

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

June 15, 2011

A regular meeting of the Orange County Industrial Development Agency was convened in public session on June 15, 2011 at 3:00 P.M. at the Orange County Business Accelerator, New Windsor, New York.

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

PRESENT: James Petro, Stephen Brescia, John Steinberg, Robert Schreibeis, Mary Ellen Rogulski

ABSENT: Robert Armistead, Henry VanLeeuwen

ALSO PRESENT: James O'Donnell – Executive Director
Joel Kleiman – Chief Financial Officer
Phil Crotty – IDA Attorney
Laurie Rendleman – Administrative Assistant
Maureen Halahan – Orange County Partnership
Michael DiTullo – OCBA
Don Green – SUNY Orange County Government
Ron Kossar - Mediacom
Gerson Levitas – 911 Medical ID
Mike Smith
Deirdre Glenn – Newburgh Armory
Kristine Alo – Newburgh Armory
Tom Endres – Continental Organics
Patrick Harding – Continental Organics
Christian Livermore – Times Herald Record
James Walsh – Times Herald Record

Chairman, James Petro calls the meeting for the Orange County IDA, June 15, 2011 (Pledge of Allegiance is recited). Board consists of six members. There is a quorum.

Review of the prior May 18, 2011 meeting minutes. Motion made by Rogulski, seconded by Brescia to approve the minutes as presented. Affirmative votes of all members present resulted in motion carried.

Roll Call taken.

Financial Report And/or Request For Payment

Joel Kleiman, Chief Financial Officer, distributes to each member a packet of three spreadsheets which includes a Certificate of Deposit/Money Market bid sheet, a spreadsheet of Orange County Industrial Development Agency's current bank accounts, and a Profit and Loss statement.

The IDA had a Certificate of Deposit that matured the date of the meeting, 6/15/11, and was out to bid, and the first schedule details the 12 banks that bid for the \$2.3M matured CD. Included in the bids were rates for 6 and 12 month CDs, as well as money market account rates. Orange County Trust bid the best rate, with a 6 month CD at a rate of 0.45%, 12 month CD at a rate of 0.50% and a Money Market rate of 0.45%. Chairman Petro and Mr. Kleiman opted for the 6 month CD for the entire amount of \$2,317,650.08, staying with a 6 month CD because the hope is for rates to rise within 12 months.

The second schedule is a summary of Orange County Industrial Development Agency's investments, which includes the CD that matured at the date of the meeting. The summary lists all bank accounts and rates, and totals just under \$7M in all accounts.

The final schedule is a list of actual expenses and revenues by month (January 2011 through May 2011) as they relate to the budget. Before summarizing the details within the report, Mr. Kleiman advises the board that QuickBooks has been installed and will now be utilized to generate schedules of revenues and expenses each month. Mr. Kleiman points out that the income portion of the budget thus far includes the possible closing with CPV, but even if CPV does not close, IDA will still be "to the good" this year.

Mr. Kleiman invites the Board to reach out to him with any questions regarding the statements and advises that, going forward, he will bring statements for the current month, year-to-date, and budget-to-actual.

With regard to the budget, Chairman Petro reminds the room that CPV is an electric plant in Wawayanda, for which the IDA's fee would be \$2.6M. The large number has been reflected in the budget for some time because the project has been placed on hold for the time being. Maureen Halahan offers an update on CPV: It has been in the news that CPV is actively working on a project in Palm Springs, CA which relies heavily, at this time, on windmill farms for energy. The Palm Springs project has moved along quickly out of necessity, as windmill farms still must be backed up so that customers experience uninterrupted electricity. Additionally, New Jersey put out an RFP for power plants in NJ, and CPV was short listed in that state. New Jersey has an end-user to purchase the electricity, and a desire to for the state to support the project, but they do not have the project itself in place – contracts, etc. – like Orange County does. However, Orange County does not yet have an end-user in place. Ms. Halahan advises that CPV does not want to complete EPA permits – which expire in 18 months – and then be stalled and then have the permits expire. Chairman Petro points out that the negotiations are not complete between CPV and the IDA, as the fee has not been settled.

Returning to Mr. Kleiman, he reminds the Board that every month he will provide profit and loss information to the board, and continues that the only item to be acted upon is the schedule of vouchers for approval. He advises that there was one change to the original number - \$34.18 in reimbursement for Mr. O'Donnell – which changes the total to \$10,582.27.

Motion made by Brescia, seconded by Rogulski, that the Board approve the authorization of payments and vouchers for June, 2011. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Chairman's Report

Chairman Petro advises that he has nothing to add today.

Executive Director Report

Mr. O'Donnell advises the board that Coach USA, who has been working with the IDA since 2006, have signed a contract. They will be moving from New Jersey to New York – to Chester, 52 acres on Route 94. It's a \$13M project, 229 employees currently, with over 300 employees over five years. Mr. O'Donnell recognizes the hard work provided by all parties involved.

He goes on to advise that Satin Fine Foods, who will bring 50 jobs to the area, closed June 14, 2011, and commended Marge from Orange County Partnership for her work in the deal.

Port Authority still owes the IDA \$255K for preparing a property for economic development use; the money has been owed to the IDA for almost 2 years. State DOT is dragging their feet; Mr. Crotty sent DOT a letter, and the County Executive will follow up and send a letter to have the money refunded. Representatives from Stewart apologize profusely, but cannot go to their board because they don't control the property yet.

OCBA Report

Mr. DiTullo refers to the Orange County Business Accelerator Profit and Loss YTD comparison, and points out a new third column which shows expenses against budget, and is on budget at \$74K.

Regarding the activity at the Accelerator, which is in its 80th week, Mr. DiTullo advises that focus will be primarily on marketing activities at this time. The OCBA and the IDA won two awards at a New York State Economic Development Council for the IDA video and newsletter. There was a press release sent out for the achievement, but Google Alerts also picked up the news, so it was seen in other parts of the country, as well.

For the 2nd anniversary of the Accelerator, there is a desire to do a special publication which will focus on the first two years of operation, highlight some of the Accelerator's clients.

There will be an upgrade to the OCBA website, to make the homepage more dynamic and diverse. In other website news, Google Analytics has been employed to monitor not only website hits, but also how long people are staying on the site and where the activity originates. The first month's report revealed that there had been inquiries from 8 different countries. All of that information helps the Accelerator make intelligent decisions about the website going forward.

Mr. DiTullo also advises the Board that, last week, some officials (City Manager, Chairman of their IDA, head of their Economic Development and their Mayor) from New Rochelle visited the Accelerator and met with Mr. DiTullo, Peter Gregory, Mr. O'Donnell and also Mr. Petro. The City of New Rochelle is considering starting an incubator. There was some news generated with the visit, namely a video shown throughout Westchester County in which the Mayor is very complimentary of what he saw in the Orange County Business Accelerator.

Additionally, Yonkers opened their Accelerator, which offers office space right in the city of Yonkers, about three weeks ago, after using the OCBA as an example and has used this Accelerator as a benchmark of their success.

Wednesday, June 22nd the Educational Knowledge series event will be the last scheduled event at the Accelerator for this season. The program will focus on small business lending, and will also offer a barbeque at 11:30 in front of the Accelerator. Mr. DiTullo invites all members to stop by. He also commends Mr. Gregory for his job with the events thus far, and how the events have contributed to the buzz around the center.

In terms of client activity, there have been two additional clients since the last meeting, one of which was signed the date of the meeting. One is a start-up called Cynergy Development which distributes LED lighting products and will be here on a four month trial. The second is 911 Family of Products. Mr. DiTullo refers to a news article dated 6/14/11 in The Sentinel, which details the union, and then introduces the owner of the company, Gerson Levitas. Mr. Levitas gives an overview of his company. The 911 Medical ID card, is a portable record device for individuals to carry everywhere. In the event of an emergency, all pertinent information stored on the card can be accessed by health professionals. Mr. O'Donnell asks how the card works, and Mr. Levitas details the key points of his product.

Mr. DiTullo then updates the members on the advertising plan to focus on the southern portion of our region through ads in Hudson Valley Magazine, possibly working with the IDA and using the video for a commercial in Fairfield County. The goal is to emphasize the high tech areas, and to use the aforementioned Google Analytics to determine where to base advertisements.

OCP Report

Maureen Halahan begins by advising the Board that two deals closed in Wallkill within the last week. The first is Medora Snacks, a tortilla chip manufacturer, which closed on a 58,000 square foot Frassetto property at 79 Industrial Place in the town of Wallkill. The site will provide 80 jobs, with a capital investment of roughly \$3M. The second is SunWise Technologies, a solar design manufacturing firm, who also chose a 63,000 square foot Frassetto property. Ms. Halahan advises that SunWise moved a distribution arm of their company into the town of Wallkill, though, she notes, the OCP was not involved in a large way. The jobs (40-50) are not new to New York, but some may be new to Orange County. The significance of both companies choosing Frassetto properties is great: As a developer of spec properties in the area, Frassetto has been left with many vacant properties of late. Having filled 121,000 square feet of space in the last week, it creates an opportunity for Frassetto to invest again in the future. Coupled with Coach USA and Satin Fine Foods, Ms. Halahan notes, the past month has been quite successful.

Moving on, Ms. Halahan summarizes the OCP pipeline as follows:

- *Project Ride – a call center looking for roughly 50,000 square feet in the area. They would create about 700 jobs (100 would be management), and have a strong desire to be located in Orange County. Their time frame is about 6-9 months, and would be open to upgrading an older building if necessary.

- *Project Pink – a food distribution company looking for land would create about 500 jobs. They are very interested in the Hudson Valley Crossings site, which is one of two sites they are considering in New York.

- *Project Value – has been mentioned in weeks past. They are also interested in the Hudson Valley Crossings Site, to create about 115 jobs at a build-to-suit facility of about 250,000 square feet, expandable to 400,000 square feet.

- *Project Park Place – a facility in Warwick that is close to closing: Their contracts are drawn, but there is one bit of due diligence that must be completed.

- *They are also working very closely with a manufacturing company looking to do expansion, and the OCP is very close to bringing the company to the IDA. The company is expected to make a decision on the project July 1, and they will create 80-100 new jobs within a company that is already thriving within the county, they simply need a green light from corporate.

Ms. Halahan then provides the Board with a Broker Tour Wrap UP. Ms. Halahan begins by thanking the IDA and the Accelerator for their partnership in the Broker Tour. She goes on to advise that the tour was comprised of roughly 45 out-of-the-area brokers. This number is slightly lower than in the past, which she contributes to today's technology; brokers no longer have the

desire to visit an area, when they can be shown an excellent example of the property via video, DVDs and annual reports. Mr. O'Donnell asks Ms. Halahan to bring copies of the Broker Tour packets to the next meeting, and Ms. Halahan says she will be happy to do so.

When the floor was opens for questions, Mr. Crotty asks if OCCC could be brought in to the deals with the call center, for example, to do some local training and to work with local partners. In response, Ms. Halahan agreed that it would be a good conversation to have between the Accelerator and Mr. Green of SUNY/Orange. Mr. Green then advises the room that there is a current call center training happening in OCCC, so it would be a possibility.

Mr. DiTullo then advises the room that he lunched with the Zuckermans, the principals of Verticon, who have the construction contract for Satin Fine Foods. They indicated that they have 15-20 people at the Satin Fine Food site, already working.

Ms. Halahan then advises the Board that, at a recent trade show in Las Vegas, they have handed out brochures and information about the OCP, the Accelerator, and then follow up with each company that visited their booth in case they've lost information at the show. She then advised that Meghan Taylor was in Chicago recently at another trade show. The OCP is reaching out to as many new prospects as possible. She would also like everyone to ask new prospects how they've found out about the partnership.

Chairman Petro then advises the room that he was recently invited on a tour of Orange Regional Medical, which is scheduled to open August 5. The hospital has a 4-acre footprint, is 600,000 square feet of state-of-the-art hospital space and technology.

Newburgh Armory Grant Request Discussion

Deirdre Glenn, with an assistant, Kristine Alo, makes a presentation to introduce the Armory at Williams Street to the Board Members, and distributes their grant application. She begins by thanking the members of the Board who toured the site earlier in the day. She then introduces the Newburgh Armory Unity Center as a brand new operation, which was incorporated in January of this year as a 5 01(c)(3), formed to manage the Newburgh Armory. The Armory, located on the southwestern gateway to the City of Newburgh and adjacent to Delano Hitch Park, was given to the city two years ago, is a 70,300 square foot facility on 12.1 acres with endless opportunities. The Newburgh Armory Unity Center (NAUC) Board was formed in the beginning by individuals who were leaders in other organizations, and has now added community people onto the board, such as Wilbert Higgins and Carmen Vasquitel from local school districts, some business people, bankers, and so on. Their goal is to manage the armory by working closely with the community and not-for-profit organizations to increase programming and activities, which will be aimed at inner city youth. The Armory has had programs running for 6 months, and currently caters to roughly 500 youths, mostly 16 and under in age, in programs each week, mainly on weekends and evenings. They will also be offering day camps during the summer, and Ms. Glenn offers a schedule of events if anyone is interested.

Mr. Steinberg inquires about the kind of events the armory is holding, and Ms. Glenn advises that a large variety of sports is being offered. Thus far they have had boxing competitions (junior Olympic and regional meets) which brought in about 800 people from all over New York, New Jersey and Connecticut. The Newburgh Rowing Club did their Eastern New York State championship at the Armory, and brought in teams from throughout the Hudson Valley. The focus will be on athletics, personal development and business – a caveat listed when the Armory was given to the city that determines what the Armory may be used for without state intervention. The primary purpose is to serve the under-25 years of age sector of Newburgh, who are at crossroads in terms of crime and life in the city.

The Armory has partnered with a wide variety of organizations – e.g. Mt. Saint Mary's College, OCCC, Boys & Girls Club, Salvation Army, YMCA, Dispute Resolution Center, Latinos Unidos – and will offer various projects. With Groundwork Hudson Valley they have already received a small grant from the city to replicate a program from Yonkers called Green Team, which has already attracted 50 young applicants for 7 positions. They also offer soccer clubs, a community garden.

Ms. Glenn then speaks to the economic benefit to the community. The creation of jobs will come with the project required to replace flat roof. And then there is the drill hall has 23,000 square feet of space and quadruples what they can do programming-wise. The U.S. Soccer Federation is interested in getting Youth Soccer up and running at the location. The space is also large enough to hold concerts (recently, the Armory was the rain site for an Army Jazz Knights concert, and it *did* rain, and the concert at the Armory was a success), and there has been interest in holding trade shows on the site.

The Armory is tracking visitors to the site and has seen over 5,000 people since January, and estimates that in year one alone they may have 13-25,000 additional people coming into the area. The drill hall is unique to the area because of its sheer size, and is highly sought for filmmaking purposes, due to its size and its indoor location. The site can demand anywhere from \$1,500 - \$2,000 per day in rent for filmmaking opportunities. Ms. Glenn adds that she has paperwork that is currently being reviewed to rent the site for two months' worth of filmmaking. Additionally, they have already had one Fox News documentary filmed there. This is an example of income, as well as how they will draw new people to the area.

For Phase II, which focuses on renovation of the roof and the drill hall, they have enlisted an architectural firm working with them pro-bono doing a feasibility study, as well as an engineer who was present in Phase I of the project. The cost of Phase II is \$650K, and they are asking for support of \$500K over a five year period, which is to say they will need \$100K/yr for five years. The NAUC has a business plan that they have produced with the help of Mt. Saint Mary College's graduate program in Business. The plan was adopted by the NAUC Board at their April meeting. Ms. Glenn also mentions to the Board that they are currently in talks with the City of Newburgh for a 25 year renewable license to operate the Armory, at a cost of \$1.00 per year.

Mr. Steinberg mentions that he would like the Armory to reach to not only not-for-profit organizations, but also for-profit organizations. Ms. Glenn replies that during Phase I they reached out to not-for-profit, but Phase II allows them to broaden their reach.

Chairman Petro notes that this will help in the revitalization of the City of Newburgh, by getting the young people off of the street corners through offering the Armory as a place they can meet. He also notes that there is great opportunity for tourism, which fits in with IDA's goals. He advises the Governance Committee will review the application and details and report back to the Board. Chairman Petro notes that he, Mr. O'Donnell, Ms. Rogulski, and Mr. Crotty toured the site earlier in the day, and notes how impressive the building is, even despite its need for renovation. He also notes that the Armory was erected in 1931, and Ms. Glenn adds that the environmental reports are good. Chairman Petro notes that even at low estimate of \$100/square foot, the building would be a \$7M building, and goes on to note that it appears to be a good project for the IDA's involvement. Mr. Brescia notes that he would like to see the site as soon as possible.

Ms. Rogulski notes that it is reminiscent of Chelsea Pier, and could be as dynamic, and says that, speaking for herself, is very much in favor of the project, based on the success they've already achieved with Phase I and with Mr. Kaplan's commitment.

Chairman Petro points out to Mr. Brescia that the payments would be structured as \$100K payments per year for five years, with the first payment of July/August of this year, and the second payment would be the beginning of 2012. The two payments would be closely spaced in an effort to finish the roof in a timely fashion. Mr. Brescia points out that the Armory should consider an alternative to their current flat roof, citing the 70 leaky flat roofs at the Orange County Government Center. Ms. Glenn agrees that they would like to replace the current flat roof with something different and more appropriate.

[Mr. Brescia exits the meeting.]

Don Green/SUNY Orange – Grant Request

Mr. Green presents the IDA with a certificate of appreciation created by SUNY Orange Business Solutions and Professional Development Department, which identifies the Orange County IDA as a “Driving Force for our Cutting-Edge Grant Project; The Transformational Initiative,” and thanks the Board for their partnership.

He begins by reminding the Board that last meeting SUNY Orange presented a proposal for a \$58K grant.

Mr. Crotty points out that SUNY Orange will not be taking the money and hiring a new teacher, but is seeking, basically, a grant to get a bigger grant

What the grant addresses is the disconnect between the classroom and the business world – what people are taught and what is actually expected of them in the business world. The second thing it addresses is the overhaul of the broken post-secondary system. For professors, for instance, there's an emphasis on research and PhDs, with little-to-no training on how to handle a classroom. So the grant will help the school to shift from a faculty-driven school to a student center that trains people for the business world.

Mr. Crotty references an article he passed to the members, pulled from the June 13, 2011 Wall Street Journal, which he says is applicable to SUNY Orange's request. Its title is “How We're Meeting the Job Creation Challenge,” and one point of the article is that we should be training workers for today's open jobs. The jobs open in U.S. now are vacant because prospective employees haven't been trained in the advanced manufacturing skills needed to produce in today's marketplace. The article suggests partnerships between businesses and local colleges and trade schools, to match opportunity with skill. Mr. Green offers SUNY Orange's nursing department as an example: They have something called SimMan, which simulates a human so that nursing students get real reactions to procedures and actions. Mr. Green points out that this is exactly what their grant request is aiming to solve: Redesign the education model; update lesson plans and curriculums that were designed decades ago. Mr. Green will research figures and come back. SUNY Orange also must fill out the Grant Application, and was advised that Ms. Rendleman will provide Mr. Green with the form.

Chairman Petro advises Misters Steinberg and Schreibeis that there are two parts to this proposal, and that they will hold meet before next month's meeting to discuss it further for Governance Board.

Mr. Green points out that, at the bottom of the proposal's budget, there is an optional item for a sales/client-services person, \$25/hr for 20 hours a week for 45 weeks at \$22K total. It's an optional item because the project will survive with or without that person, mainly because Mr. Green has been taking on that role as of late. But ideally, they would have someone who could concentrate on sales, relations and leg-work and allow Mr. Green to focus on his own job.

GET Grant – Discussion

Ms. Rogulski advises the Board that, last month, GET submitted an application for 2 separate grants. One for micro-loan funds, and the other was a 3 year grant for reparations. Ms. Rogulski had a conversation with Rob Lunsky, and advised him that the 3-year request must be project-specific, we can't do it the way he's suggested it. She advised that the general consensus is that the Board would like to support GET, but he must get it right. She also advised him that the information he provided was not satisfactory for the micro-loan fund. She advised that if he would like to make a presentation to the Board, it should include every procedure, and that she was uncomfortable with the notion that he appointed himself as the sole person to approve loans, and then pass it onto a committee. She advised that GET would like to be in accordance with the SBA, and she asked him to put together some information so that the Board can be familiar with the guidelines. GET will revise their report and then present it to Ms. Rogulski first, and then she will help them determine if they are prepared to present it to the Board.

Ms. Rogulski continues that the banks did fund their commitments. She notes that she feels GET is a good organization and believes that it would be worth supporting as long as all of the information is presented, and the Board knows exactly what is happening.

Chairman Petro refers to an article regarding IDA funds being allowed for project-specific costs, but not for operating costs. Mr. Crotty explains The IDA cannot use money received from transactions for a loan program; but can use money received without any strings attached – like the Millennium Grant.

No action taken.

PTAC – Resolution

Mr. O'Donnell advises that Ron Hicks was unable to attend the meeting.

Mediacom – Initial Resolution

Ron Kossar, the representative of outside council for Mediacom Communications Corporation, begins by explaining that Mediacom is an integrated telecommunications company. They provide internet, cable and telephone services to their customer base which is located primarily in the Midwest and Southeast. They have been in business since 1995 and earn about \$1.5 Billion in revenue per year. Mr. Kossar explains that Mediacom remains in Orange County, despite its service to the Midwest and Southeast, because of their founder and CEO, Rocco Commisso. Mr. Kossar goes on to explain a bit of Mr. Commisso's history. In 2003, Mediacom – through its subsidiary, Mediacom Realty – acquired a 200 acre site off of Old Mansion Rd. in Blooming Grove. His intention was to build a corporate headquarters at that time, but his focus was on building the business instead. At this time, they've outgrown their 30,000 square foot space on Crystal Run Rd. in Wallkill, with an additional separate 10,000 square foot space in Goshen for their technical aspect. The Blooming Grove property is currently vacant, and the goal is to build a high-tech, modern office park on the property. The Town of Blooming Grove has declared intent for Lead Agency status under SEQRA. There has been a full Environmental Assessment Form completed. Chairman Petro points out that the special permit is a mandatory public hearing, as well. Mr. Kossar confirms that there will be a public hearing and believes that it will take place on July 5.

Mr. Kossar advises the Board that the proposal is to build a 100,000 square foot office building. They will retain 250 jobs, and create 150 new jobs in the park. Currently, there are 220 full time

employees in Wallkill and Goshen, and 30-40 full time consultants. Those jobs would move to Blooming Grove, and the projection is to create 150 additional jobs.

Mediacom is asking for a 15 year tax abatement/leaseback from the IDA. Chairman Petro clarifies that this includes PILOT, sales tax exemption and mortgage recording tax. Chairman Petro suggests that Mr. Kossar speak to Mr. Fornario, Blooming Grove Supervisor, to obtain a letter of support for the 15 year PILOT, while being careful to note that a letter of support does not guarantee approval, but it is something the Board would like to have. Mr. Kossar notes that Mr. Fornario seemed very supportive at past meetings, and he agrees to ask for a letter of support. Chairman Petro also suggests that Mr. Kossar speaks to the school board and get something from them as well, which would not be mandatory, but would prove helpful to make an informed decision, as the IDA will hold its own public hearing as well. Mr. Kossar advises that he will do his best to meet those requests. He expresses that he hopes to produce what the Board has required, because if he cannot, Mediacom will have to begin looking in New Jersey and Pennsylvania for alternatives to the Orange County site. He points out, however, that Mr. Commisso would prefer to stay in Orange County, but that the 15 year PILOT is critical. It will ultimately come down to what state offers the best economic incentive package. Chairman Petro advises that the IDA's PILOT is a wonderful program, and that they must be very critical when handing out the benefits to make sure it is warranted. But he points out that we would like to keep the project within Orange County.

Mr. Steinberg notes that the application includes a suggested sales tax exemption of \$726K based on \$5M of material purchases for construction and \$3.6M for furniture. Based on these numbers, Mr. Steinberg asks whether Mr. Kossar believes that the figure of \$5M is accurate, as it seems to be low. Mr. Kossar advises that it is a basic formula, and will be revised.

Ms. Rogulski advises the Board that she is also on the Town of Blooming Grove planning board, and does not believe she must recuse herself, but would like to make everyone aware.

Chairman Petro then advises Mr. Kossar that the IDA's policy is the use of local labor, and goes on to note that it will come up at the public hearing. Mr. Kossar advises that he has already met with the construction manager and Mr. Commisso, and there have been instructions set in place to employ Orange County labor to the extent maximally possible. Mr. O'Donnell suggests that Mr. Kossar ensure that the construction manager attends the public hearing.

Chairman Petro then advises Mr. Kossar that Mr. Crotty will look through the application, and that a public hearing will be set up in Blooming Grove Town Hall, which the Chairman, Mr. O'Donnell and Mr. Crotty will attend. He reminds Mr. Kossar that a letter from the Blooming Grove board and something from the school board would help the cause to move on to the 15 year PILOT.

Resolution read by Mr. Crotty. Motion made by Mr. Steinberg, seconded by Mr. Schreibeis, that the Board approve the initial resolution. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Continental Organics – Discussion

The update the Board on Continental Organics' progress, Tom Endres – Michael Finnegan's partner – along with Continental Organics' Executive Vice President, Patrick Harding, begins by thanking the Board, the Town of New Windsor and the County of Orange for all of their help with the project. He advises the project is on course, and has received the commitment letter from the bank, and with all of their documents in order, is ready to close. Additionally, the General Contractor is on standby and ready to begin as soon as they close with the bank. They are aiming for July 15 to close and begin.

They are continuing the schematic design reviews, and a local firm in Goshen is doing the site work. He advises the Board that there is interest in the project from the media – PDH, Wall Street Journal). They are working with the Al Giordano, the Executive Vice President of the Wounded Warrior project to collect resumes to hire wounded soldiers for their facility. Additionally, they will be working with the Warrior in Transition program at West Point to help soldiers transition back into daily life.

To date, Mr. Endres and his partner have spent greater than \$1M, all in New Windsor and Orange County and have already had a positive effect on the local economy. They have already obtained a letter of intent from the CEO of Hunt's Point, and from the President of Vista Food Exchange, and from Slavin Fish to partner with Continental Organics' production of tilapia and vegetables. He advises that there is a high demand for locally grown organic products, especially products like lettuce, bok choy and basil, which have a short shelf life. As fast as Continental Organics can grow their products, it will be sold. They are purchasing water from the Town of New Windsor for the vegetables – he advises that this kind of farming uses 90% less water than dirt farming – and recycled well water for the fish. He also explained that their blend aquaculture combined with hydroponics results in their name of aquaponics. The fish's cycle is 3-4 months to grow, and the vegetable cycle is 34 days.

DEC – Alliance for Balanced Growth – Discussion

Mr. Crotty advises that the DEC is overreaching and, in the town of Hempstead at the old Grummond Site, they've determined that Endangered Species has to be read even more restrictively than it has been in the past. The Alliance for Balanced Growth is very concerned that it could impact a large number of acres that could be further restricted. The IDA may be asked to participate in a lawsuit. At this point, there is no action to be taken.

Mr. Steinberg advises that he has been on the Legal Action Committee for many years, which is a national association of home builders, and it takes interest in this type of lawsuit. He advises Mr. Crotty to approach him if the IDA does wish to take action, as he will contact the Legal Action Committee.

Other Business

Chairman Petro advises that a Governance Board Meeting at 2:15PM on Wednesday, July 20, prior to the regular IDA Board Meeting to discuss the Armory and SUNY Orange.

Mr. Crotty advises that the IDA video has been mailed to a long list of recipients, and any left over copies will be delivered to the IDA office. And, additionally, congratulates Mr. O'Donnell on the annual report booklet that was distributed at the meeting.

Meeting called for adjournment by Chairman Petro, seconded by Mr. Schreibeis, the time being 5:05 p.m.