

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

December 12, 2019

A regular meeting of the Orange County Industrial Development Agency was convened in public session on December 12, 2019 at 2:00 P.M. at the Orange County Business Accelerator in New Windsor, New York.

The meeting was called to order by Chairman, Mary Ellen Rogulski, and upon roll being called, the following were:

PRESENT: Mary Ellen Rogulski, Edward Diana, Michael Gaydos, Robert Schreibeis, James DiSalvo, John Steinberg, Stephen Brescia

ABSENT: NONE

ALSO PRESENT: Laurie Villasuso – Chief Operating Officer
Kevin Dowd – IDA Attorney
Joel Kleiman – Chief Financial Officer
Russell Gaenzle – Harris Beach
Vincent Cozzolino – Managing Director
Melanie Schouten – Program Director
Cathie Hunter – Compliance Administrator
Dean Brady – Rascal Creative
Lisa Sommers – Focus Media
Bill Fioravanti – Orange County Economic Development
Jacob Billig, Esq – 360 Middletown Holdings, LLC
Charles Frankel – Rider, Weiner & Frankel
Kaitlynn Perez – Orange County Partnership

Chairman Rogulski calls to order the regular meeting of the Orange County IDA, December 12, 2019 (Pledge of Allegiance is recited). Board consists of seven members. There is a quorum.

Minutes

Review of the November 14, 2019 board meeting minutes. Motion to approve the minutes is made by Mr. Schreibeis, seconded by Mr. Diana. Motion carries with all in favor.

Review of the November 14, 2019 Audit Committee meeting minutes. Motion to approve the minutes is made by Mr. Gaydos, seconded by Mr. DiSalvo. Motion carries with all in favor.

Review of the November 14, 2019 Governance Committee meeting minutes. Motion to approve the minutes is made by Mr. Steinberg, seconded by Mr. Diana. Motion carries with all in favor.

Attorney Client Session

Chairman Rogulski entertains a motion that the committee enter into attorney client closed door session. Motion made by Mr. DiSalvo to enter the closed-door session issued. Motion seconded by Mr. Schreibeis. All in favor.

Enter Attorney Client Session

The members discuss the legalities of certain matters.

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

Financial Reports and/or Requests for Payment

Mr. Kleiman reviews the summary of IDA bank accounts, certificate of deposits, and money market accounts that reflect a total of \$9,272,627 as of November 30, 2019.

Mr. Kleiman reviews the income and expense summary, noting that YTD income is \$1,772,578 and YTD expenses are \$1,261,845, with revenues exceeding expenses by \$510,733.

Mr. Kleiman reviews the income and expense summary for the Business Accelerator, noting that revenues YTD are \$159,508, and expenses are \$2,585,413. Expenses, as anticipated, exceed revenues by \$2,425,905.

Chairman Rogulski asks for a motion to approve the vouchers and payments in the amount of \$536,304.81 for December. Motion made by Mr. Gaydos, seconded by Mr. Diana, that the board accepts the financial reports and authorizes IDA payments and vouchers. Open for discussion. Affirmative votes of all members present results in motion carried.

Chairman's Report

Chairman Rogulski passes on giving the Chairman's report.

Chief Operating Officer Report

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

The By-Laws revisions are in the packet. The revisions were submitted to Governance Committee and the Committee approved the draft in the packet. The most notable changes included job descriptions and revising any outdated protocol.

Chairman Rogulski entertains a motion to approve the By-Laws as presented by management. Motion is made by Mr. Gaydos, seconded by Mr. Diana, adopting the revised version of the Orange County Industrial Development Agency By-Laws. Roll call is taken. Affirmative votes of all board members results in motion carried.

The engagement of Loewke Brill to monitor the Warwick construction site was discussed last month. They have been officially engaged, and are currently monitoring to make sure that constructions move forward efficiently.

The Zing Zak (GAM Properties Corp) project was given approval a few months ago, contingent upon Village support. A support letter has been received. The support letter included a caveat that taxes don't dip below current tax amount. Due to fact that this project is a facility expansion, that would not happen. This project will be moving towards closing in the near future.

The South Gate Flats, LTD project public hearing will be held tomorrow December 13, 2019. There was a discrepancy on the sq. footage in the public hearing notice, as it was slightly over-anticipated. It will be smaller once construction is complete.

The NYTT project, a tractor trailer company in Goshen is, once again, late with their School District payment. The Compliancy Administrator, Cathie Hunter, will be following up with the project. If the project is unresponsive this issue will be taken before the board for action.

The 2020 Board Meeting Schedule is in the packet. The monthly meeting will remain on the second Thursday of each month for the 2020 calendar year.

The second Annual Emerging Leaders Youth Conference took place on November 20th at Anthony's Pier 9. It was a very successful event. Attendance doubled to 135 students from 13 schools. There was very positive press written about the conference.

The IDA was quoted in the NY Daily New because Governor Cuomo signed the hemp bill. The mention was based on the effect the bill would have on the Warwick site and cluster.

Audit Committee Report

Ms. Villasuso informs the board that Audit Committee topics will be discussed later in the meeting.

Accelerator Committee Report

Mr. Cozzolino gives The Accelerator report. A packet is handed out with a year-end report.

The newest developing Accelerator will be based on artificial intelligence. A thorough report will be given on this cluster and Accelerator at the January meeting.

Applications/Resolutions

360 Middletown Holdings, LLC/ 13th Ave Fish Market, Inc.

Ms. Villasuso reminds the board that this is a proposed manufacturing project in the Town of Wallkill. The Town Of Wallkill IDA has deferred this project to the OCIDA. It is a \$5.2M project with anticipation of 46 jobs. This project is seeking Sales and Use Tax Exemption, Mortgage Recording Tax Exemption, and a PILOT. Per the scoring matrix this project qualified for a 10 yr PILOT. A public hearing was held on December 11th. There was no public comment.

Final Resolution

Mr. Dowd reads aloud the 13th Ave Fish Market, Inc. Final Resolution. Motion is made by Mr. Schreibeis, seconded by Mr. Gaydos, accepting resolution to take action on certain matters pertaining to a proposed project for the benefit of 13th Ave Fish Market, Inc. Roll call is taken. Mr. Diana abstains. Affirmative votes of six board members results in motion carried.

Ms. Villasuso informs the board that the Labor Policy will need to be signed by a GC or Project Manager before this project can officially close.

County of Orange (Heritage Trail)

Chairman Rogulski states the this project resolution will be tabled until the January meeting.

Without a motion this project is therefore removed from the agenda.

Mr. Brescia leaves the meeting.

Leentjes Amusements Corp. (dba The Castle)

Ms. Villasuso informs the board that the project is requesting an one year Sales and Use Tax Exemption extension for this project.

Resolution

Mr. Dowd reads aloud the Leentjes Amusements Corp. Resolution. Motion is made by Mr. Diana, seconded by Mr. Steinberg, accepting resolution authorizing the extension of the agent status associated with the Leentjes Amusements Corp project. Roll call is taken. Affirmative votes of five board members results in motion carried.

Amy's Kitchen, Inc.

Ms. Villasuso informs the board that the project is requesting a Sales and Use Tax Exemption extension for this project. The project originally requested a two-year extension, but it is recommended that only a one year be granted mandating that the project check in next year if additional time is required.

Resolution

Mr. Dowd reads aloud the Amy's Kitchen, Inc. Resolution. Motion is made by Mr. Diana, seconded by Mr. Schreibeis, accepting resolution authorizing the extension of the agent status associated with the Amy's Kitchen, Inc. project. Roll call is taken. Affirmative votes of five board members results in motion carried.

Warwick Valley LDC

Ms. Villasuso reminds the board that the Warwick Valley LDV currently has a \$1.5M agreement with the IDA to assist in the construction of the Warwick hemp cluster facilities. Today Mr. Sweeton attended the Audit Committee meeting to request an additional \$500,000. These additional funds will be used to assist with an unanticipated expansion on one of the buildings. This building will house the EDO labs, one of the only licensed CBD, THC, narcotics, etc. testing facilities in New York State. As with the previous funding provided to Warwick Valley LDC, this will be reimbursed via a New York State grant. Reimbursement is anticipated late 2020/ early 2021.

Resolution

Mr. Dowd reads aloud the Shovel Ready (Warwick Valley LDC) Project Resolution. Motion is made by Mr. Schreibeis, seconded by Mr. Steinberg, accepting resolution authorizing the project expenditure for the Shovel Ready (Warwick Valley LDC) Project. Roll call is taken. Mr. DiSalvo abstains. Affirmative votes of six board members results in motion carried.

Other Board Business

Windsor Hospitality, LLC

Ms. Villasuso reminds the board that this project is a hotel in the Town of New Windsor. There is a letter in the packet from the project providing the project updates. It was given initial approval in 2016. There was an article 78 issue with the Town causing a delay on the project approvals. This issue has been resolved and they are moving forward with the Planning Board approvals. However, due to the fact that this project originally applied for incentives with what is now an outdated application, it is being requested that they complete the new application.

Banta Hospitality, LLC

Mr. Dowd informs the board that he has been in contact with Mr. Banta. This project initially came before the board for initial approval in early 2018. This project is currently working through its environmental approvals. They are waiting for their SEQR approvals from the New Windsor Planning Board.

Church Hill Properties of Highland Falls NY, LLC

Ms. Villasuso reminds the board that this project is a hotel in Highland Falls. It has also been requested that they submit an updated application, as it has been awhile since initial inducement.

Mr. Dowd states that it seems that their financing has been put into place and any off-site improvements relating to drainage has been completed. With this progress, the project anticipates coming before the board in the near future. There is a letter in the packet explaining the project status further.

Adjournment

Meeting called for adjournment, motion made by Mr. Gaydos, seconded by Mr. Diana, the time being 3:13p.m.