Valley Crossing is a busy area now with PharmaCann and Blackhawk already under construction. Mr. Fioravanti spoke about a couple top projects that he is working on, including AmerisourceBergen and a confidential waste-to-energy project. Project Peaches a food manufacturer is looking at the Matrix site.

Mr. Fioravanti notes that Ms. Halahan just got back from an IEDC Conference in Alaska. OCP won an award for their video.

Mr. Fioravanti adds that he just got back from the Warwick Valley Office and Technology Corp Park which was shovel ready funded. The access road and infrastructure are in. Mr. Fioravanti states that OCP is speaking with Orange County on some sites for them to become shovel ready. Chairman Armistead notes that there is a site out by Maybrook, on Maybrook Rd., that the IDA board members might want to go out and look at.

Mr. Fioravanti touches on the expansion and retention projects for Ms. Dana. She has twenty five expansion projects, ten retention projects and a total of seven hundred forty four potential new and retained jobs in which a number are manufacturing.

Mr. Fioravanti discusses the CFA. The Mid Hudson Regional Economic Development Council has named twenty four projects as priority projects for the CFA process; there are four in our region and ten in Orange County. More information will be available in a month.

Motion made by Rogulski to enter executive session relating to a particular corporation. Motion seconded by VanLeeuwen. All in favor.

Executive Session

The members discussed a particular corporation

End of Executive Session

With no further business, meeting called for adjournment by Chairman Armistead, motion made by Rogulski, seconded by Schreibeis, the time being 3:55 p.m.

DRAFT

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 INCOME AND EXPENSE SUMMARY
 OCTOBER 2014

| | Oct 14 | Jan - Oct 14 | Budget | \$ Over Budget |
|--|------------------------|---------------------|---------------------|---------------------|
| Income | | | | |
| Closing Fees | \$ - | \$ (64,719) | \$ 983,333 | \$ (1,048,052) |
| Fees | \$ - | \$ 1,358,126 | \$ 655,000 | \$ 703,126 |
| IDA Administrative Fees | \$ 12,500.00 | \$ 34,500 | \$ 10,000 | \$ 24,500 |
| Interest Earnings | \$ 1,973.07 | \$ 20,028 | \$ 22,000 | \$ (1,972) |
| Pass Thru Legal Fees | \$ 2,500.00 | \$ 17,500 | \$ 10,000 | \$ 7,500 |
| Recovered Funds | \$ - | \$ - | \$ 255,000 | \$ (255,000) |
| Total Income | \$ 16,973.07 | \$ 1,365,436 | \$ 1,935,333 | \$ (569,897) |
| Expense | | | | |
| Administrative Costs | | | | |
| Advertising | \$ - | \$ - | \$ 1,500 | \$ (1,500) |
| Auditors | \$ 2,581.25 | \$ 3,452 | \$ 13,000 | \$ (9,548) |
| Insurance | \$ - | \$ 6,876 | \$ 7,000 | \$ (124) |
| Mileage | \$ - | \$ 424 | \$ 500 | \$ (76) |
| OCIDA Admin. Support | \$ - | \$ - | \$ 5,000 | \$ (5,000) |
| Office Supplies & Expenses | \$ 450.70 | \$ 3,775 | \$ 5,000 | \$ (1,225) |
| Secretary/Bookkeeper/Accountant | \$ - | \$ - | \$ 2,000 | \$ (2,000) |
| Website and Technical Support | \$ - | \$ - | \$ 5,000 | \$ (5,000) |
| Total Administrative Costs | \$ 3,031.95 | \$ 14,527 | \$ 39,000 | \$ (24,473) |
| Agency Contribution Costs | | | | |
| Hudson Valley Agribusiness Dvl. | \$ - | \$ - | \$ 25,000 | \$ (25,000) |
| Hudson Valley Eco. Dev. Corp. | \$ - | \$ 15,500 | \$ 15,500 | \$ - |
| Hudson Valley Eco. Dev. Network | \$ - | \$ 4,500 | \$ 4,500 | \$ - |
| Hudson Valley Film Commission | \$ - | \$ 5,000 | \$ 10,000 | \$ (5,000) |
| Hudson Valley Food & Beverage | \$ - | \$ 20,000 | \$ 20,000 | \$ - |
| O.C. Foreign Trade Zone | \$ - | \$ - | \$ 25,000 | \$ (25,000) |
| O.C. Partnership | \$ 50,000.00 | \$ 192,579 | \$ 230,000 | \$ (37,421) |
| Orange County NY Arts Council | \$ - | \$ 21,117 | \$ 45,000 | \$ (23,883) |
| Patterns for Progress | \$ - | \$ - | \$ 17,000 | \$ (17,000) |
| PTAC | \$ 7,000.00 | \$ 21,000 | \$ 28,000 | \$ (7,000) |
| Total Agency Contribution Costs | \$ 57,000.00 | \$ 279,696 | \$ 420,000 | \$ (140,304) |
| Legal | | | | |
| Legal, Pass Thru | \$ - | \$ 10,000 | \$ 10,000 | \$ - |
| Legal - Other | \$ 5,291.00 | \$ 55,426 | \$ 75,000 | \$ (19,574) |
| Total Legal | \$ 5,291.00 | \$ 65,426 | \$ 85,000 | \$ (19,574) |
| Other Expenses | | | | |
| Conf., Seminars, Events & Dues | \$ - | \$ 4,728 | \$ 5,000 | \$ (272) |
| Promotional Expenses | \$ - | \$ 23,727 | \$ 30,000 | \$ (6,273) |
| Total Other Expenses | \$ - | \$ 28,455 | \$ 35,000 | \$ (6,545) |
| Projects | | | | |
| Projects | \$ 76,845.00 | \$ 342,335 | \$ 450,000 | \$ (107,665) |
| Total Projects | \$ 76,845.00 | \$ 342,335 | \$ 450,000 | \$ (107,665) |
| Total Expense | \$ 142,167.95 | \$ 730,439 | \$ 1,029,000 | \$ (298,561) |
| Income Over/Under Expense | \$ (125,194.88) | \$ 634,997 | \$ 906,333 | \$ (271,336) |

Orange County Industrial Development Agency
 Banks Accounts/Certificates of Deposit/Money Markets Accounts
 As of October 31, 2015

Listed in order of maturity date.

| Purchase Date | Maturity Date | # of Days | Bank | Principal | Interest Rate | Interest Amount | Status |
|-------------------------|---------------|-----------|------------------------|---------------|---------------|-----------------|--------|
| 12/18/13 | 12/17/14 | 364 | Orange County Trust | \$ 2,342,782 | 0.45% | \$ 10,513.64 | Closed |
| 8/29/14 | 8/27/15 | 363 | Orange County Trust | \$ 1,507,756 | 0.55% | \$ 8,247.22 | Closed |
| 12/17/14 | 12/17/15 | 365 | Sterling National Bank | \$ 2,353,296 | 0.51% | \$ 12,001.81 | open |
| 8/27/15 | 8/26/16 | 364 | Orange County Trust | \$ 1,516,003 | 0.55% | \$ 8,315.18 | open |
| 9/1/15 | 9/1/16 | 365 | Sterling National Bank | \$ 1,296,949 | 0.55% | \$ 7,152.45 | open |
| | | | | Amount | % of total | | rate |
| Bank Account | | | Chase - checking | \$ 129,906 | 1% | bank account | 0.10% |
| Certificates of Deposit | | | Total | \$ 5,166,249 | 49% | CD | |
| Money Market | | | Sterling (Provident) | \$ 5,158,104 | 49% | MM | 0.51% |
| | | | total | \$ 10,454,258 | 100% | | |

Orange County IDA

November 2015

Funds Received

| | |
|---------------------------------|------------------|
| Nowak Properties, Inc. | 41,500.00 |
| USAI, LLC (STE Package Closing) | 21,318.40 |
| | |
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| | |
| Total | 62,818.40 |

Vouchers & Payments

| | |
|--|------------|
| Rockland Economic Development/PTAC (3rd Q 2015) | 7,000.00 |
| Frances Roth (Cross Roads Ct Public Hearing) | 250.00 |
| The Accelerator (3Q 2015) | 188,075.00 |
| Laurie Villasuso (NYS EDC Tech Conference Reimbursement) | 274.00 |
| Orange County Commissioner of Finance (FTZ 2015) | 25,000.00 |
| Orange County Partnership (Annual Event - Table of 12) | 1,540.00 |
| Laurie Villasuso (CEcD course reimbursement) | 254.36 |
| Kevin T. Dowd, Esq. (Legal 10/1/15 through 11/3/15) | 4,911.75 |
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Total **227,305.11**

**ORANGE COUNTY BUSINESS ACCELERATOR
INCOME AND EXPENSE SUMMARY
OCTOBER 2015**

| | Oct 15 | Jan - Oct 15 | Budget | \$ Over Budget |
|---|-----------------------|---------------------|---------------------|---------------------|
| Income | | | | |
| Interest Income | \$ 11.85 | \$ 135 | \$ 100 | \$ 35 |
| Rent-Clients | \$ 5,178.30 | \$ 55,962 | \$ 70,000 | \$ (14,038) |
| Rent-HVEDC | \$ 3,217.41 | \$ 31,946 | \$ 37,750 | \$ (5,804) |
| Utility Reimbursement | \$ 182.42 | \$ 2,106 | \$ 4,000 | \$ (1,894) |
| Total Income | \$ 8,589.98 | \$ 90,148 | \$ 111,850 | \$ (21,702) |
| Expense | | | | |
| Administrative Salaries | \$ 19,859.60 | \$ 172,848 | \$ 206,500 | \$ (33,652) |
| Automobile Expense | \$ 34.30 | \$ 492 | \$ 5,000 | \$ (4,508) |
| Benefits | \$ 1,597.78 | \$ 17,233 | \$ 33,850 | \$ (16,617) |
| Building Insurance | \$ - | \$ 7,318 | \$ 7,000 | \$ 318 |
| Building Rent | \$ 14,647.50 | \$ 146,475 | \$ 180,250 | \$ (33,775) |
| Building Utilities | \$ 2,833.90 | \$ 34,820 | \$ 30,000 | \$ 4,820 |
| Business Accelerator Management | \$ 5,000.00 | \$ 50,000 | \$ 60,000 | \$ (10,000) |
| Common Area Maintenance | \$ 4,863.07 | \$ 52,984 | \$ 48,000 | \$ 4,984 |
| Dues and Subscriptions | \$ 457.00 | \$ 2,390 | \$ 4,000 | \$ (1,610) |
| Info Technology | \$ 2,130.92 | \$ 8,569 | \$ 32,000 | \$ (23,431) |
| Marketing/PR & Web | \$ 7,500.00 | \$ 39,615 | \$ 100,000 | \$ (60,385) |
| Membership | \$ - | \$ 525 | | \$ 525 |
| Office Cleaning | \$ 300.00 | \$ 3,300 | \$ 3,600 | \$ (300) |
| Office Supplies & Postage | \$ 876.75 | \$ 7,715 | \$ 10,000 | \$ (2,285) |
| Payroll Taxes & Fees | \$ 2,195.91 | \$ 18,590 | \$ 26,000 | \$ (7,410) |
| Professional Fees | \$ 1,150.00 | \$ 3,450 | \$ 2,100 | \$ 1,350 |
| Travel, Lodging, Meals | \$ 18.08 | \$ 2,768 | \$ 4,000 | \$ (1,232) |
| Total Expense | \$ 63,464.81 | \$ 569,092 | \$ 752,300 | \$ (183,208) |
| Income Over/(Under) Expenditures | \$ (54,874.83) | \$ (478,944) | \$ (640,450) | \$ 161,506 |

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2015 ANNUAL EVENT



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TUESDAY, DECEMBER 1, 2015 | 5:00 PM

Anthony's Pier 9

2975 US Route 9W | New Windsor, NY

\$140 per person | \$1,540 table of 12

Please RSVP to Larissa Lewis by Friday, November 20th at
845.294.3696 or email: larissa@ocpartnership.org



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GOLDEN SHOVEL
CPV Valley Energy Center, LLC



Keynote Speaker

JOHN FOLEY
Former Lead Solo of the
Blue Angels

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ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
STATE OF NEW YORK

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IN THE MATTER OF

CROSS ROADS COURT REAL ESTATE, LLC

-----x

Newburgh Town Hall
1496 Route 300
Newburgh, New York
October 7, 2015
11:00 a.m.

B E F O R E: James Petro, Chairman
Orange County IDA

FRANCES ROTH
COURT STENOGRAPHER
168 North Drury Lane
Newburgh, New York 12550
(845) 566-1641

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4 A P P E A R A N C E S:

5

6 LAW OFFICES OF KEVIN T. DOWD
Attorney for ORANGE COUNTY IDA
7 46 Daisy Lane
Montgomery, New York 12549

8

Laurie Villasuso, Associate Executive Director, OCIDA

9

10 HARRIS BEACH, PLLC
BOND COUNSEL TO OCIDA
99 Garnsey Road
11 Pittsford, NY 14534
BY: RUSSELL E. GAENZLE, ESQ.

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1 CROSS ROADS COURT REAL ESTATE, LLC

2 MR. PETRO: It's 11:00, let's get started.

3 Would everyone stand for the Pledge of Allegiance
4 please?

5 (Whereupon, the Pledge of Allegiance was recited.)

6 MR. PETRO: Alright, this is a public
7 hearing for Cross Roads Real Estate, LLC in the
8 Town of Newburgh. I'm Jim Petro, the Executive
9 Director of Orange County Industrial Development
10 Agency, Laura Villasuso, Associate Executive
11 Director, Franny will be doing the minutes. To
12 my right is Kevin Dowd, the attorney for the
13 Orange County Industrial Development Agency and
14 Bond Counsel is Russ Gaenzle. Can you read the
15 Notice of Public Hearing, sir?

16 MR. DOWD: Yes, sir. Notice of Public
17 Hearing. Notice is hereby given that a public
18 hearing pursuant to Article 18-A of the New York
19 General Municipal Law will be held by the Orange
20 County Industrial Development Agency on
21 Wednesday, October 7, 2015 at 11:00 a.m. local
22 time at the Newburgh Town Hall, 1496 Route 300,
23 Newburgh, New York 12550 in connection with the
24 following matter: CROSS ROADS COURT REAL ESTATE,
25 LLC, a New York limited liability company, for

1 CROSS ROADS COURT REAL ESTATE, LLC
2 itself or on behalf of an entity formed or to be
3 formed has submitted an application to the Agency
4 requesting the Agency's assistance with respect
5 to a certain project consisting of (i) the
6 acquisition by the Agency of a leasehold interest
7 in an approximately 5.90 plus minus acre parcel
8 of land located at Crossroads Court in the Town
9 of Newburgh, Orange County, New York, (ii) the
10 construction on the Land of an approximately
11 86,000 square foot hotel and; (iii) the
12 acquisition and installation in, on and around
13 the Improvements of certain items of equipment
14 and other tangible personal property, including
15 but not limited to, furniture. The Agency will
16 acquire a leasehold interest in the Facility and
17 lease the Facility back to the Company. The
18 Company will operate the Facility during the term
19 of the lease. At the end of the lease term, the
20 Agency's leasehold interest will be terminated.
21 The Agency contemplates that it will provide
22 financial assistance to the Company in the form
23 of sales and use tax exemptions, a mortgage
24 recording tax exemption and, if necessary, a real
25 property tax abatement, all consistent with the

1 CROSS ROADS COURT REAL ESTATE, LLC

2 policies of the Agency. A representative of the
3 Agency will be at the above-stated time and place
4 to present a copy of the Company's Project
5 application and hear and accept written and oral
6 comments from all persons with views in favor of
7 or opposed to or otherwise relevant to the
8 proposed Financial Assistance. Dated September
9 24, 2015 by Orange County Industrial Development
10 Agency.

11 MR. PETRO: Alright, as always, this IDA
12 public hearing is for informational purposes
13 only. There will be no action taken today, no
14 roll calls of any kind. We gather information
15 from the public, anyone that wants to speak,
16 report back to our board. There's a sign-in
17 sheet, I know some other people came in, would
18 you please sign in on this sheet so we have a
19 record who was here? First we'll have a small
20 presentation by the applicant themselves.
21 Estimated sales tax exemptions 328,000, we just
22 figured out the mortgage tax exemptions which
23 their portion will be approximately 62,5, the
24 PILOT itself is a standard 485-b without the IDA
25 which is put out by the state, 27.5 percent

1 CROSS ROADS COURT REAL ESTATE, LLC
2 savings to the applicant 10 years starts at 50
3 percent up five percent a year for 10 years but
4 when we do it as an equivalent they can also
5 attempt to get other benefits. So that being
6 said, what we'll do is hear from the applicant
7 first just quickly what you're doing with the
8 plan, jobs that you're going to create and why
9 you think it's a good deal.

10 MR. KINUM: Good morning, my name is Michael
11 Kinum, I'm with the Goldman Law Firm representing
12 Martin Milano and Cross Roads Court Real Estate,
13 LLC. Briefly, this is a construction project of
14 139 unit hotel, a Hampton Inn and Suites, going
15 to be about 86,000 square feet. It's a
16 significant investment in the town and has total
17 project costs in excess of \$14.5 million. It's
18 going to create a great deal of jobs for the
19 area, approximately 125 construction jobs and
20 maybe 30 plus permanent jobs when it's all said
21 and done. We have the support of the town and
22 some others and I have some written materials and
23 letters in support which I will hand up after I'm
24 done. Currently, there's a shortage of hotel
25 rooms in the community. This project is going to

1 CROSS ROADS COURT REAL ESTATE, LLC
2 help alleviate that shortage and is going to
3 generate new and additional hotel taxes for the
4 community as it gets up and running.

5 MR. PETRO: As it stands now, just land,
6 correct?

7 MR. KINUM: Just land right now.

8 MR. PETRO: You're not knocking anything
9 down to build it, so any improvement would be
10 pure benefit in new taxes to the municipality,
11 the county, schools?

12 MR. KINUM: Correct.

13 MR. PETRO: You're only going up, not taking
14 anything down?

15 MR. KINUM: That's correct.

16 MR. PETRO: Does anybody on the table here
17 have any questions for the applicant at this
18 time? Alright, very good. Alright, at this
19 time, I'll open it up to the public for comment.
20 I know that we do have a letter from the Town of
21 Newburgh that they do support the project, as I
22 stated earlier, which would, I'll say it again,
23 which is 485-b equivalent. The sales tax
24 abatement which is 8 1/8 percent and mortgage tax
25 on the state side and the town would be made

1 CROSS ROADS COURT REAL ESTATE, LLC
2 whole on their side. So that being said, would
3 anybody like to speak? Mr. Supervisor?

4 SUPERVISOR PIAQUADIO: Thank you. Just
5 wanted to make clear just what the town's plan
6 was here. We had some meetings, maybe informal,
7 maybe made the newspaper a few times with the
8 applicant who maybe was considering like a PILOT
9 or a long term payment in lieu of taxes for the
10 hotel. The decision of the town board because I
11 talked with all of them when we voted back on the
12 8th was not so much to say well, you already had
13 one, whatever you done with it, you sold it, had
14 nothing to do with the past. This town always
15 felt or existing board felt that hotels don't
16 receive that type of tax benefit, 485-b, fine,
17 what the state's giving you, that's fine, what we
18 never talked about before and we have no
19 objection to is sales tax on construction
20 material. No problem with that. And I think on
21 September 8 we actually passed a resolution
22 saying we have no problem with this project, as
23 far as sales tax on construction and also the
24 portion of mortgage tax that would go to the
25 state, the town will still be made whole on any

1 CROSS ROADS COURT REAL ESTATE, LLC
2 borrowing so we have no problem there. And you
3 might say well, why are we doing that? We do
4 want another nice hotel back in the town that
5 will be taxable. So we need it for our
6 residents. Also, by doing it, not that the
7 applicant wouldn't, but this more or less makes
8 it more certain that they will use local labor
9 and there's a five percent hotel-motel tax to the
10 county, so there's a lot of positives to it for
11 us. And we're hoping that the IDA goes along
12 with that. So other than that, that's it for me.
13 Let me ask one question to maybe Jim or the
14 attorney. On the 485-b, are they just applying
15 through our assessor's office or are you going to
16 handle that?

17 MR. GAENZLE: You can do it either way, we
18 have to come into the chain of title in order to
19 provide them with the partial mortgage tax
20 exemption. We can do a quick in and out but
21 technically, when we do that, the property goes
22 on the exempt side of the rolls even for a moment
23 in time. So whatever the town would prefer.

24 SUPERVISOR PIAQUADIO: We can do it through
25 here.

1 CROSS ROADS COURT REAL ESTATE, LLC

2 MR. PETRO: It should be noted Gill brought
3 up the point we do have a labor policy in place,
4 I'm sure you're aware of it, complying with
5 85 percent local labor, it's seven counties
6 large, quite extensive. I don't think it will be
7 a problem to comply but we'll monitor it, if we
8 do get complaints, Laurie and I are respondents
9 to those complaints and we'd have to act in some
10 manner if it should get to that point. But I
11 think over the seven county area it's quite
12 extensive, you won't have any problems. And
13 there are exceptions also if you have a specific
14 need for something that we don't count that in
15 the 85 percent but we do really suggest that you
16 use local labor so we don't have any problems.
17 Anybody else like to speak for or against? Just
18 Bill?

19 MR. FIORAVANTI: Thanks for the opportunity,
20 I'll go slowly. I'm Bill Fioravanti from the
21 Orange County Partnership.

22 MR. PETRO: He's been hanging around a lot
23 in the new tunnel driving back and forth.

24 MR. FIORAVANTI: We're just here as, I'm
25 here to express the Partnership's support of this

1 CROSS ROADS COURT REAL ESTATE, LLC
2 project, for all the reasons that have been
3 stated already, not only is it creating
4 construction jobs, permanent jobs, it's a great
5 compromise in terms of the sales tax exemption.
6 We always want to see that we have the
7 municipality on board. And it does add to our
8 stock of available hotels, we need it, we have a
9 dwindling amount of hotels in the area, whether
10 that's related to this project or not, doesn't
11 matter, they're going off the tax rolls and we're
12 losing those hotels whether because of the air
13 show, because of West Point, Woodbury Commons,
14 we're losing those rooms, those occupants to
15 neighboring counties when we're full. So we
16 don't want that, we want the tax dollars that
17 were mentioned as well as the hotel tax is
18 important to help fund our town, using the County
19 Executive Neuhaus who's trying to put a greater
20 emphasis on that and economic development. A lot
21 of what we do is kind of intertwined with them,
22 whether it's a water park, anything else you can
23 imagine, just want to lend our support to this
24 kind of project that we need.

25 MR. PETRO: Thank you. Lynn?

1 CROSS ROADS COURT REAL ESTATE, LLC

2 MR. WARREN: I think it's a win-win, I'm
3 very happy for it. Just really want to commend
4 Mr. Piaquadio in our town for giving this thing a
5 really good look over. And I know a lot of
6 people are, you know, cause I'm around the town
7 all the time, lot of people are upset that we
8 lost the two hotels off the tax map but they did
9 nothing wrong. And we need to help them and get
10 it in there and I really am really happy for it,
11 really want to see it. Because if I have
12 relatives coming in from out of town, where do I
13 tell them to go, Ramada Inn? Really? Where do
14 they go? I'm all for it.

15 MR. PETRO: Okay, nobody else? At this
16 time, I would close the public hearing. I'll
17 bring it back up to the board here for anything,
18 any further comments? I think we really covered
19 everything. I do think it's a good project and
20 it's certainly needed, there's, I think when the
21 air show was here I think the rooms were sold out
22 almost immediately, right, Bill? You couldn't
23 get a room in Orange County. So I think Mark
24 you're probably doing the right thing building
25 because we really do need to have some rooms in

1 CROSS ROADS COURT REAL ESTATE, LLC
2 Orange County. Definitely try to contact the
3 trades and/or local labor and do the best you can
4 to keep everybody locally busy when they get
5 going. We'll have this transcript done, it will
6 be back to our board for review and we'll have
7 you on next month's agenda, I promise you that in
8 November, right, Laurie?

9 MS. VILLASUSO: November 12th.

10 MR. PETRO: We'll do a final review and move
11 forward, I think.

12 MR. GAENZLE: If you can hold off on making
13 purchases until then, if you make purchases now
14 and pay the sales tax, we can't get it back.

15 MR. PETRO: You may make a purchase and
16 agree to pay 30 or 60 days out, as long as you
17 don't pay them that works. So that's up to you,
18 just giving you--anything else, Gill? I think we
19 covered it.

20 SUPERVISOR PIAQUADIO: I think we covered
21 it.

22 MR. PETRO: Thank you for coming.

23

24 (Proceedings concluded at 11:10 a.m.)

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C-E-R-T-I-F-I-C-A-T-I-O-N

I, FRANCES ROTH, a Stenographic Reporter and Notary Public
of the State of New York, do hereby certify:

that the foregoing is an accurate record of the testimony,
as given, to the best of my knowledge and belief, the same
having been stenographically recorded by me and transcribed
under my supervision.

That I am not related to any of the parties involved in
this matter, and that I have no personal interest
whatsoever in the outcome thereof.

FRANCES ROTH

October 7 2015

Members of the IDA board I would like to present the history of the Hilton Garden Inn / Hampton Inn & Suites Site. I purchased the site in the winter of 1999 with the intention of building a new hotel. We were delayed for 6 years due to a sewer moratorium. We were unable to proceed with the project but paid the taxes at the full rate just the same. We received no relief for this hardship. In addition I have been paying taxes at the full rate on the proposed Hampton Inn & Suites parcel and maintaining the site for over 15 years. I believe the cost of this alone equals or exceeds the original mortgage tax and sales tax exemption I received. I constructed at my own expense a state approved road to service the development which enabled the Hilton Garden Inn to be built as well as the Orange County Choppers building and the proposed Hampton Inn & Suites. During this time I provided at my own expense all maintenance for this road including lighting and snow removal. Most commercial facilities of this nature are serviced by a municipal or town road and would not have these added expenses. During the 8 + years I operated the hotel we provided hundreds of jobs & contributed millions of dollars in taxes including occupancy tax, sales tax & real estate tax. The proposed new facility will replace the Hilton Garden Inn and contribute revenue and jobs to the town and county on an even grander scale. To undertake a project of this magnitude the basic tax breaks which have been approved for all others seeking relief and in many cases at a much higher amount than our request are not a luxury but rather a necessity. I respectfully request you take this into into consideration when formulating an opinion on this request.

Sincerely Yours



Martin Milano

Oct. 5, 2015

To: The Orange County Industrial
Development Agency.

This is in regards to the requested hotel
that is to be built in the Town of Newburgh.
On 17K, by the Thruway.

I Al Roberts of the town of Newburgh
feel it is in the best interest of all the
people in Newburgh that an Exquisite
hotel be built in the Town of Newburgh.
It will bring jobs to people of the Town of
Newburgh in a permanent status. Also, it
will bring all people from the USA + overseas
too. They will see the prosperous area
that there is to offer outsiders here.

I am OK about the tax break being
given to the hotel facility as it will
bring lots of dollars in spending to the
area of Newburgh. + a lot of jobs of all
sorts.

Respectfully Al Roberts 2 Pommel Drive

Subject: New Construction

10/17/2015

To whom it may concern:

The proposal to build a brand new infrastructure (hotel) in the Newburgh area has many positive facets that go along with it..

Unemployment in any city is a major concern to those who live in that city. A new hotel construction brings many job opportunities

to the area in addition it gives the people living in the area career opportunities and personal growth. As an employee of customer service

business I can see all the positive revenue and business building a new hotel brings to the blue collar workers in the Newburgh area.

Electricians, plumbers, and other workers in a variety of trades need to work during the slow and difficult months of the year. Building

a new hotel will simply help the income, create more jobs, and help a struggling city with a poor reputation.....

Thank You

George Mogavero

To whom it may concern representing the IDA

My name is Jason Siegel and I am a third generation resident and homeowner of Newburgh. I have seen first hand the effects of the recent recession on our community.

I wanted to take a moment to strongly endorse Mr. Milano's hotel project. First and most obviously is the construction jobs the project would create in addition to the permanent jobs that would result. Secondly, the addition to the tax roles would be welcome relief to a burdened tax base. Additionally, I believe there would be an additional hotel tax that could be collected. Lastly, it is my belief that the town could really use a new hotel. It is my sincere hope that Newburgh is on the mend. Please don't impede that progress by denying this project.

Thank you,

Jason Siegel

Kevin T. Dowd, Esq.
46 Daisy Lane
Montgomery, New York 12549

Telephone/Facsimile (845) 778-5442

October 21, 2015

Mr. Paul Teutel, Sr.
Orange County Choppers, Inc.
14 Crossroads Court
Newburgh, NY 12550

RE: Orange County IDA Leaseback Agreement


Dear Mr. Teutel:

By letter dated March 26, 2015 (copy enclosed for your convenience), I informed you of your obligation to fill out and return the yearly Project Audit Form to the IDA's accounting firm so that the IDA could comply with its obligations under the Public Authorities Accountability Act of 2009. My letter also informed you that your yearly failure to reply and return this Form constitutes a violation of Section 5.4 of the Leaseback Agreement which could result in the IDA declaring you in default and could result in the termination of your IDA benefits. Unfortunately, you have disregarded the March 26th letter and have failed to submit the Form.

Please be advised that I am authorized by the IDA Board of Directors to inform you that if you do not submit the completed Form by December 1, 2015, the IDA will take action to declare you in default and terminate the Lease, Leaseback and Payment in Lieu of Tax Agreements which would result in the property being subject to full taxation.

I strongly urge you to take immediate action to prevent this occurrence.

Very truly yours,


KEVIN T. DOWD
Attorney for the IDA

✓ cc. IDA Board of Directors

Kevin T. Dowd, Esq.
46 Daisy Lane
Montgomery, New York, 12549

Telephone/Facsimile (845) 778-5442

October 20, 2015

Shelley Gray
Shamrock Creek, LLC
112 Forge Hill Road
New Windsor, NY 12553

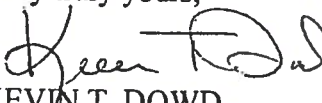
RE: Orange County IDA PILOT Agreement - Default

Dear Ms. Gray:

By letter dated June 4, 2015 (copy enclosed for your convenience), I informed you that your failure to make your payments in lieu of taxes to the County of Orange and the Cornwall Central School District constituted an Event of Default pursuant to Section VI of the First Amended and Restated Payment in Lieu of Tax Agreement dated April 1, 2011. As of the date of this letter, you have paid the County of Orange but not the Cornwall Central School District. As a consequence, I am authorized by the Orange County Industrial Development Agency to inform you that if you have not made payment to the Cornwall Central School District by the close of business on December 1, 2015, the IDA will take action to declare you in default and to terminate the PILOT Agreement thereby making your property subject to full taxation.

I strongly urge you to make the delinquent payment immediately and to promptly make future payments in a timely manner.

Very truly yours,


KEVIN T. DOWD
Attorney for the IDA

cc. IDA Board ✓
John McCarey
Cornwall CSD
Thomas Clarke, Esq.

Kevin T. Dowd, Esq.
46 Daisy Lane
Montgomery, New York 12549

Telephone/Facsimile (845) 778-5442

June 4, 2015

Shelley Gray
Shamrock Creek, LLC
112 Forge Hill Road
New Windsor, NY 12553

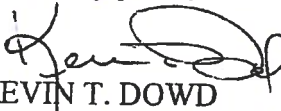
RE: Orange County IDA PILOT Agreement - Default

Dear Ms. Gray:

I am the attorney for the Orange County Industrial Development Agency and I am contacting you regarding the terms and conditions of the First Amended and Restated Payment In Lieu of Tax Agreement dated April 1, 2011. According to Section 1.1.B, you are obligated to pay annually the County of Orange, the Town of New Windsor and the Cornwall Central School District their corresponding payment in lieu of taxes. It is my understanding that you have paid the Town of New Windsor but not the County or the School District. Your failure to pay these affected taxing jurisdictions constitutes an Event of Default pursuant to Section VI of the PILOT Agreement.

In order to avoid the legal and economic repercussions of your continued default, I strongly urge you to give this matter you utmost attention and to make the delinquent payments immediately.

Very truly yours,


KEVIN T. DOWD
Attorney for the IDA

cc. IDA Board
John McCarey
Cornwall CSD
Thomas Clarke, Esq.

Kevin T. Dowd, Esq.
46 Daisy Lane
Montgomery, New York 12549

Telephone/Facsimile (845) 778-5442

October 15, 2015

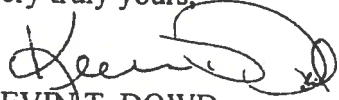
Michael D. Blythe, Esq.
Town of New Windsor
555 Union Avenue
New Windsor, NY 12553

RE: Continental Organics- Non-Payment of PILOT

Dear Mr. Blythe:

As a follow-up to my letter to you dated September 16, 2015, regarding the above referenced matter, please be advised that the IDA Board discussed the matter of Continental Organics in Executive Session at its October 8, 2015, Board meeting. As I am sure you are aware, Continental filed a Chapter 7 Bankruptcy petition and the automatic stay provisions, to our knowledge, are in effect which would prevent the IDA from taking any action at this time. Rest assured that the IDA will continue to monitor the situation and I will keep you updated as more information becomes available to us.

Very truly yours,


KEVIN T. DOWD
Attorney for the IDA

✓ cc. IDA Board of Directors



REAL PROPERTY TAX SERVICE AGENCY

John I. McCarey - CCD
124 Main Street
Goshen, New York 10924
(845) 291-2494

Steven M. Neuhaus
County Executive

October 20, 2015

Michael Finnegan
Continental Farms, LLC
320 Mount Airy Road
New Windsor, NY 12553

Please see the attached updated invoice for **taxes owed to the County** as per your PILOT agreement.

To date we have not received your payment as requested by June 1, 2015. Please be advised that we have turned over your account to our Law Department.

If you have any questions, please contact me at 291-2494.

Thank you,

John McCarey, Director
Real Property Tax Service

JMC/pg

cc: Laurie Villasuso, Assoc. Executive Director, IDA
Tawnya Muhlrاد, Commissioner of Finance



INVOICE

PAYMENT IN LIEU OF TAXES

**COUNTY OF ORANGE
 REAL PROPERTY TAX SERVICE
 124 MAIN STREET
 GOSHEN, NY 10924
 (845) 291-2495**

August 7, 2015

Michael Finnegan
 Continental Farms, LLC
 320 Mount Airy Road
 New Windsor, NY 12553

| PERIOD | DESCRIPTION | ASSESSED VALUE | COUNTY TAX RATE | AMOUNT DUE |
|--------|---------------------------------|-------------------|--------------------|-------------------|
| 2015 | Town of New Windsor | | | |
| | 32-2-69 | 124,284 | 20.9668 | \$2,605.84 |
| | 32-2-70 | 32,100 | 20.9668 | \$673.03 |
| | 5% late penalty | | | \$163.94 |
| | 1% penalty - April | | | \$34.43 |
| | 1% penalty - May | | | \$34.77 |
| | 1% penalty - June | | | \$35.12 |
| | 1% penalty - July | | | \$35.47 |
| | 1% penalty - August | | | \$35.83 |
| | 1% penalty - September -October | | | \$72.73 |
| | TOTAL AMOUNT DUE | | | \$3,691.16 |

PAYMENT DUE UPON RECEIPT

**Make all checks payable to:
 Mail payment to:**

**COMMISSIONER OF FINANCE
 Real Property Tax Service Agency
 124 Main Street
 Goshen, NY 10924**