

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 Laurie Villasuso, Chief Operating Officer & Executive Vice President • Vincent Cozzolino, Managing Director Kevin Dowd, Attorney • Russell E. Gaenzle, Harris Beach • Joel Kleiman, Chief Financial Officer

Agenda

PLEASE TAKE NOTICE, The Orange County Funding Corporation will hold a regularly scheduled meeting on December 6, 2016 immediately following the Orange County Industrial Development Agency meeting at The 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 November 17, 2016 meeting
- Financial Reports and/or Requests for Payments
- New and Unfinished Business
- Resolutions/Applications
 - The Sentinel Realty at Port Jervis, LLC
 - Initial Resolution
- Such other and further business as may be presented
 - Newburgh Armory Unity Center Request to Extend Agreement
- Adjournment

Dated: December 1, 2016

Stephen Brescia, Secretary

By: Laurie Villasuso, Chief Operating Officer

ORANGE COUNTY FUNDING CORPORATION

MINUTES

November 17, 2016

A regular meeting of the Orange County Funding Corporation was convened in public session on November 17, 2016 at 2:30 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, Edward Diana, Mary Ellen Rogulski, John Steinberg, Henry

VanLeeuwen, Steve Brescia

ABSENT: Robert Schreibeis

ALSO PRESENT: Laurie Villasuso - Chief Operating Officer

Kevin Dowd – IDA Attorney Russell Gaenzle – Harris Beach

Vincent Cozzolino – Managing Director Melanie Schouten – Project Manager

Lisa Sommers – Focus Media

James Walsh – Time Herald Record Maureen Halahan – OCP

Harry Porr - O.C. Executives Office

Mike Coleman – Tuxedo Hudson Company Catherine Morris – Tuxedo Hudson Company

Roger Moss - Sustainable Warwick

Chairman Armistead calls to order the regular meeting of the Orange County Funding Corporation, November 17, 2016 Board consists of six members. There is a quorum.

Roll Call is taken.

Minutes

Review of the October 20, 2016 meeting minutes. Motion made by Mr. VanLeeuwen, seconded by Ms. Rogulski, to approve the minutes. Motion carries with all in favor.

Financial Reports and/or Requests for Payment

Mr. Kleiman reviews the income and expense summary, noting that the income YTD balance is \$363,758 and YTD expenses are \$494,253, with revenues exceeding expenses by \$130,495.

The balance in the bank and money market account is \$670,423.

Mr. Armistead asks if there are upcoming expenses.

Ms. Villasuso says there is \$200,000 remaining in the project expenditures.

Mr. Armistead asks what other income can the OCFC expect?

Ms. Villasuso says they are collecting application fees for the OCFC. The bond deal that was presented last month will be going to public hearing and a fee can be expected from that, and a possible fee from today's applicant.

Mr. Kleiman asks to obtain a motion to approve the vouchers and payments in the amount of \$6,679.11. Motion made by Mr. VanLeeuwen, seconded by Ms. Rogulski, that the Board accept the financial reports, authorize OCFC payments and vouchers. Open for discussion. Affirmative votes of all members present results in motion carried.

New and Unfinished Business

No new and unfinished business is presented.

Resolutions

Crystal Run Healthcare Real Estate Consolidation.

Mortgage Recoding Tax Exemption Request.

Ms. Villasuso informs the board that this is a Crystal Run transaction relating to the consolidation of real estate.

Mr. Gaenzle states that Crystal Run is selling 5 of their facilities in Orange County and 1 in Sullivan County. They are requesting the acquisition of those facilities with renewal from the Crystal Run operators the exemption of the Mortgage Recording Tax. The estimated aggregate purchase price of the Orange County property is \$100M+. The current number of people employed by Crystal Run's facilities in Orange County is 1,800.

SPT IVEY Holdings, LLC - Mortgage Recording Tax Exemption

Mr. Dowd reads aloud the SPT IVEY Holdings, LLC Resolution. Motion is made by Mr. Brescia, seconded by Mr. VanLeeuwen, accepting resolution to take action on certain matters pertaining to a project for the benefit of SPT IVEY Holdings, LLC. Affirmative votes of all members present results in motion carried.

Such other and further business as may be presented

With no further business, meeting called for adjournment by Chairman Armistead, motion made by Mr. VanLeeuwen, seconded by Ms. Rogulski, the time being 2:50 p.m.

Orange County Funding Corporation

December 2016

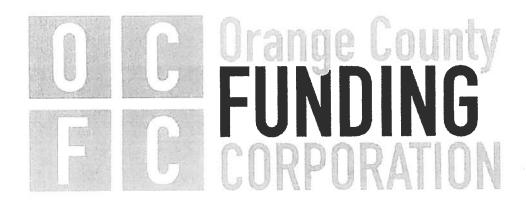
Funds Received

SPT IVEY Holdings, LLC	5,000.00
Total	5,000.00

Vouchers & Payments

684.50 5,924.73 281.00 41.30
281.00
41.30
-

Total	6,931.53
I OTAL	n 431 53
I VtuI	0,301.00



APPLICATION FOR FINANCIAL ASSISTANCE

The Sentinel Realty at Port Jervis, LLC (Applicant Name)

Robert T. Armistead

Chairman
4 Crotty Lane, Suite 100
New Windsor, NY 12553
Tel: 845-234-4192
ww.ocnyida.com
business@ocnyida.com

Updated September 2016

ORANGE COUNTY FUNDING CORPORATION

APPLICATION FOR FINANCIAL ASSISTANCE

1.	<u>APPLICANT I</u>	NFORMATION
Compa	ny Name:	The Sentinel Realty at Port Jervis, LLC
Mailing	Address:	167 Route 304 - Suite 101, Bardonia, NY 10954
Phone	No.:	(845) 558-5390
Fax No	.:	<u>(845) 624-8055</u>
Fed Id.	No.:	<u>81-4125543</u>
Contac	t Person:	Eric Newhouse
percent 1. 2.	tage ownershi _l Eric Newhous	e 33.33% 33.33%
	ate Structure (other entity)	attach schematic if applicant is a subsidiary or otherwise affiliated
Form o	f Entity Corporation	
	Date of Incorp	poration:
	Partnership	
	Number of ge	or Limited neral partners number of limited partners
	Date of forma Jurisdiction of	tion Formation
X	Limited Liabili	ty Company/Partnership (number of members <u>3</u>)
		ization: <u>10/13/16</u> nization: <u>New York</u>
If a fore	Sole Proprieto	ion, is the applicant authorized to do business in the State of New

APPLICANT'S COUNSEL

Name: Nancy Scicchetti, Esq., O'Connel and Aronowitz, P.C.

Address: 54 State Street, Albany, NY 12207

Phone No.: (518) 462-5601

Fax No.: (518) 462-6486

II. PROJECT INFORMATION

A) Describe the proposed acquisitions, construction or reconstruction and a description of the costs and expenditures expected.

The Sentinel intends to purchase the existing Days Inn hotel and completely renovate and convert the building into an assisted living facility. The facility will be a NYS DOH licensed Assisted Living Residence and Program with 160 beds. We intend to use the existing building and add additional space as needed for the use. The land and building cost is 3mm and construction cost of 10mm – total project coast is \$14,300,000.00

B) Furnish a copy of any environmental application presently in process of completion concerning this project, providing name and address of the agency, and copy all pending or completed documentation and determinations. N/A

If any of the above persons, or a group of them, owns more than a 50% interest in the company, list all other organizations which are related to the company by virtue of such persons having more than a 50% interest in such organizations.

N/A	
Is the company related to any other ownership? If so, indicate name of re	organization by reason of more than 50% common elated organization and relationship.
N/A	
Has the company (or any related co placement of its stock within the last	rporation or person) made a public offering or private year? If so, please provide offering statement used.
N/Δ	

Project Data

1.	Project	site (land)
	(a)	Indicate approximate size (in acres or square feet) of project site.
		7 Acres
	(b)	Are there buildings now on the project site? X Yes No
	(c)	Indicate the present use of the project site.
		<u>Hotel</u>
	(d)	Indicate relationship to present user of project.
		None
2.		the project involve acquisition of an existing building or buildings? If yes, e number, size and approximate age of buildings:
	1 Build	ling – approx. 60,000 sq. ft. – built in 1970's
3.		he project consist of the construction of a new building or buildings? indicate number and size of new buildings:
	<u>No</u>	
4. yes, in		the project consist of additions and/or renovations to existing buildings? If nature of expansion and/or renovation:
<u>sq. ft. (</u>		tisting building will be completely renovated and an addition of approx. 5,000 added to accommodate more common area for residents.
	the con	will the building or buildings to be acquired, constructed or expanded be used npany? (Include description of products to be manufactured, assembled or nd services to be rendered
	Site to	be used solely as an assisted living facility.
	estima	cluding the percentage of building(s) to be used for office space and an te of the percentage of the functions to be performed at such office not to the day-to-day operations of the facilities being financed.)
	<u>N/A</u>	

6.	If any space in the pr footage of the project each tenant.	oject is to be leased amount to be leased	to third parties I to each tenant	, indicate total square and proposed use by
	<u>N/A</u>			
7.	List principal items of project.	r categories of equi	pment to be ac	equired as part of the
trans	Mechanical equipme sportation vehicles.	nt, HVAC, kitchen	applinaces, I	aundry facilities and
8.	Has construction work	on this project begun	1?	
	Complete the following			
	(a) site clearance	Yes	<u>X</u> No	% complete
	(b) foundation	Yes	<u>X</u> No	% complete
	(c) footings	Yes	<u>X</u> No	% complete
	(d) steel	Yes	X No	% complete
	(e) masonry work	Yes	<u>X</u> No	% complete
	(f) other (describe below	v) Yes	XNo	% complete
9.	Will any of the funds b	porrowed through the	Corporation be	used for refinancing?
10.	Is a purchaser for the	bonds in place? No		
COS	ST BENEFIT ANALYSIS:			
		<u>Costs =</u> <u>Financial Assistan</u>	Benefits ce Econom	<u>=</u> ic Development
S. Contact Material Confession		\$750,000.0 <u>0</u>	New Joh	os Created <u>60</u>
	ed Interest Savings empt Bond Issue	\$ <u>750,000.00</u>	Existing	Jobs Retained <u>6</u>
	ed Mortgage Tax	\$ <u>120,000.00</u>	Private !	Funds invested \$3,000,000.00
Exempt	IUII		Other B	enefits
			Expecte	d Yearly Payroll \$ <u>1,800,000.00</u>
			Evnecte	d Gross Receipts \$4 800 000 0

Proje	ct Address: 2	<u>2247 Green</u>	nville Turnpik	<u>ke, Port Jervis</u>	, NY 12771	<u>l</u>
	Tax Map	Number j	Block 2, Lot: (Section	19, 20		
	Located	in City of		Biococcoty		
	Located	in Town o	f <u>Deerpark</u>			
	Located	in Village	of			
	School E	District of _				
C)	Are utilities on s	site?	8			
	WaterY		Electric _		Υ	
	GasY	<u> </u>	Sanitary/	Storm Sewer	<u>Y</u>	
E)	Zoning of Project				Proposed:	
F)	Are any varianc	es needed	17N	0		
G)	Principal use of	project up	oon completion	on: <u>Assisted L</u>	iving Facili	ţΛ
H)	Estimate how m					ed or retai
	Number	of iobs cre	ne estimated eated	Estima	ted Annual	Salarv Ra
	Number Construction: 5 Permanent: 60 Retained: 6	50		\$25,000.00) to \$	50,000.00
	Permanent: 60			\$25,000.00) to \$	95,000.00
	Retained: 6	•		\$25,000.00) to \$	35,000.00
	Financial Assist	tance bein	g applied for	:		
I)	i illaticiai Assist					
(1)	i illanolai Assist					Estimate
•	Issuance by the	he Corpora	ation of Tax I	Exempt Bond	5	<u>Estimate</u> \$11,300,
<u>X</u>		Exemptio	n		S	

J) Project Costs (Estimates)

 Land
 \$500,000.00

 Building
 \$2,500,000.00

 Equipment
 \$2,000,000.00

 Soft costs
 \$1,000,000.00

 Other
 \$8,300,000.00

Total <u>14,300,000.00</u>

III. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Corporation as follows:

- A. <u>Job Listings</u> The applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Corporation, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the proposed project must be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entitle") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JPTA") in which the project is located.
- B. <u>First Consideration for Employment</u> The applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Corporation, except as otherwise provided by collective bargaining agreements, where practicable, the applicant must first consider persons eligible to participate in JTPA programs who shall be referred by the JPTA Entities for new employment opportunities created as a result of the proposed project.
- C. A liability and contract liability policy for a minimum of three million dollars will be furnished by the Applicant insuring the Corporation.
- D. Annual Sales Tax Fillings The Applicant understands and agrees that, if the proposed project receives any sales tax exemptions as part of the Financial Assistance from the Corporation, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the Applicant.
- E. <u>Annual Employment Reports</u> The applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Corporation, the applicant agrees to file, or cause to be filed, with the Corporation, on an annual basis, reports regarding the number of people employed at the project site.
- F. <u>Absence of Conflicts of Interest</u> The applicant has received from the Corporation a list of the members, officers, and employees of the Corporation. No member, officers or employee of the Corporation has an interest, whether direct or indirect,

The Applicant and the individual executing this Application on behalf of applicant acknowledge that the Corporation and its counsel will rely on the representations made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

Chic Newhouse
(Name of Officer)

Managin Member (Title)

This Application should be submitted to the Orange County Funding Corporation, c/o Chairman Robert T. Armistead, Orange County Funding Corp, C/O Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, NY 12553 Tel: (845) 234-4192.

The Corporation will collect an administrative fee at the time of closing. SEE ATTACHED FEE SCHEDULE (page 10)

> **Bond Counsel** CHARLES SCHACHTER, ESQ./ RUSSELL GAENZLE, ESQ. Harris Beach PLLC 99 Garnsey Road Pittsford, New York 14534 Tel: (585) 419-8633

Fax: (585) 419-8817

Attach copies of preliminary plans or sketches of proposed construction or rehabilitation or both.

Attach the following Financial Information of the Company

- 1. Financial statements for last two fiscal years (unless included in company's Annual Reports).
- 2. Company's annual reports (or Form 10-K's) for the two most recent fiscal years.
- 3. Quarterly reports (Form 10Q's) and current reports (Form 8-K's) since the most recent Annual Report, if any.
- 4. In addition, please attach the financial information described above in items 1, 2 and 3 of any expected Guarantor of the proposed bond issue, if different from the company.

HOLD HARMLESS AGREEMENT

Applicant hereby releases the ORANGE COUNTY FUNDING CORPORATION and the members, officers, servants, agents and employees thereof (the "Corporation") from, agrees that the Corporation shall not be liable for and agrees to indemnify, defend and hold the Corporation harmless from and against any and all liability arising from or expense incurred by (A) the Corporation's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Corporation, (B) the Corporation 's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Corporation with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Corporation or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Corporation, its agents or assigns, all costs incurred by the Corporation in processing of the Application, including attorneys' fees, if any.

(Applicant Signature)

By: Enic Newhouse

Name: The Sentine Realty at Port Jans, LLC

Title: Managin Member

(Notary Public)

Sworn to before me this 29th day

of November, 2016

MOTOR A DRUMMOND
Motory Public, State of New York
No. Virbinocales
Gustlied in Pacitiand County
Commission Expires Feb. 4, 20

FEE SCHEDULE FOR THE ORANGE COUNTY FUNDING CORPORATION IS AS FOLLOWS:

Application Fee:

\$5,000 non-refundable, due with executed application, broken down as follows:

OCFC Administrative Fee: \$2,500

OCFC Transaction Counsel Fee: \$2.500

Closing Fee:

Structure for applicants seeking the issuance of tax-exempt bonds from the OCFC:

First \$10 million

1%

From \$10 million to \$25 million 1/2%

Over \$25 million

1/4%

The Applicant is responsible for the fees and expenses of Harris Beach, PLLC, Bond Counsel to the Corporation.

Local Labor Policy Monitoring

If applicable, the OCFC will use a third party firm or firms to monitor compliance with the Local Labor Policy (attached hereto). All costs incurred by the OCFC in connection with such monitoring shall be the responsibility of the Company.

NOTE:

OCFC reserves the right to seek additional OCFC and Bond Counsel fees for exceptionally complex transactions.

Please make all Checks payable to:

Orange County Funding Corporation

Mail to:

4 Crotty Lane, Suite 100 New Windsor, NY 12553

LABOR POLICY

^{***}All fees are in the aggregate

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY ORANGE COUNTY FUNDING CORPORATION Adopted 04-24-2014

The Orange County Industrial Development Agency (IDA)/ Orange County Funding Corporation (OCFC) was created for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of the residents of Orange County. The IDA/OCFC offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in Orange County. When the IDA/OCFC approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

Construction jobs, though limited in time duration, are vital to the overall employment opportunities in Orange County. The IDA/OCFC believes that companies benefiting from its incentive programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices (hereinafter "construction workers"), including those who have returned from military service, during the construction phase of projects. In this way, the IDA/OCFC can generate significant benefits to advance the County's general prosperity. It is, therefore, the policy of the IDA/OCFC that firms benefiting from its programs shall employ workers in Orange County during all project phases, including the construction phase.

For the purposes of this Policy, the local labor market for construction workers shall be defined as those individuals living in Orange, Ulster, Sullivan, Dutchess, Putnam, Rockland and Westchester Counties. Applicants receiving IDA/OCFC benefits shall utilize at least 85% local labor for their approved projects. However, the IDA/OCFC recognizes that the use of local labor may not be possible for the following reasons:

- 1) Warranty issues related to installation of specialized equipment whereby the manufacturer requires installation by only approved installers;
- Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work;
- 3) Significant cost differentials in bid prices whereby the use of local labor significantly increases the cost of the project. A cost differential of 10% is deemed significant. Every effort should be made by the contractor or applicant to get below the 10% cost differential including, but not limited to, meeting with local construction trade organizations and local contractor associations;
- 4) No local labor is available for the project; and
- 5) The contractor requires the use of key or core persons such as supervisors, foremen, or construction workers having special skills.

The request to secure an exemption for use of non-local labor must be received in writing from the applicant. The request will be reviewed by the Executive Director who shall have the authority to approve or disapprove the request. The Executive Director shall report each authorized exemption to the Board of Directors at its monthly meeting.

In addition, applicants receiving IDA/OCFC benefits and Contractors on the project shall make every effort to utilize vendors, material suppliers, subcontractors and professional

services from Orange County and the surrounding counties. Applicants and contractors shall be required to keep records of those local vendors, material suppliers, contractors and professional services who they have solicited and with whom they have contracted with or awarded.

The IDA/OCFC will use a third party firm or firms to monitor and audit compliance with this local labor policy the cost of which shall be paid for by the Company upon billing by the IDA/OCFC.

It is the goal of the County of Orange and the IDA/OCFC to promote the use of local veterans on projects receiving IDA benefits. By partnering with local contractors, local contractor groups, local trade unions and contractors awarded work on IDA/OCFC projects there is opportunity for veterans to gain both short term and long term careers in the construction industry.

Once approved for IDA/OCFC benefits, all applicants will be required to provide to the IDA's Executive Director the following information:

- Contact information for the applicant's representative who will be responsible and accountable for providing information about the bidding and awarding of construction contracts relative to the application and project;
- Description of the nature of construction jobs created by the project, including in as much detail as possible, the number, type and duration of construction positions;
- 3) The names, contact information, certificate of authorization to do business in the State of New York and copies of current Certificates of NYS Workers' Compensation Insurance, NYS Disability Insurance, General Liability Insurance and proof of current OSHA training certification for all contractors and their employees performing work on the site; and
- 4) A Construction Completion Report listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged in the construction phase of the project.

All Orange County IDA/OCFC projects are subject to local monitoring by the IDA/OCFC. The Construction Manager, acting as agent for the applicant, on the project shall keep a log book on site detailing the number of workers on the job for each trade and the counties in which they reside which shall be subject to periodic inspection by the monitoring entity. The monitor shall issue a report to the Executive Director relative to compliance with this labor policy who shall share such information with the IDA/OCFC Board of Directors. If a violation of the policy has occurred, the Executive Director shall notify the applicant in writing and give such applicant a warning of such violation. In the event there is a subsequent violation of the policy, the Executive Director shall bring such information to the Board of Directors which may, in its discretion, take action to revoke IDA/OCFC benefits.

The applicant of an IDA/OCFC approved project shall be required to maintain a 4' x 8' bulletin board on the project site containing the following information:

1) Contact information of the applicant;

The applicant of an IDA/OCFC approved project shall be required to maintain a 4' x 8' bulletin board on the project site containing the following information:

- 1) Contact information of the applicant;
- 2) Summary of the IDA/OCFC benefits received; and
- 3) Contractors' names and contact information.

The bulletin board shall be located in an area that is accessible to onsite workers and visitors.

The Sentinel Realty at Port Jervis, LLC is fully aware of the Orange County Industrial Development Agency/Orange County Funding Corporation's Labor Policy and will fully comply with the policy and understands and agrees that it is responsible for all third party auditing and monitoring costs.

By:

Name: Eric Newhouse Title: Managing Member



November 21, 2016

Laurie Villasuso, Chief Operating Officer Orange County Funding Corporation 4 Crotty Lane, Suite 100 New Windsor, NY 12553

Dear Ms. Villasuso,

I am writing in regards to the grant issued to us by the Orange County Funding Corporation in December 2015 for the renovation of the basement area of the Newburgh Armory Unity Center, The grant was to help us convert this outdated space into multipurpose areas to use for our ever growing programs to the benefit of the Greater Newburgh Community.

This letter is to request an extension of the terms of the grant to July of 2017. We have been pushing along the renovations and upgrades, but have yet to get to our bigger projects which will require the remaining funds provided by your generous grant. A majority of these purchases and construction projects would not be able to occur until after the holiday season. We do not want to lose these funds and have the project halted, and subsequently have our beneficial youth programs, such as Computer Science for Kids be compromised.

We hope that you will extend the grant, so that the City of Newburgh, its surrounding townships, and the county continue to benefit from our ever growing list of youth and adult programs.

Sincerely,

william Kapian

Founder & Chairman of the Board of Trustees

Newburgh Armory Unity Center