

**ORANGE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

County Government Center
255 Main Street
Goshen, New York 10924
Phone: 845-291-2700 Fax: 845-291-2724

Robert Armistead, Chairman
Mary Ellen Rogulski, Vice Chairman
Stephen Brescia, Secretary
John Steinberg, Jr., Assistant Secretary
Henry VanLeeuwen
Robert J. Schreibeis, Sr.
Russell O. Vernon

James O'Donnell, Executive Director
Joel Kleiman, Chief Financial Officer
Kevin Dowd, Attorney
Laurie Villasuso, Administrative Assistant

Agenda

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on December 5, 2012 at 3:00 p.m. in the Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, New York, to consider and/or act upon the following:

Order of Business

- **Roll Call**
- **Approval of the minutes from October 17 meeting**
- **Financial Reports and/or Requests for Payments**
- **New and Unfinished Business**
 - Chairman's Report
 - Executive Director Report
 - OCBA Report
 - OCP Report
 - Discussions
 - Wallkill Realty Partners, LLC
- **Resolutions**
 - Port Jervis Whitewater Park – Resolution to Extend
 - Continental Organics – Resolution to Extend
- **Such other and further business as may be presented**
- **Public Comments**
- **Adjournment**

Dated: October 9, 2012

Stephen Brescia, Secretary

By: James O'Donnell, Executive Director

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

October 17, 2012

A regular meeting of the Orange County Industrial Development Agency was convened in public session on October 17, 2012 at 2:00 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, Stephen Bréscia, John Steinberg, Henry VanLeeuwen, Russell Vernon

ABSENT: Robert Schreibeis

ALSO PRESENT: James O'Donnell – Executive Director
Kevin Dowd – Attorney
Laurie Villasuso – Administrative Assistant
Maureen Halahan – Orange County Partnership
Mike Oates – HVEDC/OCBA
Jeff Vizethann – Orange County Triathlon
Neal Wilkinson – Orange County Triathlon
James Walsh – Times Herald Record
Bill Madden – Focus Media
Josh Sommers – Focus Media
John D'Ambrosio – Orange County Chamber
Jimmy Smith – Orange County Chamber
Gary Drumheller – Hudson Valley Crossing

Chairman Armistead calls the meeting for the Orange County IDA, October 17, 2012 (Pledge of Allegiance is recited). Board consists of six members. There is a quorum.

Review of the prior September 19, 2012 meeting minutes. Motion made by VanLeeuwen, seconded by Rogulski to approve the minutes as presented. Motion carries with all in favor.

Roll Call taken.

Financial Reports and/or Requests for Payment

Mr. Kleiman asks the members to refer to the monthly income and expense summary. He explains some changes to the report: the Millennium payment has been moved from the IDA to the OCFC, and the Accelerator revenue received by the IDA has changed because the funds have been reapportioned to specific accounts, and lastly, the payments in the "Legal" account were much higher in September as Mr. Crotty was paid for his final two months, and Mr. Dowd was paid for his initial two months with the IDA. The overlap in their vouchers created higher than usual Legal expenses for the month.

Year to date, through the end of September, the IDA has taken in \$2.3M, and the expenses were just over \$900K, and revenues exceed expenses by \$1.4M, a lot of which, he reminds the Board, is attributed to the IBM payments. Calling attention to the schedule of bank accounts and investments, he advises that the IDA has 2 CDs which total \$3.7M, the checking account and MM accounts total \$4.4M and the OCFC account holds \$133K. He then addresses the monthly vouchers and receipts, noting that Paramount Theater and HVADC were added to the monthly voucher list, and two checks totaling \$175K from IBM have been deposited this month. The Board discusses the IBM audit and the recent checks received from IBM. Chairman Armistead notes that a lot of the money was a reflection of some major capital improvements at the Sterling Forest site.

Motion made by Vernon, seconded by VanLeeuwen, that the Board accepts the financial report and authorization of payments and vouchers for October 2012. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Ms. Rogulski suggests that the Board Members do not need to receive all supporting documentation for the vouchers in their packets. Mr. Steinberg mentions that he agrees, Chairman Armistead confirms that all the Board needs is the summary report, and it is decided that Ms. Villasuso will bring the documentation to the meetings should any questions arise. Mr. O'Donnell reminds the room that the process for voucher submission – and backup documentation – remains the same. The Members agree.

Mr. Kleiman takes a moment to address the annual IDA audit, and notes that JGS will be visiting the offices of the IDA and the Accelerator, doing the preliminary work for the first three quarters of the year, which will expedite the audit when they return in January.

Turning his attention to the 2013 Budgets for the IDA and the OCFC, Mr. Kleiman distributes copies of the budgets and notes that they have already been reviewed by the audit committee. He advises that revenues exceed expenditures by \$303K in the IDA budget, and comments that while budgets normally balance, the IDA has excess revenues. He reviews the details of the budget with the Members, and advises that the budget will be posted on the website. During the review, Mr. Vernon asks if Mr. Oates has reviewed the Accelerator budget and Mr. Oates advises that he has. Mr. O'Donnell suggests that the \$70K amount the Accelerator pays to HVEDC should be adjusted to \$72K so that it becomes a monthly check of a flat \$6K. The Members agree. Mr. Kleiman then explains the OCFC budget to the Members. During review of the OCFC, Mr. Vernon asks if the Micro-Loan Fund will end up coming out of the OCFC, and Chairman Armistead advises him that, while there is a gray-area which is requiring some research on the part of Mr. Dowd and Mr. Gaenzle, the Micro-Loan fund will eventually come out of the Funding Corp funds. Mr. Dowd adds that two potential bond closings this year through the Funding Corporation could bring in significant fees, which would be usable for the Micro-Loan Fund.

Motion made by VanLeeuwen, seconded by Steinberg, to accept the 2013 budget as submitted, with modification to adjust the HVEDC annual payment to \$72K. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Mr. Kleiman notes that, now that the budget has been approved, the Budget will be filed with the comptroller's and ABO offices by the end of the month. Once received, the IDA is in compliance with the 2013 Budget.

Chairman's Report

Chairman Armistead notes that the November meeting will be moved to the 14th of November. The members take no issue with moving the date. It is also discussed that Governance Committee and OCFC meetings will be held on that date.

He also notes that he attended an OCP meeting and is encouraged by what is happening in the county at this time. He also advises that the IDA is moving forward with new management for the Accelerator. HVEDC is now managing the Accelerator.

Executive Director Report

Mr. O'Donnell begins by advising that the public hearing for CRH III in Monroe has been held and went very well.

With regard to the FTZ, Mr. O'Donnell visited Novartis Pharmaceuticals who will be entering FTZ#37. They border Orange County in Suffern, and have a number of Orange County residents as employees. They do \$10B in sales.

He met with the Arts Council and a few members of the film industry in Orange County, and there is interest in forming an Orange County Film Commission. They are interested in the money the IDA has provided to the Hudson Valley Film Commission. He also met with local bakery business owner, who is looking to expand his business. Mr. O'Donnell has put the business owner in touch with Mr. Gaenzle and has also been discussing a few available properties.

Project Green will be discussed on a conference call today. The state labor department came to discuss the project earlier in October, and Mr. O'Donnell notes that it's moving quickly. The project will have 373 jobs and will entail a \$60M investment in their 460K square foot food distribution project.

Hudson Valley Crossing recently put an application in to get the site ready for their next project, and assist in the entrance for Carlisle's site. Mr. Drumheller notes that it is for infrastructure work with public sewer and water, the major roadway into the site, the utilities and will be servicing both Carlisle and the future building on the site. He adds that Carlisle's construction is moving along and the structures should be enclosed within the coming weeks.

Mr. O'Donnell advises that the IDA received a check for \$100K from Millennium, outside of their regular annual payment of \$108K.

Mr. O'Donnell will also discuss the fee structure for the OCFC to make sure it's line with other IDAs in the state. There are two bond applications pending at this time – Walkill assisted living and MSMC who is looking for \$60M.

Lastly, Mr. O'Donnell addresses the change in management of the Accelerator. Mr. Oates and HVEDC will be managing director of the Accelerator. Mr. O'Donnell wishes to make it clear that nothing at the Accelerator is changing except for the management. He introduces Mr. D'Ambrosio, adding that there will be a nice synergy with the Chamber and the Accelerator, where the Chamber will take over some of the training for new businesses. He notes that Ms. Halahan and OCP will continue to be the lead on real estate matters, and will continue to market Orange County.

OCBA Report

Mr. Oates begins by advising the room that he and his team are excited to work with the IDA and Orange County. He offers a presentation discussing his plans for the Accelerator. He looks to attract new businesses to grow in Orange County, and provide educational and support services designed to increase their chances of succeeding. He hopes to move new businesses into the Orange County business community as soon as possible.

Mr. Oates plans to partner with the Orange County Chamber for networking and training purposes, and aims to create educational partnerships with OCCC, MSMC and West Point. They also plan to partner with local businesses and corporations to provide mentoring. HVEDC is partnering with Focus Media for marketing, with plans to use social media, radio and print ads, movie theatre stills, billboards and videos to encourage interest in the Accelerator.

He goes on to explain the partnership between the Orange County Chamber and Orange County Partnership, and how it can benefit future and current OCBA clients. He also discusses the Entrepreneurial Assistance Program and Mini MBA programs that may be offered in the future. He notes that there will be a Business Challenge, where businesses can enter to earn Accelerator space for one year for the cost of \$4,000. To offset the cost, they will enlist corporate sponsors. He notes that food and beverage, veteran-owned and innovative technology companies will be the Accelerator's main focus.

He mentions a partnership with Central Hudson, who will offer funding for equipment or build-out of the Accelerator, possibly for future food and beverage lab space. Additionally, the Ellenbogen group will assist the Accelerator clients with production of videos for business analysis and social media purposes. He also notes a partnership with Choice Words, a full service grant writing and communications firm, who can assist clients in the grant research and writing process.

Mr. Sommers advises the room of Focus Media's plan for the Accelerator, and plays a preliminary recording of a radio spot the marketing team plans to air.

Mr. O'Donnell thanks the new OCBA team, and notes that the OCBA management will still report to the IDA board and work with the County's office of Economic Development.

Mr. Dowd reads the resolution approving Hudson Valley Economic Development Corporation as Managing Director of the Orange County Accelerator aloud. Motion made by Vernon, seconded by Rogulski. Open for discussion. Affirmative votes of all members present resulted in motion carried.

OCP Report

Ms. Halahan begins by noting that Project Green is an exciting project and she hopes that today's conference call helps to move it along.

Project Gypsum, the data center which targets the Mid-Orange Correctional Facility, has been moving forward. With regard to the Mid-Orange Correctional facility, the town of Warwick has been negotiating with the state of New York and has signed the Memorandum of Understanding to proceed to move forward with the purchase of the site. The data center would like a portion of that property, and would promise fifty high-paying full time jobs, and they are still working with the utility company in the area.

With regard to the FAA, Nan Hayworth's office sent a group of representatives on her transportation team to tour the Port Authority site. Decisions are still not made on the satellite facility. A firm was hired to study the best location for the facility, and according to OCP's research, Orange County is ahead of the curve.

With regard to Business Retention and Expansion, two new manufacturing clients were interested in purchasing a 40-55K square foot building. There were some site tours last week. There is also a food manufacturing plant planning a 50K square foot expansion, which is up for site approval now.

The Village of Goshen site is ready, and is 53 acres within the village and commercially zoned. The Village is asking for active promotion of the site.

Addressing OCP's marketing, they have designed a Property of the Week campaign, and the properties have been sent to site selectors and brokers. Average time and visits to the website were up this month. Ms. Halahan notes that there have been a number of trade shows in the past few weeks. She adds that the SIOR/LA trade show is fast approaching, and OCP will be attending the event.

CNC – Advanced Manufacturing Program Update

Mr. Green distributes reports of the findings from the recent CNC forums facilitated by the college. He highlights some of the findings for the Board. Chairman Armistead adds that many important employers in the area attended the forums, and were happy to offer their input about what their needs are.

Mr. Green explains that the original project has morphed into a regional effort, connected to other initiatives. There are federal and state grant dollars that have become available, most of which have been offered to SUNY as part of the overall initiative. The funds, Mr. Green explains, weren't originally expected.

Despite the information that they already have, SUNY believes they need more data. People at the college, he says, want to know how many jobs will be needed, and how many employers will be able to guarantee jobs. He also says that he needs commitments from manufacturers and acknowledgement of their partnership in the project. There will be more outreach and possibly more conferences and forums to gather more information. The additional forums will be National Career Readiness, Machinist certifications, CNC foundations skills, workplace math, blueprint reading and reading fundamentals.

Chairman Armistead communicates the Members' frustration that the project has been taking quite a long time. Mr. O'Donnell echoes the sentiment and references a community college in MN that offers a 10 week certification process. He suggests that perhaps the IDA should entertain alternatives for getting the initiative off the ground, because unemployment numbers are still high and we can't keep waiting for the progress to be made.

Orange County Triathlon

Misters Wilkinson and Vizethann, organizers of the Orange County Triathlon, advise the Board that they have been on a four year mission to bring a world-class sporting event to Orange County. As residents of the County, they wanted to make an impact on the county and found that a triathlon was a perfect event to bring to Orange County. Triathletes spend an average of \$40M over the last year on triathlons. After extensive research, they found that Newburgh would be great match for the event because of the Hudson River. Mr. Kaplan and Senator Larkin have embraced the event. They have held two events already, and look to double this year's 8,000 attendees. Their request is for the IDA to assist in maintaining the triathlon, and maintain other events. They have already brought roughly \$800K into the county, between hotels, rental cars, restaurants, etc.

Mr. Vizethann notes that the triathlon always draws participants from around the country, and this year they are partnering with West Point and the YMCA of Middletown to do a triple crown series. The Orange County Triathlon will be in July, West Point's will be in August, and the YMCA's will be in September. They are also working with MSMC to develop a training program. MSMC is working with Team in Training, the Lukemia and Lymphoma benefit group, and they will help participants new to the sport train to compete. Discovery Channel is also looking to get involved.

Mr. Wilkinson also mentions that they've partnered with the Newburgh Armory and with Woodbury Commons, hoping to inspire purchasing and economic impact in our region.

Their request is for \$25K per year over four years. Their plans bring not only triathlons, but also indoor soccer and community sporting events. They are advised that the Governance committee will need to discuss the application

before it goes further. Mr. Vernon asks if Orange County Triathlon is a for-profit company, and Mr. Wilkinson advises that they are a for-profit company.

CRH Realty III, LLC – Final Resolution

Mr. Dowd reads the CRH Realty III, LLC final resolution aloud. Motion made by Rogulski, seconded by VanLeeuwen. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Hudson Valley Crossing, LLC – Initial Resolution

Mr. Dowd reads the Hudson Valley Crossing, LLC initial resolution aloud. Motion made by VanLeeuwen, seconded by Rogulski. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Such other and further business

With no further business, meeting called for adjournment by Chairman Armistead, motion made by VanLeeuwen, seconded by Steinberg, the time being 4:35p.m.

DRAFT

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INDUSTRIAL DEVELOPMENT AGENCY**

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2013 Industrial Development Agency Meeting Schedule

*Meetings scheduled for the 3rd Wednesday of every month unless otherwise noted.
Meeting date, time and/or location subject to change with notice.*

January 16th	@3:00 pm	Orange County Business Accelerator
February 20th	@3:00 pm	Orange County Business Accelerator
March 20th	@3:00 pm	Orange County Business Accelerator
April 17th	@3:00 pm	Orange County Business Accelerator
May 15th	@3:00 pm	Orange County Business Accelerator
June 19th	@3:00 pm	Orange County Business Accelerator
July 17th	@3:00 pm	Orange County Business Accelerator
August 21st	@3:00 pm	Orange County Business Accelerator
Sept. 18th	@3:00 pm	Orange County Business Accelerator
October 16th	@3:00 pm	Orange County Business Accelerator
Nov. 20th	@3:00 pm	Orange County Business Accelerator
Dec. 18th	@3:00 pm	Orange County Business Accelerator

*County Executive's Conference Room
911 Center
22 Wells Farm Rd, Goshen, New York
845-291-2700*

*Orange County Business Accelerator
4 Crcty Lane, Suite 100
New Windsor, NY 12553
845-220-2208*

Orange County IDA

Received November 2012

CRH Realty VI Closing fee	83,193.50
Millennium Pipelinen (Administrative fee)	100,000.00
Hudson Valley Crossing, LLC (Application Fee)	5,000.00
Total	188,193.50

Vouchers & Payments December 2012

Newburgh Armory Frank Stevens & Sons Roofing, Inc. PAID	25,000.00
Orange County Partnership (Dec 4 Dinner) PAID	1,430.00
Frances Roth (Walkkill Realty Partners Public Hearing)	250.00
Orange County Business Accelerator (4th Quarter)	170,500.00
Port Jervis Whitewater Recreation Engineering and Planning	22,928.00
*Newburgh Armory*Nannini & Callahan Excavating	6,316.56
Newburgh Armory DiLemme & Sons, Inc.	2,189.25
Newburgh Armory DiLemme & Sons, Inc.	5,000.00
Newburgh Armory CDR Electroncis	3,886.60
Newburgh Armory Fayo Construction Inc.	9,785.00
Newburgh Armory Electra Supply	5,198.32
Newburgh Armory Vardon, Inc.	20,790.84
Newburgh Armory Prestige Building Company	2,930.00
Newburgh Armory Prestige Building Company	1,475.00
Newburgh Armory Prestige Building Company	44,000.00
Pattern for Progress - Annual Awards Reception	980.00
Rockland Economic Development Corporation (PTAC)	6,000.00
Laurie Villasuso (Reimbursement for USB Drive purchase)	9.72
Kevin Dowd (10/11-11/26)	3,709.25
County of Orange - Newburgh-Stewart Empire Zone	5,000.00
County of Orange - Foreign Trade Zone	25,000.00
County of Orange - Administrative Support Services	15,000.00
Total	377,378.54

Orange County Industrial Development Agency
Income and Expense Summary
November 2012

	Oct 12	Jan - Oct 12	Budget	\$ Over Budget
Income				
Closing Fees	\$ 83,193.50	\$ 269,194	\$ 983,333	\$ (714,140)
Fees	\$ 100,000.00	\$ 2,119,689	\$ 563,000	\$ 1,556,689
IDA Administrative Fees	\$ 2,500.00	\$ 15,000	\$ 7,500	\$ 7,500
Interest Earnings	\$ 1,333.98	\$ 14,206	\$ 30,000	\$ (15,794)
Orange County Bus. Accelerator				
Client Rents	\$ -	\$ 68,615	\$ 93,000	\$ (24,385)
HVEDC Rent	\$ -	\$ 29,990	\$ 40,000	\$ (10,010)
Interest	\$ -	\$ 176	\$ 300	\$ (124)
Sponsorship	\$ -	\$ 880	\$ 2,000	\$ (1,120)
Utility Reimbursements	\$ -	\$ 1,998	\$ 5,000	\$ (3,002)
Total Orange County Bus. Accelerator	\$ -	\$ 101,659	\$ 140,300	\$ (38,641)
Pass Thru Legal Fees	\$ 2,500.00	\$ 15,000	\$ 7,500	\$ 7,500
Recovered Funds	\$ -	\$ 331	\$ 255,000	\$ (254,669)
Total Income	\$ 169,527.48	\$ 2,535,078	\$ 1,986,633	\$ 548,445
Expense				
Administrative Costs				
Advertising	\$ 33.40	\$ 33	\$ 1,500	\$ (1,467)
Auditors	\$ -	\$ 2,750	\$ 13,000	\$ (10,250)
Insurance	\$ -	\$ 5,313	\$ 7,000	\$ (1,687)
Mileage	\$ -	\$ -	\$ 500	\$ (500)
OCIDA Admin. Support	\$ -	\$ -	\$ 15,000	\$ (15,000)
Office Supplies & Expenses	\$ 256.00	\$ 4,703	\$ 5,000	\$ (297)
Secretary/Bookkeeper/Accountant	\$ 500.00	\$ 1,500	\$ 47,130	\$ (45,630)
Total Administrative Costs	\$ 789.40	\$ 14,299	\$ 89,130	\$ (74,831)
Agency Contribution Costs				
Hudson Valley Eco. Dev. Corp.	\$ -	\$ -	\$ 20,000	\$ (20,000)
O.C. Empire Zone	\$ -	\$ -	\$ 5,000	\$ (5,000)
O.C. Foreign Trade Zone	\$ -	\$ -	\$ 25,000	\$ (25,000)
O.C. Partnership	\$ 50,000.00	\$ 195,477	\$ 245,477	\$ (50,000)
Patterns for Progress	\$ 17,000.00	\$ 17,000	\$ 17,000	\$ -
Agency Contribution Costs - Other	\$ 20,066.85	\$ 54,567		
Total Agency Contribution Costs	\$ 87,066.85	\$ 267,044	\$ 312,477	\$ (45,433)
Legal				
Legal, Pass Thru	\$ -	\$ 12,500	\$ 7,500	\$ 5,000
Legal - Other	\$ 6,225.25	\$ 81,060	\$ 96,000	\$ (14,940)
Total Legal	\$ 6,225.25	\$ 93,560	\$ 103,500	\$ (9,940)
O.C. Business Accelerator				
Business Accelerator Funding	\$ -	\$ 511,500	\$ 682,000	\$ (170,500)
Total O.C. Business Accelerator	\$ -	\$ 511,500	\$ 682,000	\$ (170,500)
Other Expenses				
Promotional Expenses	\$ -	\$ 4,054	\$ 30,000	\$ (25,946)
Total Other Expenses	\$ -	\$ 4,054	\$ 30,000	\$ (25,946)
Projects				
Projects	\$ 68,151.48	\$ 180,017	\$ 350,000	\$ (169,983)
Total Projects	\$ 68,151.48	\$ 180,017	\$ 350,000	\$ (169,983)
Total Expense	\$ 162,232.98	\$ 1,070,475	\$ 1,567,107	\$ (496,632)
Income Over/(Under) Expense	\$ 27,294.50	\$ 1,464,604	\$ 419,526	\$ 1,045,078

Orange County Industrial Development Agency
Banks Accounts/Certificates of Deposit/Money Markets Accounts
As of October 31, 2012

Listed in order of maturity date.

#	Purchase Date	Maturity Date	# of Days	Bank	Principal	Interest Rate	Interest Amount	Status
1	10/5/07	1/4/08	91	Catskill Hudson Bank	\$ 2,820,045	5.03%	\$ 37,931.64	closed
2	12/10/07	1/15/08	36	Catskill Hudson Bank	\$ 1,000,000	4.82%	\$ 4,820.00	closed
3	12/10/07	2/19/08	71	Catskill Hudson Bank	\$ 1,000,000	4.79%	\$ 9,446.94	closed
4	1/4/08	3/18/08	74	Orange County Trust	\$ 1,000,000	4.52%	\$ 9,291.11	closed
5	1/4/08	4/15/08	102	Catskill Hudson Bank	\$ 1,000,000	4.75%	\$ 13,458.33	closed
6	1/4/08	5/20/08	137	Catskill Hudson Bank	\$ 1,000,000	4.75%	\$ 18,076.39	closed
7	1/15/08	6/17/08	154	Catskill Hudson Bank	\$ 1,000,000	4.45%	\$ 19,036.11	closed
8	2/19/08	7/15/08	147	Catskill Hudson Bank	\$ 1,000,000	3.13%	\$ 12,780.83	closed
9	7/15/08	9/17/08	63	Catskill Hudson Bank	\$ 1,000,000	3.13%	\$ 5,477.50	closed
10	8/19/08	10/15/08	55	Catskill Hudson Bank	\$ 1,000,000	3.06%	\$ 4,675.00	closed
11	9/17/08	12/17/08	91	Catskill Hudson Bank	\$ 4,800,000	3.18%	\$ 38,584.00	closed
12	10/15/08	4/15/09	182	HSBC	\$ 1,004,690	3.70%	\$ 18,793.00	closed
13	12/17/08	6/17/09	182	Orange County Trust	\$ 5,342,486	3.12%	\$ 83,114.44	closed
14	4/15/09	10/21/09	189	Orange County Trust	\$ 1,023,484	1.40%	\$ 7,419.55	closed
15	6/17/09	12/16/09	182	Orange County Trust	\$ 5,425,922	2.10%	\$ 56,816.10	closed
16	10/21/09	1/20/10	91	Catskill Hudson Bank	\$ 530,917	1.02%	\$ 1,368.88	closed
17	12/16/09	3/17/10	91	Orange County Trust	\$ 2,800,000	0.85%	\$ 5,934.00	closed
18	12/16/09	6/16/10	182	Orange County Trust	\$ 2,682,739	1.32%	\$ 17,657.56	closed
19	1/20/10	9/15/10	238	Orange County Trust	\$ 532,285	0.80%	\$ 2,776.63	closed
20	3/17/10	9/15/10	182	Catskill Hudson Bank	\$ 1,400,000	0.65%	\$ 4,600.56	closed
21	12/29/09	12/15/10	351	Orange County Trust	\$ 750,000	1.05%	\$ 7,572.95	closed
22	3/17/10	3/16/11	364	Catskill Hudson Bank	\$ 1,405,934	0.70%	\$ 9,950.89	closed
21	6/16/10	6/15/11	364	Orange County Trust	\$ 2,300,396	0.75%	\$ 17,205.70	closed
22	6/15/11	12/21/11	189	Orange County Trust	\$ 2,317,650	0.45%	\$ 5,400.44	closed
23	12/21/11	12/19/12	364	Orange County Trust	\$ 2,323,051	0.50%	\$ 11,583.43	open
24	8/16/12	8/16/13	365	Orange County Trust	\$ 1,400,000	0.50%	\$ 7,000.00	open
					Amount	% of total		
Bank Accounts				Chase - checking	\$ 404,626	5%	bank account	0.10%
Certificates of Deposit				Orange County Trust	\$ 3,723,051	44%	CD	0.50%
Money Market				Orange County Trust	\$ 4,429,838	52%	MM	0.40%
					total	100%		

Orange County Funding Corporation
As of October 31, 2012

Chase - checking	\$ 133,110	bank account
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**Orange County Business Accelerator
 Profit & Loss YTD Comparison
 October 2012**

	<u>Oct 12</u>	<u>Jan - Oct 12</u>	<u>Budget 2012</u>
Ordinary Income/Expense			
Income			
IDA Deposit	0.00	511,500.00	
Rent-Clients	7,193.30	77,132.12	93,000.00
Rent-HVEDC	3,025.54	33,111.01	40,000.00
Seminar/Sponsor	0.00	445.00	2,000.00
Utility Reimbursement	185.77	2,490.78	5,000.00
Total Income	<u>10,404.61</u>	<u>624,678.91</u>	<u>140,000.00</u>
Expense			
Admin. Salary - Director Salary	7,426.92	80,318.25	92,000.00
Admin. Salary - Ent. Dev. Dir.	3,076.96	29,843.22	36,800.00
Admin. Salary - IDA Admin Asst	2,971.16	31,642.85	38,625.00
Admin. Salary -Admin. Assistant	2,923.08	32,863.11	38,000.00
Automobile Expense	252.70	4,827.69	10,000.00
Benefits			
403B	606.62	7,578.73	
MVP	1,684.14	17,964.16	
NYSDBL	17.76	189.48	
Total Benefits	<u>2,308.52</u>	<u>25,732.37</u>	<u>38,000.00</u>
Building Insurance	3,746.33	6,827.00	5,000.00
Building Rent	14,411.25	142,576.83	172,000.00
Building Utilities	1,009.35	13,179.18	20,000.00
Common Area Maintenance	3,239.42	33,822.90	30,000.00
Contingency	0.00	0.00	5,000.00
Dues and Subscriptions	250.00	2,477.81	2,500.00
Info Technology	1,319.89	14,830.39	15,000.00
Marketing/PR & Web	7,514.00	57,846.41	100,000.00
Office Cleaning	250.00	2,600.00	3,000.00
Office Supplies & Postage	1,242.55	8,605.06	9,000.00
Payroll Taxes & Fees			
FICA / Med	237.76	2,627.71	
FICA / SS	767.95	10,942.23	
FUTA	248.74	540.28	
MTA Tax	0.00	212.79	
Postage for Paychecks	7.04	69.96	
Staff-Line Fee	286.97	3,118.71	
SUTA	7.26	757.33	
Workers Comp	322.98	1,445.64	
Payroll Taxes & Fees - Other	295.40	361.61	
Total Payroll Taxes & Fees	<u>2,174.10</u>	<u>20,076.26</u>	<u>20,000.00</u>
Professional Fees	650.00	3,145.00	
Reconciliation Discrepancies	0.00	0.00	
Revenue Reimbursement to IDA	0.00	101,658.91	
Travel, Lodging, Meals	162.25	3,897.04	10,000.00
Total Expense	<u>54,928.48</u>	<u>616,770.28</u>	<u>644,925.00</u>
Net Ordinary Income	<u>-44,523.87</u>	<u>7,908.63</u>	
Other Income/Expense			
Other Income			
Interest Income	11.53	142.38	
Total Other Income	<u>11.53</u>	<u>142.38</u>	
Net Other Income	<u>11.53</u>	<u>142.38</u>	
Net Income	<u><u>-44,512.34</u></u>	<u><u>8,051.01</u></u>	

RESOLUTION APPROVING THE EXTENSION OF THE PROJECT EXPENDITURE DEADLINE FOR THE PORT JERVIS WHITEWATER PARK PROJECT TO MARCH 31, 2013 AND AUTHORIZING THE AMENDMENT OF THE IDA'S STANDARD AGREEMENT.

MOTION BY:

SECONDED BY:

Whereas, by Resolution dated July 18, 2012, this IDA authorized a project expenditure to the City of Port Jervis for its proposed Whitewater Park Project in the amount of \$55,000; and

Whereas, said Resolution conditioned such project expenditure on the execution of the IDA's standard agreement which required the funds to be disbursed by December 31, 2012 with any remaining unused funds to be forfeited.

Whereas, the IDA has received correspondence from the Mayor of Port Jervis indicating that the allocated funds would not be completely used by the December 31, 2012 deadline and requesting an extension of the deadline through the first quarter of 2013.

Whereas, this IDA is willing to extend the deadline for the use of the allocated funds until March 31, 2013 upon the same conditions as set forth in its original authorization.

Now, Therefore, Be It Resolved that the deadline for the use of the \$55,000 project expenditure to the City of Port Jervis for the Whitewater Park Project is hereby extended from December 31, 2012 to March 31, 2013, upon the same conditions as stated in the July 18, 2012 authorizing resolution.

Further Resolved, that the IDA's standard agreement with the City of Port Jervis shall be amended and the Executive Director is hereby authorized to execute said amendment on behalf of the IDA.

Vote:

Mr. Schreibeis

Mr. Vernon

Ms. Rogulski

Mr. Steinberg

Mr. Armistead

Mr. VanLeeuwen

Mr. Brescia

Chairman Armistead

DATED: December 5, 2012

AYES; NAYS

Resolution:

ORANGE COUNTY FUNDING CORPORATION
STATE OF NEW YORK

-----X

In The Matter of

WALLKILL REALTY PARTNERS, LLC

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wallkill Town Hall
99 Tower Drive
Middletown, New York
October 18, 2012
10:00 a.m.

B E F O R E: JAMES O'DONNELL
 Executive Director
 Orange County IDA

Nicole Rotoli
Court Reporter

FRANCES ROTH
Court Stenographer
168 North Drury Lane
Newburgh, New York 12550
Telephone (845) 566-1641

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

LAW OFFICE OF KEVIN T. DOWD
Attorney for IDA
46 Daisy Lane
Montgomery, New York 12549

Also Present: Robert Armistead, Chairman
Orange County IDA

Bob Miller
Goshen School District

Richard Filaski
Wallkill Realty Partners, LLC

RJ Smith
Wallkill Realty Partners, LLC

WRP, LLC

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MR. O'DONNELL: Good morning, everyone.
Everybody rise and we'll start the meeting with the
Pledge of Allegiance.

(Whereupon, the Pledge of Allegiance was
recited.)

MR. O'DONNELL: We're here to hold a public
hearing on a proposed issuance of bonds with
Wallkill Realty Partners. In attendance is myself
James D. O'Donnell, Executive Director of the IDA.
Actually, we're here with the Orange County Funding
Corporation this morning - is conducting this
public hearing. With me is the chairman of the
IDA, Robert Armistead, also the chairman of the
Orange County Funding Corporation. And the
attorney for the Orange County Funding Corporation,
Kevin Dowd. So, we'll give you a brief overview of
this project. It's for the issuance of \$36,265,000
in bonds. And I think they already appeared before
the IDA last year for IDA benefits. Also with us
is a couple of representatives from Wallkill
Realty. If they want to give a brief overview what
the bonds are. Just state your name and give us a
brief overview.

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WRP, LLC

MR. FILASKI: Richard Filaski with wallkill Realty Partners, LLC. The bonds are to help finance a 200 bed assisted-living residence. 80 of those beds will be licensed under the New York State assisted-living program, which provides Medicaid reimbursement for assisted-living services. 96 of those beds will be licensed under the assisted-living residence program. And 24 will be licensed under special needs assisted-living residence program. The building will have 130 units, a mix of one-bedroom and two-bedroom units. It will have approximately 92 FTEs and the target market is a more affordable price point, particularly serving 80 of the beds to Medicaid - to qualified residents. We have a long track record in providing assisted-living services. We currently operate an assisted-living program in Suffolk county and several skilled nursing facilities in the New York City area.

MR. O'DONNELL: Thank you. I'd ask Kevin Dowd to read the Notice of Public Hearing into the record.

MR. DOWD: Notice is hereby given that a public hearing pursuant to Section 147(f) of the

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WRP, LLC

Internal Revenue Code of 1986, as amended (the "Code") will be held by the Orange County Funding Corporation (the "Issuer") on Thursday, October 18, 2012, at 10:00 a.m., at Wallkill Town Hall, 99 Tower Drive, Building A, Middletown, New York 10941, in connection with the following matter:

Wallkill Realty Partners LLC, a New York limited liability company having offices at c/o Filben Development LLC, 800 Westchester Avenue, Rye Brook, New York 10573 (the "Company"), has submitted an application (the "Application") to the Issuer, a copy of which is on file at the office of the Issuer, requesting that the Issuer consider undertaking a project (the "Project"), consisting of: (A) the acquisition by the Company of title to or other interest in an aggregate approximately 6-acre parcel of vacant land located at 19-25 Riverside Drive (Tax Map ID Nos. 60-1-99 and 60-1-100) and 11-17 Riverside Drive (Tax Map ID Nos. 60-1-101 and 60-1-102) in the Town of Wallkill, Orange County, New York (the "Land"); (B)(i) the construction upon the Land of an approximately 200-bed, 130-unit licensed assisted-living facility for low-income seniors,

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WRP, LLC

containing in the aggregate approximately 130,000 square feet, of which approximately 3,800 square feet will be used for office/operational space (the "Improvements"); (C) the acquisition and installation in and around the Improvements of certain machinery, appliances, equipment and other items of tangible personal property (the "Equipment" and, collectively with the Land and the Improvements, the "Facility"); (D) the paying of certain costs and expenses incidental to the issuance of the Bonds (as defined below) (the costs associated with the items (A) through (D) above being hereinafter referred to as the "Project Costs"); and (E) the financing of all or a portion of the costs of the foregoing by the issuance of its multi-family housing revenue bonds in one or more series in a maximum aggregate principal amount of \$36,265,000 (the "Bonds").

The Issuer is contemplating providing financial assistance to the Company with respect to the Project (the "Financial Assistance") in the form of: (1) the issuance of the Bonds and (2) an exemption from all mortgage recording taxes imposed by the State of New York with respect to any

WRP, LLC

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2 qualifying mortgage on the Facility to secure the
3 Bonds and/or any other indebtedness incurred by or
4 for the benefit of the Company in connection with
5 the Project.

6 If the issuance of the Bonds is approved (i)
7 it is intended that interest on the Bonds will be
8 excluded from gross income for Federal income tax
9 purposes, pursuant to Section 103(a) of the Code,
10 (ii) the proceeds of the Bonds will be loaned by
11 the Issuer to the Company pursuant to a loan or
12 other similar agreement (the "Agreement"), which
13 shall require the Company to make payments equal to
14 debt service on the Bonds and make certain other
15 payments, and (iii) the Bonds will be special
16 obligations of the Issuer payable solely from
17 certain of the proceeds of the Agreement and
18 certain other assets of the Issuer pledged to the
19 repayment of the Bonds. The bonds shall not be a
20 debt of the State of New York or Orange County, New
21 York, and neither the State of New York nor Orange
22 County, New York, shall be liable thereon.

23 The Issuer will, at said time and place noted
24 above, provide a reasonable opportunity to all
25 interested persons to present their views, either

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WRP, LLC

orally or in writing, on the issuance of the Bonds.

This public hearing is being conducted in accordance with Section 147(f) of the Code. Dated October 2, 2012. Orange County Funding Corporation.

MR. O'DONNELL: Thank you, Kevin. The purpose of the public hearing is to gather input from the public and to educate the public on the issuance of these bonds and the requirements required. We have one public participant here from an interested party, Goshen School District. If you'd like to say anything, ask any questions, now is the time.

MR. MILLER: The Board of Education is always curious and about these proceedings and therefore they sent me and I'm just here to learn what's going on.

MR. O'DONNELL: We'll be happy to supply you with the transcript when it's done. Having no other people at the public hearing, Kevin?

MR. DOWD: We're good.

MR. O'DONNELL: Public hearing is closed at 10:29. I forgot to mention the time at the beginning was 10:21.

(Proceedings concluded at 10:29 a.m.)

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

I, Nicole Rotoli, a stenographic Court Reporter and Notary Public within and for the State of New York, 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.

Nicole Rotoli
Court Reporter

