

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

July 18, 2012

A regular meeting of the Orange County Industrial Development Agency was convened in public session on July 18, 2012 at 1:00 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: Stephen Brescia, Henry VanLeeuwen, Robert Schreibeis, Robert Armistead, Mary Ellen Rogulski

ABSENT: John Steinberg

ALSO PRESENT: James O'Donnell – Executive Director
Phil Crotty – Attorney
Laurie Villasuso – Administrative Assistant
James Petro
Russell Gaenzle – Harris Beach, PLLC
Peter Gregory – Orange County Business Accelerator
Maureen Halahan – Orange County Partnership
Brian Gates – HVEDC
James Walsh – Times Herald record
Senator Bill Larkin
Jim McGee – Senator Bill Larkin's office
David Church – Orange County Planning
Mayor Russ Potter – Port Jervis
Kathleen Hendrickson – Port Jervis
Anna Tison – Port Jervis
Russ Vernon
Alan Seidman
Peter Malone

Chairman Robert Armistead calls the meeting for the Orange County IDA, July 18, 2012 (Pledge of Allegiance is recited). Board consists of five members. There is a quorum.

Chairman Armistead then advises the room that, at this time, the Orange County Industrial Development Agency will move into Executive Session to discuss personnel. He asks everyone present in the room to exit, except for all Board Members, Ms. Villasuso and Misters Crotty and O'Donnell.

Mr. Crotty reads Resolution Approving Executive Session to Discuss (1) Position of Development Director at Orange County Business Accelerator; and (2) IDA Attorney, Following Retirement of IDA Attorney Phil Crotty aloud. Motion made by Brescia, seconded by Schreibeis. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Executive Session

Chairman Armistead advises that the first matter at hand is the potential hire of Peter Malone as Development Director.

Mr. Crotty notes that there are four responsibilities of the directors of the Orange County Business Accelerator, being to manage the leases, filling the suites, mentoring clients and creating a buzz with events and such. Mr. DiTullo brought Mr. Gregory to help with these four facets of the job, and it is believed that Mr. Malone would be an excellent addition to Mr. Gregory as part of a Directing team. The Members agree that an addition to the Accelerator team would be welcome.

Mr. Malone's resume is discussed, and it is noted that Mr. O'Donnell and Chairman Armistead have interviewed Mr. Malone twice. Mr. O'Donnell adds that Mr. Malone's job will be to fill the Accelerator, and the job begins as 20 hours per week, with the potential to grow into a full time job.

Mr. Malone is brought into the Executive Session to meet the remaining Board Members. He offers an overview of his experience and some ways he believes he will be able to fill the Accelerator.

Mr. Malone thanks the Members for their time and for the opportunity and exits.

[Mr. VanLeeuwen enters]

Chairman Armistead moves on to address IDA Attorney selection.

Mr. Crotty notes that there were 6 attorneys interviewed for the position.

The members discuss who they each believe would be best fit for IDA attorney, and why.

Mr. Crotty reads Resolution to Exit Executive Session Following Discussion of (1) Development Director at Orange County Business Accelerator; and (2) IDA Attorney, Following Retirement of IDA Attorney Phil Crotty aloud. Motion made by Brescia, seconded by Schreibeis. Open for discussion. Affirmative votes of all members present resulted in motion carried.

End of Executive Session

Chairman Armistead welcomes all attendees back to the meeting.

Review of the prior June 20 and 27, 2012 meeting minutes. Motion made by VanLeeuwen, seconded by Brescia to approve the minutes as presented. Affirmative votes of all members present resulted in motion carried.

Roll Call taken.

Financial Reports and/or Requests for Payment

Mr. Kleiman is unable to attend the meeting due to a meeting with the County Executive. In his absence, the members review the financial reports provided in their packets, along with the list of vouchers and payments for the month. There are no changes to the reports, or to the vouchers and payments.

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

Port Jervis Whitewater Park – Project Expenditure Resolution

Representatives from the Port Jervis Whitewater Park advise the Members that, at this time, the next step will be the permitting step. Ms. Hendrickson advises that the park submitted a CFA, and they should hear back within thirty to sixty days. The project was submitted as part of the Delaware River Collaboration Project, and they hope to get funding through the Division of Costal Resources.

Mr. Brescia asks them to clarify the number of sites; Mayor Potter notes that there is one site, but three features in the river. In the permitting stage, they will know if they are allowed to put all three features in the river, as allowed by the Delaware River Basin Commission and the DEC. The one site is approximately half a mile, in the city of Port Jervis.

Mr. Brescia then notes that Governance met before the meeting; the project meets the three criteria that they always consider: Job creation, promotes tourism and is good for the County. Because the project meets all three, and because the project has received funding from the County Executive's office, and because they're working with the County already, the Governance Committee fully supports the project.

Mr. Crotty reads Resolution Approving \$55,000 Project Expenditure to City of Port Jervis for Whitewater Park Project aloud. Motion made by Brescia, seconded by VanLeeuwen. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Mr. Crotty notes that the City of Port Jervis will sign an agreement, and that the IDA will pay the vendor directly.

New Planet Energy (NPE Holdings) – Preliminary Resolution

Mr. O'Donnell advises the Members that he spoke with John Cruikshank, who is in charge of development for New Planet Energy, which is a waste energy company, out of Delaware. They are looking at 63 acres in the Town of Wawayanda for their \$430M project, with 125 full time jobs, 350-400 construction jobs. Pete Hammond, Deputy Commissioner, looked at their project, and notes that preliminarily, the project looks viable. There is still more work to do at the county and town levels. He also notes that at some point they will need to come before us to make a presentation.

Mr. Gaenzle also notes that he had a brief conversation with the company about the project, and he and Mr. O'Donnell stress that the resolution is preliminary, and only accepts the application.

Mr. Crotty reads Resolution Accepting the Application of NPE Holdings, LLC aloud. Motion made by Schreibeis, seconded by VanLeeuwen. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Chairman's Report

Chairman Armistead addresses the two items discussed during Executive Session, and adds that he would like to vote on the issues at this time.

Mr. Crotty reads Resolution Approving 2012-13 Contract for OCBA Development Director aloud. Motion made by Rogulski, seconded by Schreibeis. Open for discussion. Affirmative votes of all members present resulted in motion carried.

In addition to appointing Peter Malone as Development Director, Chairman Armistead would like to have the members vote on appointing Kevin Dowd as the new IDA Attorney.

Mr. Crotty reads Resolution Appointing New IDA Attorney aloud. Motion made by Schreibeis, seconded by Brescia. Open for discussion. Affirmative votes of all members present resulted in motion carried.

Executive Director Report

Mr. O'Donnell advises on June 29 at the College of New Rochelle the Hudson Valley Regional Council Meeting was held. He notes that this round of funding is a little different than the last round.

Last round, there was competition for \$200M; the state was divided into 10 councils, and 4 of the regions got \$40M – in tax credits and some capital money – and the six others split the \$40M. We ended up with about \$6M last round.

This time, \$150M in Capital money was divided as follows: Of the four winners from the last time, 2 of those are competing against each other. Two of them will get \$25M in capital money each for their region. Of the other six, a group that includes us, three of them will win \$25M in their region for their priority project. The five that don't get funded this time will split the last \$25M.

Each region puts their game plan together and makes a formal presentation. Some of our projects are the medical college at Horton, the rehab of the Dominican Building at Mt. Saint Mary's College (which includes expansion of their business school), Mr. Cozzolino's manufacturing cluster, and the OCBA/Food and Beverage Alliance food lab project.

Additionally, Mr. O'Donnell met with Dean Thompson of the New York International New College in Tuxedo. He also met with representatives from Pace University and Woodbury Commons officials. What they're trying to do at the NY International College is to come up with some Economic Development Program tied in with some of the businesses at Woodbury. Pace University used to have a satellite office in Orange County, and this is an opportunity to get them back here.

This Monday is the public hearing on Crystal Run Healthcare in the Town of Wallkill.

OCBA Report

Mr. Gregory notes that there are new clients coming in. Medical Merete, from Germany, distributes artificial knees and parts for surgeries. They make kits and send them out overnight to doctors. They will eventually hire one or two medically trained employees. These employees go so far as to train the doctors on the product in the operating rooms.

Roadlok will also be coming into the Accelerator.

In addition, there are two prospects on the horizon: One is a cloud computing company and the other will formulate beauty products, and she heard about the Accelerator through word of mouth.

Mr. Gregory distributes a proposed marketing budget and campaign. He notes that he's responding the request at the last meeting for more information. He points out that at this point in time, OCBA uses a "push and pray" method that sends out information to an uncharacterized audience, and doesn't track the success – or lack thereof – of any campaign. Going forward, there would be a more defined audience and the ability for our audiences to communicate with one another; it opens a new sort of relationship: people talking to us, and people talking to each other through social media. Should this plan be approved, there would be a dedicated salesperson manning the social media for the Accelerator.

Mr. Gregory has also met with Ms. Halahan of the Orange County Partnership to find out what has and has not worked for her organization. He notes that there hasn't been much interaction with Focus Media recently. Chairman Armistead asks if there is any redundancy between the OCP marketing and the proposed OCBA campaign. Ms. Halahan notes that while the end goal is the same, the target audiences are very different. Mr. O'Donnell suggests that we should find where the two campaigns overlap.

Special Presentation to Former Chairman Petro – Senator Larkin

Chairman Armistead thanks the Senator for coming. Senator Larkin presents Mr. Petro with a Resolution, recognizing his service and his contribution to the community, passed unanimously on the 19th day of June. In part, the Resolution reads, "On behalf of the 62 members of the New York State Senate, we congratulate you on your accomplishments and what you've done for your community in order to make this a better place to live, work and enjoy life."

Mr. Petro thanks the Board once again, and notes his appreciation for the Members, Senator Larkin, and everyone he's worked with throughout his time with the Orange County Industrial Development Agency.

Chairman Armistead then presents Mr. Petro with a clock from the Orange County Industrial Development Agency Board.

OCP Report

Ms. Halahan begins by giving project updates to the Board:

*Project Lighthouse – Came to the OCP through HVEDC, and they are interested in 25-40 acres of land to store their pre-cast cement material. Misters O'Donnell and Oates toured the facility in MA. There is a potential to build a large project.

*Project Deep Freeze – Food distribution, cold-storage operation with plans to occupy a building as soon as a site is identified. The site needs to be 10-50k square feet, with at least 20k square feet refrigerated. Their job count will be roughly 20, and OCP has submitted 3 sites to date.

*Project Car – the lead was directly from the WSJ campaign, and the company was not originally looking in Orange County. At this time, however, there have been 2 site visits, with a 14-18 square foot requirement. The project will generate about 5 jobs in their training facility, but it is a known entity and has some possibility for growth.

*FAA – The FAA plans to build a \$95M Air Traffic Control Facility, and Stewart is being considered for the facility. It will bring roughly 950 jobs to the area if it is built here, and it is the Integrated Control facility. Ms. Halahan has put together a nice package encouraging the consideration of Stewart.

The last trade show OCP attended was last month, for the New York State Association of Realtors, and they have arranged visits with CBRE Representatives out of the Capital District who have never been to Orange County before.

The Alliance for Balanced Growth is holding their second quarterly meeting on Tuesday July 24 at West Hills Country Club.

Ms. Halahan also notes that her office sent out e-blasts to local businesses asking if they were considering expansion or having problems with retention, and received 2 responses so far and have scheduled meetings accordingly.

Ms. Halahan adds that Centerline Studios received their loan approval last week and should close very soon.

CNC Advanced Manufacturing – Update

Mr. Petro advises that Don Green contacted him, and noted that the CNC equipment has to be moved from its current location almost immediately. Mr. Petro mentions that he knows of property where it can be stored, but suggests the Board find something less expensive to rent for storage purchases. Mr. O'Donnell says he will research the matter, but would like authorization from the Board to make the necessary arrangements.

Mr. Brescia makes a motion to allow the Executive Director to handle the CNC Storage issue, Mr. VanLeeuwen seconds. All in favor.

Mr. Crotty adds that the 2 focus groups have taken place, and another one at the end of July to wrap up the focus groups, at which time they will be in a position to make a presentation to the college. Chairman Armistead notes that there was a great response from manufacturers throughout not only Orange County, but the Hudson Valley region.

Such other and further business

Chairman Armistead and Mr. Brescia note that Russ Vernon should be appointed to the IDA board by the next weekend.

Chairman Armistead applauds Mr. Crotty and Mr. Petro for all of their work, and reiterates that they will certainly be missed.

With no further business, meeting called for adjournment by Chairman Armistead; motion made by Mr. VanLeeuwen, seconded by Brescia, the time being 3:45p.m.