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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 Industrial Development Agency will hold a regularly scheduled meeting on September 13, 2018 at 2:00 p.m. at 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**
 - August 9, 2018 Board Meeting
 - August 28, 2018 Audit Committee Meeting
- **Executive Session(s)**
- **Financial Reports and/or Requests for Payments**
 - 2019 Budget
 - Retirement Resolution
- **New and Unfinished Business**
 - Chairman’s Report
 - Chief Operating Officer Report
 - Board Committee Reports (as needed)
- **Applications/Resolutions**
 - English Dana Enterprises, Inc.
 - Final Resolution
 - Kraftify, LLC
 - Final Resolution
 - IBM Corp.
 - Resolution
- **Other Board Business**
 - Amy’s Kitchen, Inc.
 - The Hub 1, LLC
 - Ridge Hudson Valley, LLC
 - Cross Roads Court Real Estate, LLC
- **Adjournment**

Dated: September 6, 2018

Stephen Brescia, Secretary

By: Laurie Villasuso, Chief Operating Officer & Executive Vice President

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

August 9, 2018

A regular meeting of the Orange County Industrial Development Agency was convened in public session on August 9, 2018 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, Edward Diana, Stephen Brescia, Robert Schreiberis, James DiSalvo

ABSENT: Mary Ellen Rogulski, John Steinberg

ALSO PRESENT: Laurie Villasuso – Chief Operating Officer
Kevin Dowd – IDA Attorney
Russel Gaenzle – Harris Beach
Joel Kleiman – Chief Financial Officer
Vincent Cozzolino – Managing Director
Melanie Schouten – Program Director
Lucy Joyce – Cornell Cooperative Extension
Bill Fioravanti – Orange County Economic Development
Brian Gates – HVEDC
Christine Cordova – Focus Media
Hema Easley – Focus Media
Fred Dana – Dana Distributors
Steven Esposito – Esposito & Associates
Maureen Halahan – OCP
Lindsay Newler – OCP
Douglas Sansted – Crystal Run Health
Wayne Booth – Orange County Executive Office

Chairman Armistead calls to order the regular meeting of the Orange County IDA, August 9, 2018 (Pledge of Allegiance is recited). Board consists of five members. There is a quorum.

Chairman Armistead welcomes Wayne Booth, Orange County Executive Office, and Lucy Joyce, Cornell Cooperative Extension, Maureen Halahan, Orange County Partnership, and Bill Fioravanti, Orange County Economic Development.

Roll Call is taken.

Minutes

Review of the prior June 14, 2018 board and audit committee meeting minutes. Motion to approve the minutes is made by Mr. DiSalvo, seconded by Mr. Schreiberis. Motion carries with 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 \$11,515,861, as of July 31, 2018. A CD matured on August 1st. Bids were solicited for a new CD, and a CD with double the current rate was received at 2.4%. The next CD will mature on August 22nd consisting of \$1.5 million, and bids will be solicited for a sixth month CD.

Mr. Kleiman reviews the income and expense summary, noting that YTD is \$227,150 and YTD expenses are \$213,794, with expenses exceeding revenue by \$13,356.

Mr. Kleiman reviews the income and expense summary for the Business Accelerator, noting that revenues YTD are \$194,111, and expenses are \$1,219,790. Expenses, as anticipated, exceed revenues by \$1,025,679.

Chairman Armistead asks for a motion to approve the vouchers and payments in the amount of \$30,413 for July and \$1,029,217.35 for August. Motion made by Mr. Diana, seconded by Mr. Shreiberis, that the Board accept the financial reports and authorize IDA payments and vouchers. Open for discussion. Affirmative votes of all members present results in motion carried.

Mr. Kleiman reminds the board that they have been working with a new bookkeeping firm for the last year. Recently, management started to research an alternative firm and it is recommended that the IDA switch to Pattison, Kroskey, Howe, Bucci, CPAs from Kingston. The advantage with this firm is that they have the skill set to provide both CPA and bookkeeping support. Due to the size of the firm and its expertise, the cost for PKHBs services is fair.

Motion made by Mr. Schreiberis, seconded by Mr. Diana, authorizing the retention of PKHB CPAs, P.C. to provide general bookkeeping services to the IDA. Open for discussion. Affirmative votes of all members present results in motion carried.

Chairman's Report

Chairman Armistead is happy to acknowledge that management has brought on two interns: Sarah Wilson, SUNY New Paltz and Christina Nazario, Mount Saint Mary College.

Chief Operating Officer Report

Ms. Villasuso gives her report to the board.

Sarah Wilson has been part of team since she was in high school. She is currently assisting with Accelerator client management. Christina Nazario is a marketing intern and has been working with management to develop new marketing approaches.

The Orange Tower Drive project was incentivized by the board in 2017 and it is anticipated to close soon.

The IDA was recently audited by the ABO regarding sales tax exemption compliance. They visited the office last week and reviewed a select number of projects. The ABO is in the process of auditing a handful of IDAs across the state. The board should expect to get feedback once this round of audits is complete. Management is hoping that they issue a set of best practices in terms of sales tax exemption management to help refine the IDAs practices. With more and more ABO oversight and regulation, compliancy is becoming a heavy lift. Compliancy is something that management will work throughout the year to ensure all documentation is current.

Chairman Armistead asks how the audit went.

Ms. Villasuso informs the board that the auditors were friendly and informative. Some of their concerns included board oversight, board interaction with projects, changes made to the exemptions after final resolution, and transparency. While compliancy has come a long way, there is still more supplemental data that can be collected from the projects to ensure project reporting and compliancy is consistent.

Ms. Villasuso, Mr. Cozzolino, and Mr. Kleimen will be working together to structure a new 2019 fee schedule for board approval. Mr. DiSalvo and Ms. Rogulski joined management in a strategy meeting to discuss this fee overhaul. It is anticipated that fees will work on a sliding scale based on project size.

About a year ago, the Goshen sewer water EDAP was brought to the attention of the board. The board had authorized management to move forward and investigate the EDAP application process and contribute grant writing to assist with poor infrastructure. Management partnered with Amanda Dana, OCP, and she lead the initiative bringing together the appropriate resources and businesses in need on the 17 corridor. Management has worked through a large part of the process acquiring a SAMs number, signed contingent letters of involvement, and drafted a large part of the grant. It was handed off to Mr. Kleiman for his professional opinion, due to the financial contribution required by the IDA, and to discuss whether the IDA or another entity should be managing this grant.

Mr. Kleiman informs the board that he reviewed the application. The application has been in the works for over a year and a half and involves three municipalities, the Town of Goshen, Village of Goshen, and Orange County. This is an infrastructure grant for the installation of sewer and water lines connecting to private property. The six companies affected by this infrastructure primarily belong to retail, sports facilities, and manufacturing industry sectors. It's a total capital investment of \$1M with a 50% contribution from the state, if approved. After reviewing all the components of the application, Mr. Kleiman does not recommend the board move forward in this grant process. It is recommended that the County handle this project due to the following reasons: it affects three municipalities, covers industries not typically incentivized by the OCIDA, and the scope of the project is outside of the expertise of the OCIDA as it relates to infrastructure.

Mr. Brescia states that it is understood that this may not be a fitting project, but asks that someone touch base with David Church and discuss the project with him.

Board Committee Reports

Accelerator Committee

Mr. Cozzolino presents The Accelerator report.

The Accelerator continues to be active. Seco, Limberti, and Ziel anticipate moving in shortly as construction reaches completion. The first round of Ziel sewing training is currently in process and another two classes are anticipated this fall. No one is guaranteed a job, but each trainee is given the opportunity to take a sewing test at the end of the course with the potential of a job offer if successful. Management is also working with County Organizations and Access VR as marketing support to spread the word about job availability. More than fifty job positions will need to be filled by the end of the year amongst several resident Accelerator companies. Resident company, Green Panda, recently got a nationwide retail contract with potential for a children's toothbrush contract.

The Accelerator is at capacity and additional space is needed to help with overflow. There is a building next to the Ziel facility, 603 Broadway, and management would like to use that space to house additional companies and a training center.

There is major focus on rebranding and attracting new clients to The Accelerator. With the assistance of the new marketing intern, management is getting a fresh perspective on updated marketing concepts.

Management has recently worked on some SWOTs. It seems that the Highland Falls location may take on a new direction. This analysis is focusing on building a relationship with West Point to benefit the local economy. Port Jervis will rehash their SWOT to build a more effective plan. The second Warwick SWOT was completed, and an exciting industry cluster was selected.

Chairman Armistead asks how the resident companies are monitored.

Mr. Cozzolino states that management meets with the companies every month or so and reviews their status, financials, supply chain and any other topics of concern.

Mr. Diana states that the Newburgh Campus was a great idea, as it has been a goal to assist the City if Newburgh for quite some time, and leasing the additional location would benefit the current growth of this local sewing cluster.

Motion is made by Mr. Brescia, and seconded by Mr. DiSalvo, authorizing the Chief Operating Officer of the IDA to execute a lease agreement with B4 Holdings, LLC for an approximate 3,000 square foot building located at 603 Broadway, Newburgh, NY for use by The Accelerator. Open for discussion. Affirmative votes of all members present results in motion carried.

Applications/Resolutions

English Dana Enterprises, Inc.

Presentation

Mr. Esposito presents on behalf of English Dana Enterprises, Inc.

Dana Distributors is a third-generation family owned business operating out of the Village of Goshen. The current facility is about 119,000 sf warehouse and office space. It is a beverage distribution center for Orange, Sullivan, and Rockland. The expansion process started about a year ago. Hudson Valley Snacks and Soda closed its business laying off 38 employees. Dana distributors was to pick up that portfolio consisting of Dr Pepper, Snapple, etc. To guarantee that portfolio, they ran projections and it was discovered that they would need both additional space and man power. Dana Distributors was able to secure those prior Hudson Valley Snack and Soda employees, while temporarily renting that facility. Due to the lack of available space, Dana management considered relocating out of the County to centralize distribution. It was finally decided that remaining in Orange County was the best plan of action and as a result they have come before the board to incentivize an expansion for the current Goshen facility.

This project application is for a 46,500 sf addition to the warehouse which includes an expansion of the draught cooler, controlled environment warehouse and associated site improvements. The project also includes new construction of a 12,000 sf state of the art returns/recycling building including loading docks and processing equipment.

Ms. Villasuso informs the board that the application is for a 10-year enhanced PILOT and a Sales Tax and Use exemption.

Initial Resolution

Mr. Dowd reads aloud the Dana Distributors, Inc. Initial Resolution. Motion is made by Mr. Diana, seconded by Mr. Schreibeis, accepting resolution to take action on certain matters pertaining to a proposed project for the benefit of Dana Enterprises, Inc. Roll call is taken. Affirmative votes of five board members results in motion carried.

Kraftify, LLC

Ms. Villasuso informs the board that this project is for a brewery located in the former correctional facility located in Warwick.

Presentation

Mr. Kraai presents on behalf of Kraftify. LLC.

Kraftify has been open and operating as Pine Island Brewery about 2 years in its current location. The business has been successful, and new jobs have been created. Due to this success, additional space is needed for production and events. This project application is for the land acquisition, full renovation, and construction of a new central Pine Island Brewing facility in Warwick. The new location is about 15,000 sf building originally built in 1930. Due the age of the building it needs extensive rehabilitation. This new space will house a brew house, tanning line, barrel aging program, tasting room, and banquet hall. Product will be produced, packaged, and shipped from this facility. Alternatively, this will be a destination site that hosts weddings, festivals, and special events encouraging tourism.

Ms. Villasuso informs the board that the application is for a 10-year enhanced PILOT and a Sales Tax and Use Exemption, and Mortgage Recording Tax Exemption.

Ms. Villasuso ask Mr. Kraai to describe the event space.

Mr. Kraai states that the event space will be primarily designated to the second as a rental. It will have an open, unfinished, rustic feel.

Ms. Villasuso asks if the location will have a restaurant component.

Mr. Kraai states that they will serve brick oven pizza, but that is not the primary focus of the facility.

Mr. Brescia asks if facilities with a similar industry have been incentivized. There is concern due to the retail aspect of the business.

Mr. Diana states he is also concerned due to the retail and restaurant components of the business.

Ms. Villasuso states that the business does have a brewing, manufacturing, and tourism component.

Mr. Kraai states that they do not consider themselves a restaurant and the primary use of the budget money is being spent on the manufacturing aspect of the business and facility. There is hope in the area that the rehabilitation of this location and the traffic it drives will work as a tourism catalyst for the surrounding area and additionally fill up the remainder of the empty correctional facility.

Initial Resolution

Mr. Dowd reads aloud the Kraftify, LLC. Initial Resolution. Motion is made by Mr. Armistead, seconded by Mr. Schreibeis, accepting resolution to take action on certain matters pertaining to a proposed project for the benefit of Kraftify, LLC. Roll call is taken. Affirmative votes of five board members results in motion carried.

St. Luke's Hospital Project & St. Luke's Cornwall Hospital Project

Mr. Gaenzle informs the board that back in 2001 and 2006 the board issued bonds for St. Luke's. St. Luke's won a grant from the State for 8M for facility improvements. Due to the original bond documents, in order to make any changes to the facility, board consent is required as the issuers. The bank that owns the bonds has consented as well.

Resolution

Mr. Dowd reads aloud the St. Luke's Hospital Project & St. Luke's Cornwall Hospital Project Resolution. Motion is made by Mr. Schreibeis, seconded by Mr. DiSalvo, authorizing consent with the respect to the additions, modifications, or improvements of certain existing project facilities. Roll call is taken. Affirmative votes of five board members results in motion carried.

CRH Realty III, LLC

Douglas Sansted presents on behalf of CRH Realty III, LLC.

Mr. Sansted reminds the board that they supported the CRH Realty III project in Monroe. This facility was opened just shy of two years ago. There is need for working capital for CRH to hire an additional 70-80 physicians across their Orange County based facilities within the next 18 months. They would like to borrow against this asset and invest it into employment.

Mr. Dowd asks to specify the projects actions.

Mr. Sansted states that they are assigning the existing mortgage to a new lender and requesting an exemption on the increased mortgage recording tax.

Resolution

Mr. Dowd reads aloud the CRH Realty III, LLC Resolution. Motion is made by Mr. Diana, seconded by Mr. Schreibeis, accepting resolution to take action on certain matters pertaining to a current project benefitting CRH Realty III, LLC. Roll call is taken. Mr. DiSalvo abstains. Affirmative votes of four board members results in motion carried.

The Hub 1, LLC

Mr. Dowd informs the board that The Hub 1, LLC project is about 8 years old. The original owner went into bankruptcy and the bank took over. The board extended the agreement to the bank and the bank transferred it to its subsidiaries. At some point, there was some confusion and the property was put back on the tax roll at full assessed value. It seems that the bank has recently sold this property unbeknownst to the board. The first notice the board received was from the Town last month informing them of the change in ownership. The town is very upset and would like to see the PILOT terminated. Counsel is currently trying to verify who the new owner is and inform them that the PILOT does not automatically transfer. The board has every right to terminate, but it would be appropriate to notify the new owner first.

The board agrees that the new owner should be notified first before taking further action.

Other Board Business

Ms. Villasuso informs the board that there was an article in the Time Herald Record regarding an air permit issue CPV is currently facing. The air permit was not renewed. There is some ongoing debate on who should be handling the issue and whether it be the project or the state. Inquiries have been made if this is an act of PILOT default. This matter is not considered an act of default, but management is tracking the issue and a call has been put into to the company for additional details.

Executive Session

Chairman Armistead entertains a motion that the committee enter into executive session pursuant to section 105(1)(f) of the open meetings law to discuss the financial and credit history of clients of the IDA. Motion made by Mr. DiSalvo to enter executive session issued. Motion seconded by Mr. Brescia. All in favor.

Enter Executive Session

The members discuss the financial and credit history of clients of the IDA.

End Executive Session

Adjournment

Meeting called for adjournment by Chairman Armistead, motion made by Mr. Schreibeis, seconded by Mr. Diana, the time being 3:44 p.m.

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AUDIT COMMITTEE MINUTES

August 28, 2018

Orange County Business Accelerator in New Windsor, New York.
11:00am- 12:00pm

PRESENT: Edward Diana, Mary Ellen Rogulski, Robert Schreibeis, Joel Kleiman

ALSO PRESENT: Laurie Villasuso – Chief Operating Officer
Kevin Dowd – IDA Attorney
Vincent Cozzolino – Managing Director
Kelly Reilly

Bookkeeping / Accounting Service

Mr. Kleiman started the meeting off by saying that there was a new company he is pursuing named PKHB to replace the bookkeeping firm. Mr. Kleiman stated that he just received the signed contract and needs Ms. Villasuso to sign it and will date it September 1, 2018. Mr. Kleiman stated that before he pulls the trigger on the new firm PKHB he will need to contact all the banks to give them access to our accounts and to take R & D Bookkeeping off. Mr. Kleiman stated that when the new firm takes over, he will reach out to the auditor (JGS) to come in and audit the books from the beginning of the year until September 2018 instead of waiting for the ¾ review. Ms. Rogulski agreed it was a good idea. Mr. Diana asked what the full name of the firm is, and Mr. Kleiman stated Patterson, Koskey, Howe, Bucci from their Kingston office. Mr. Diana then asked why we are changing, and Mr. Kleiman stated that we are not happy with the service we are getting from the current bookkeeper. Mr., Kleiman also stated that is firm is a bookkeeper as well as CPA. Mr. Diana asked what the money difference is, and Mr. Kleiman stated that he does not have the numbers but PKHB is more expensive but is more capable of doing the job.

Employee Retirement Option

Mr. Kleiman stated that last year we found out that we were in the wrong compensation plan. Many options have been looked at. Mr. Kleiman stated that they found out what the options are, and then engaged BPAS. BPAS came back and recommended we do a Deferred Compensation Plan based on their analysis vs. going into the NYS Retirement Plan. The main reason is due to the fact that we cannot guarantee to get past service approved. Mr. Kleiman stated for that reason it was best to go with the Deferred Compensation Plan. Mr. Diana asked if Ms. Villasuso agreed and she said yes. Mr. Cozzolino stated that the numbers are in the 2019 Draft Budget to make up for that.

IBM

Mr. Kleiman started there are 2 things he wanted to bring up. Mr. Kleiman stated that JGS is in the process of doing an annual audit. It is for 3 years but added this year to make it 4 years. Mr. Kleiman stated that he hoped he would have a draft at this meeting, but he does not. Mr. Kleiman stated that at next month's audit committee meeting he will have 3 years of audits along with current year June 2016 – May 2017. Mr. Cozzolino stated the second part of this is that IBM issued us a check which was much lower than what we usually receive. Ms. Villasuso contacted her colleague at IBM and worked things out. IBM has a STE Sales Tax Exemption) of 75 million dollars and they met their threshold, so they stopped making purchases at Sterling Forest and making purchases elsewhere. Ms. Villasuso called Mr. Spinei and asked him if they increased the STE limit would they like to make more purchases in Sterling Forest. Mr. Spinei came back and stated that they were intested in increasing the STE by another 100 million dollars. Mr. Spinei also requested that they reword what is in the STE package by IBM paying a fee on their exemption and not their purchases. Ms. Villasuso stated to Mr. Spinei that she would speak to the audit committee today and if they approve she will get this into the September meeting. Ms. Villasuso stated the current STE ends in 2020 and IBM may want another year since they lost out on some time and does not feel that is a concern. Ms. Villasuso stated that she would call Mr. Spinneli today and let him know.

2019 Draft Budget

Mr. Kleiman went over the IDA, BA, and OCFC budget over line by line. The 2019 Draft Budget was approved by the Audit Committee with two changes: 1. Family and Friends get changed to Orange County Youth Bureau and 2. After the HR meeting (which is next) they approve the Personnel portion, Mr. Kleiman states he would like to come to September meeting with this budget and look for approval. Mr. Kleiman suggest that the Audit Committee approves the budget based on the HR Committee Meeting. Mr. Dowd stated that this budget could be approved conditionally based on the two items above.

Mr. Diana motioned to approve this budge with the two changes and Mr. Schrebeis seconded the motion.

Meeting concludes

Orange County IDA

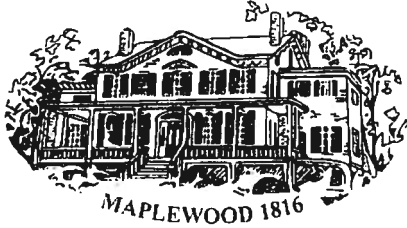
SEPTEMBER 2018

Funds Received

IBM (6/1/17 - 5/31/18)	453,990.51
Total	\$ 453,990.51

Vouchers & Payments

Kevin Dowd (Legal Services Aug. 2018)	6,930.00
Loewke Brill Consulting Group, Inc. (Aug. 2018)	3,380.00
Brown Weinraub (NYS lobbying services April 2018)	5,000.00
Brown Weinraub (NYS lobbying services Sept. 2018)	5,000.00
R&D Legal Bookkeeping, Inc (Bookkeeping Services Aug. 2018)	130.00
OC Foreign Trade Zone	25,000.00
Harris Beach (Pass thru fees)	10,000.00
Total	\$ 55,440.00



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David A. Donovan, Esq.

JUSTICE

Rory K. Brady, Esq.

August 20, 2018

Dear Board Members of the Orange County Industrial Development Agency,

The Village of Goshen Board of Trustees is supportive of Dana Distributor's application which you are currently reviewing. Dana Distributors has been an important part of the Village of Goshen economy for decades. Their expansion will create jobs and expand our tax base. This was discussed in a Board Meeting and the Trustees were unanimous in their support.

Please do not hesitate to contact me with any questions.

Yours truly,

Kyle Roddey
Mayor, Village of Goshen



Village of Goshen Planning Board
Work Session/Regular Meeting Minutes

August 7, 2017

Present: Scott Wohl, Chairman
Adam Boese
Elaine McClung
Molly O'Donnell

Absent: Michael Torelli

Also Present: Kristen O'Donnell, Village of Goshen Planner
Michael H. Donnelly, Planning Board Attorney

PUBLIC HEARING

1. Dana Distributors Amended Site Plan, 52 Hatfield Lane, #126-1-5.22, IP
After referencing the public hearing notice, the chairman opened the public hearing. Stephen Esposito, the applicant's representative, made a presentation to the board and the public. No members of the public requested to be heard. The public hearing was then closed.

APPLICANTS BEFORE THE BOARD

1. Dana Distributors Amended Site Plan, 52 Hatfield Lane, #126-1-5.22, IP
Village Planner Kristen O'Donnell discussed the items in her letter-memo of July 20, 2017. Of concern was the need for additional landscaping along the northernly side of the site and employee data supporting the request that a portion of the required parking area be held in reserve. The board discussed these recommendations and supported both. Stephen Esposito, the applicant's representative, agreed to revise the plans to show additional landscaping and to provide data justifying reserve parking to the satisfaction of the village engineer.
The board noted that a notice of intent to act as lead agency under SEQRA had been sent to all interested and involved agencies on June 29, 2017 and that no agency had objected to the planning board acting in that capacity. The board therefore finalized its lead agency status. The board determined that construction of the proposed addition would not result in any significant adverse environmental impacts, and therefore issued a negative declaration under SEQRA.

OCT 30 2017

GOSHEN, NEW YORK

RESOLUTION OF APPROVAL

SITE PLAN

AMENDED

FOR

DANA DISTRIBUTORS

Nature of Application

Dana Distributors has applied for approval of an Amended Site Plan permitting the use of the property identified herein for a warehouse expansion consisting of 36,750 square feet of fully enclosed warehouse house, 9,750 square feet of full enclosed truck loading area and a new fully enclosed 10,000 square foot building for recycling/returns and associated loading docks, parking, site lighting, stormwater, landscaping and signage.

Property Involved

The property affected by this resolution is shown on the Tax Maps of the Village of Goshen as parcel(s) 126-1-5.22.

Zoning District

The property affected by this resolution is located in the IP zoning district of the Village of Goshen.

Plans

The Site Plan and Conditional Use Permit materials considered consist of the following:

1. Site Plan application and Short Form EAF dated June 6, 2017;
2. Plans prepared for Dana Distributors as follows:

<u>Author</u>	<u>Title</u>	<u>Last Revision Date</u>
Engineering & Surveying Properties	Existing Conditions & Demolition Plan	July 10, 2017
Engineering & Surveying Properties	Site Plan	July 10, 2017
Engineering & Surveying Properties	Grading, Utilities and Erosion Control Plan	July 10, 2017
Engineering & Surveying Properties	Details	July 10, 2017
Engineering & Surveying Properties	Details	July 10, 2017
Engineering & Surveying Properties	Details	July 10, 2017
Esposito & Associates	Landscape Plan and Details	July 11, 2017
Esposito & Associates	Lighting Plan and Details	July 11 2017

History

Date of Application

The application was filed with the Planning Board on June 6, 2017.

Public Hearing

A public hearing on this application was convened on August 7, 2017 and closed on the same date.

SEQRA

Type of Action:

This matter constitutes an unlisted action under the State Environmental Quality Review Act.

Lead Agency:

The Village of Goshen Planning Board is the lead agency in regard to this action. The Planning Board's status as lead agency was finalized on August 7, 2017.

Declaration of Significance:

A negative declaration was issued on August 7, 2017.

GML 239 Referral

This application has been referred to the Orange County Planning Department for review and report. The Planning Department has reported that this matter is one for local determination, there being no significant inter-municipal or countywide considerations found to exist.

Findings

The Planning Board, taking into account the public health, safety and welfare, the comfort and convenience of the public in general, and taking into account the welfare of the residents of the immediate neighborhood in particular, has determined that approval of this Amended Site Plan will substantially serve the public convenience, safety and welfare; will not be detrimental to the neighborhood or the residents thereof; and will not otherwise be detrimental to the public convenience or welfare, subject to compliance in full with conditions hereinafter imposed pursuant to Section 10.1.1 of the Zoning Ordinance of the Village of Goshen.

Resolution of Approval

NOW, THEREFORE, THE PLANNING BOARD RESOLVES to approve this Amended Site Plan as said proposal is depicted on the plans identified above and upon the conditions outlined below, and the Chairperson (or his designee) is authorized to sign the plans upon satisfaction of those conditions below noted to be conditions precedent to such signing.

Specific Conditions

1. The plans shall not be signed until receipt of a letter from the Village Engineer certifying both that the plans have been modified in accordance with its memo of July 20, 2017 and that the plans have been modified to show additional landscaping along the northerly portion of the site.
2. This approval is not intended to constitute an approval of any signs shown on the plans which are to be approved by the Building Inspector and then only if either a variance is granted or the proposed signs are brought into conformance with the village code.
3. The applicant has demonstrated an ability to provide the full number of parking spaces required by the zoning chapter and has depicted the full parking complement on the site plan. At the same time, the applicant has shown a likelihood that the total number of spaces required will, if constructed, not be fully utilized. Therefore, in order to avoid the adverse aesthetic effects and the increase in storm-water runoff inherent in building overly large parking lots, the Planning Board will allow the applicant to set aside a portion of the required parking area as land-banked parking and will not require that this area be constructed at this time. The area designated as land-banked parking has been so indicated on the site plan. The applicant agrees that the Planning Board shall have the sole discretion to decide if, and when, construction of parking in this area shall be required. Toward this end the applicant shall, prior to signing of the plans, deliver an appropriate instrument to the Village of Goshen in which the applicant acknowledges its obligation of land-banked parking construction upon direction from the

Town. The obligation set forth in the instrument shall run to the Village, shall be in form suitable for recording (and recite that the obligation set forth shall run with the land) and shall be satisfactory in form to the Village Attorney.

4. The project must be started within one year from the date set forth at the foot of this resolution unless the applicant shall, within that time period, file with the Planning Board a request for an extension and prove to the satisfaction of the Planning Board that such extension is justified [ZO §10.1.3.8].
5. The applicant has declared an anticipated completion date of August 7, 2020. Pursuant to Section 10.1.3.9 of the Zoning Ordinance of the Village of Goshen, should construction of the project not be completed by this date, this approval shall become null and void and job progress shall cease.
6. The applicant shall be required to file an updated performance standards affidavit prior to commencement of the proposed use. The applicant shall be required to comply with the requirements of Sections 5.2 [*Supplemental regulations applying to nonresidential buildings*] and 9.1 [*Performance Standards*] of the zoning ordinance at all times.

General Conditions

This approval is conditioned upon the applicant submitting all necessary copies of the plans to be signed, including mylars when required, to the Village of Goshen Building Department within sixty days of the date of this approval.

This approval is conditioned upon the applicant posting with the Village

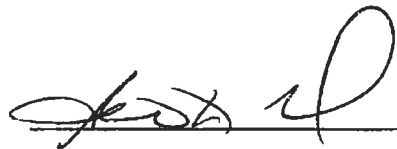
Clerk (prior to signing of the plans) a performance bond or bonds, cash or certificate of deposit, or an irrevocable letter of credit in an amount to be recommended by the Village Engineer and fixed by the Village Board in order to secure completion of all public improvements and landscaping shown on the plans (or otherwise required by this approval). Such bond or security agreement shall be satisfactory to the Village Board, Village Attorney and the Village Engineer as to form, sufficiency, manner of execution and surety. The bond or security agreement shall recite that all improvements secured thereby shall be completed within one year of this approval.

This approval is further conditioned upon the applicant delivering (prior to signing of the plans) proof, in writing, that all fees—engineering, planning, legal and otherwise—in regard to this project have been fully paid. The plans shall not be signed until proof, satisfactory to the Chair, has been presented showing that all fees have been paid.

A FAILURE to comply with any such condition in a timely manner shall result, without further action, in a lapsing of this approval.

In Favor 4 Against 0 Abstain Absent 1


Dated: August 7, 2017



SCOTT WOHL, CHAIRMAN
VILLAGE OF GOSHEN PLANNING BOARD

STATE OF NEW YORK)
)ss:
COUNTY OF ORANGE)

I, Ruth Anne Boss, Clerk of the Planning Board of the Village of Goshen, do hereby certify that the foregoing is a true and exact copy of a Resolution maintained in the office of the Village of Goshen Building Inspector, said resulting from a vote having been taken by the Planning Board at a meeting of said Board held on August 7, 2017.

 (10/24/17)

RUTH ANNE BOSS, CLERK
VILLAGE OF GOSHEN PLANNING BOARD

I, MARGARET STROBL, Clerk of the Village of Goshen, do hereby certify that the foregoing Resolution was filed in the Office of the Village Clerk on 10/24/17.



MARGARET STROBL, CLERK
VILLAGE OF GOSHEN

Dear IDA Board Members,

My intention is to address the manufacturing and retail components of our project to clarify that the purpose of our venue is to serve as a manufacturing facility. Our greatest need, and the primary function of this expansion is to increase our manufacturing capability and relocate all manufacturing operations to 251 State School Rd, Warwick.

To better understand the nature of this project, it's helpful to understand the current state of our existing business. Our current business located in Pine Island is 1,500 square feet with very limited production capabilities. Due to the high demand for our product, we quickly and drastically outgrew our current manufacturing capacity and were forced partner with an upstate larger brewing facility to meet the ever-growing demand. Currently we do not have canning, bottling, or barrel aging capabilities, which significantly limits are ability to grow the business and create more jobs. Furthermore, 95% our product is manufactured outside of Orange County. Looking ahead, with the addition of this building we will move 100% of our production back to orange county with targeted outcomes to create jobs, promote tourism, and increase tax revenues paralleling the goals of the IDA.

As you can imagine, building a manufacturing facility is extremely expensive and cash intensive on the front end, which can be very challenging, if not, unsurmountable, for a small business. In total we have budgeted a total of \$2.7M for construction, renovations, and equipment purchases. To sustain our business in the early stages of this expansion, it is crucial to have some retail operations to help generate the significant cash flow required to finance such large expenditures. However, these retail components, such as a tasting room and pizza oven, are certainly ancillary to our core need and mission, which is to increase our production capability and brew high quality, local, barrel aged craft beer. As an example, our floor plan calls for a kitchen/prep area that is only 400 square feet. This represents less than 3% of our total square footage (the building is approximately 14,000 total square feet). Likewise, our budgeted expenditures related to our pizza oven are less than 3% of our total budget.

In summation, while outfitting this project to have some basic retail operation is crucial to the overall success of the project, especially in regards to the early financial stages of cash-flow, we are not a restaurant, nor do we have any desire to be in the restaurant business. The majority of our resources will be allocated to install a 15 BBL state of the art brewhouse, 1 BBL pilot brew system, canning line, bottling operations, warehousing & distributing, and an extensive oak barrel aging program. These core components are all distinctly manufacturing focused.

I am hopeful that the IDA will see the tremendous economic benefit this project will bring to Orange County, NY and we look forward to partnering with you to bring this project to life.

Sincerely,

Michael Kraai, CPA
President | Kraftify LLC

TOWN OF WARWICK



132 KINGS HIGHWAY
WARWICK, NEW YORK 10990

TOWN HALL TELEPHONE (845) 986-1124
POLICE DEPT. TELEPHONE (845) 986-3423
RECEIVER OF TAXES (845) 986-1125
PUBLIC WORKS TELEPHONE (845) 986-3358
TOWN HALL FAX (845) 986-9908
SUPERVISOR supervi@warwick.net
TOWN CLERK townclk@warwick.net

August 29, 2018

Orange County Industrial Development Agency
Attention: Laurie Villasuso
4 Crotty Lane, Suite 100
New Windsor, NY 12553

Dear Ms. Villasuso,

I am writing on behalf of the Town of Warwick to support the application of Kraftify, LLC for economic development benefits that will allow them to redevelop one of the buildings at the former Mid Orange Correctional Facility.

Kraftify's plan to build a state of the art commercial brewery will bring jobs and tax revenues to our Town. The owners had proven their entrepreneurial skills and ability to build a successful business. The core component of this project is a brewery and packaging facility that will allow Kraftify to expand their sales and distribution of an exceptional product using state of the art technology. This is a perfect fit for our vision of the site redevelopment. The brewery will also attract visitors who will be able to view the brewing process first hand.

I ask that you and the IDA board continue your support for our redevelopment efforts by approving the Kraftify application.

Sincerely,

Michael P. Sweeton
Town Supervisor

MPS/rb

cc: Town Board

**Warwick Valley Local Development Corporation
2 Bank Street
Warwick, New York 10990**

September 4, 2018

Robert T. Armistead, Chairman
Orange County Industrial Development Agency
4 Crotty Lane, Suite 100
New Windsor, NY 12553

Re: Kraftify LLC

Dear Mr. Armistead:

On behalf of the Warwick Valley Local Development Corporation, I submit this letter in support of the application of Kraftify LLC seeking Orange County IDA benefits for the acquisition and renovation of a 14,000 square foot building on approximately 1.3 acres within the Warwick Office & Technology Corporate Park in Warwick, New York.

As you are aware, the property is located within the former Mid Orange Correctional Facility which was acquired by the Warwick Valley LDC over 4 years ago. The property has been transformed into an attractive campus containing shovel ready sites ideal for commercial development.

We are extremely excited about the sale of this parcel to Kraftify LLC. The renovation of this building and conversion into a brewery and tasting room is an ideal use for this parcel of land. The brewery complements the agricultural heritage of our community and will become a popular tourism destination here in Warwick. "Agritourism" has become an important economic engine bringing an increase in tourism town-wide. It will create job opportunities and improve our commercial tax base.

We urge the IDA to approve the Kraftify LLC application. Thank you for your consideration.

Very truly yours,

Warwick Valley Local Development Corporation

By: 

Robert E. Krahulik, President

CHANGE OF USE PERMIT



Town of Warwick
132 Kings Highway
Warwick, NY 10990
845-986-1127

Permit #: 26802

File Date: 7/20/2018

S-B-L #: 46-1-37

Location: 251 STATE SCHOOL RD

A Permit is hereby given by the Building Department, TOWN OF WARWICK, ORANGE COUNTY, for the structure described herein:

Owner Information:

Warwick Valley Local Dev Corp
PO BOX 202
Warwick, NY 10990

Contacts:

Work Description: CHANGE OF USE
KRAFTIFY BREWERY & TASTING ROOM.
14,453 SQ FT.
150 SEATS - MAX.
BREWERY: 8AM-6PM
TASTING ROOM: M-TH 10AM-10PM, FRI & SAT: 10AM-12M
15 EMPLOYEES.

Cost of Construction: \$

Fees:

CHANGE OF USE \$25.00

Total Paid: \$25.00

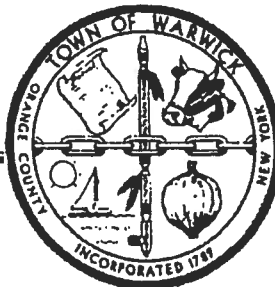
IMPORTANT

1. The owner/contractor shall adhere to all State and Local Codes and Ordinances.
2. A permit under which no work has commenced within one (1) year after issuance, shall expire by limitation, and a new permit must be secured before work can begin.
3. It is the responsibility of the owner and/or contractor to comply with all applicable ordinances and to call for the required inspections at least one day in advance.
4. When work is complete contact Building Department for final inspection for Certificate of Occupancy (which application must be applied/paid for) or Certificate of Compliance.
5. Please call Orange & Rockland Utilities, Inc. at 811 prior to any digging on your property.

BUILDING INSPECTOR

TOP OF FILE

TOWN OF WARWICK



132 KINGS HIGHWAY
WARWICK, NEW YORK 10990

BUILDING & PLANNING DEPT (845) 986-1127
FAX NO. (845) 987-9644
BUILDING DEPT EXT. 258/260
PLANNING DEPT EXT 261
ENGINEER EXT 275

August 8, 2013

Warwick Valley Local Dev. Corp.
28 Railroad Ave.
Warwick, New York 10990

Re: WVLDC/Prison Property Final Approval for Lot Line Change
SBL # 46-1-9.1, 9.2, 16, 19, and 20

Dear Owner/Applicant:

By Resolution of the Town of Warwick Planning Board during its regularly scheduled meeting held on August 7, 2013, granted Final Approval (Vote 5-0-0) for a proposed Lot Line Change, situated on tax parcels S 46 B 1 L 9.1, 9.2, 16, 19, and 20; parcels located on the south side of C.R. 13 (Kings Highway), (255 State School Road), in the OI zone, of the Town of Warwick, County of Orange, State of New York. A SEQR Negative Declaration was adopted on August 7, 2013. Approval is granted subject to the following conditions:

- 7/23/13
JOB
3-5-14
1. The Short EAF must be signed and dated.
 2. The final map will need to be signed/sealed by the Surveyor of Record.
 3. Provide the deeds for the five parcels included within this subdivision for engineer and attorney review.
 4. The table with the Town's five overlay districts should be added to Sheet 1.
 5. Surveyor to certify that iron rods have been set at all property corners. TO BE BUNDLED
 6. The declaration for the Agricultural Notes and Aquifer Protection Overlay Notes must be added to the plans. (SHEET 1)
 7. The recording information for the five new parcel deeds must be submitted.
 8. Payment of all fees.

SO CERTIFIED:
TOWN OF WARWICK PLANNING BOARD

Roger Showalter
Roger Showalter
Vice-Chairman

cc: Michael Sweeton, Supervisor
Meg Quackenbush, Town Clerk
Town of Warwick Town Board
Debbie Eurich, Assessor
Ross Winglovitz, EP Engineering
Robert Krahulik, Attorney
Laura Barca, HDR
Ted Fink, Greenplan
O.C. Dep't. of Planning

617.6
State Environmental Quality Review (SEQR)
Resolution Establishing Lead Agency
Unlisted Action Undergoing Uncoordinated Review

Name of Action: Warwick Valley LDC Lot Line Change

Whereas, the Town of Warwick Planning Board is considering action on a proposed Subdivision application by the Warwick Valley Local Development Corporation for a ± 761.737 acre parcel of land located at State School Road, Town of Warwick, Orange County, New York, and

Whereas, an Environmental Assessment Form (EAF) dated 7/23/13 was submitted at the time of application, and

Whereas, after comparing the thresholds contained in 6 NYCRR 617.4 and 5, the Planning Board has determined that the proposed project is an Unlisted action, and

Whereas, the Planning Board has determined that the proposed project is not within an agricultural district and, therefore, the requirements of 6 NYCRR 617.6(a)(6) do not apply, and

Whereas, after examining the EAF, the Planning Board has determined that there are no other involved and/or federal agencies on this matter.

Now Therefore Be It Resolved, that the Planning Board hereby declares itself Lead Agency for the review of this action.

Be It Further Resolved, that a Determination of Significance will be made at such time as all information has been received by the Planning Board to enable it to determine whether the action will or will not have a significant effect on the environment.

On a motion by Dennis McConnell, seconded by Sean Kennedy, and a vote of 5 for, and 0 against, and 0 absent, this resolution was adopted on August 7, 2013.

617.12(b)
State Environmental Quality Review (SEQR)
Resolution Authorizing Filing of Negative Declaration

Name of Action: Warwick Valley Local Development Corporation Re-Subdivision

Whereas, the Town of Warwick Planning Board is the SEQR Lead Agency for conducting the environmental review of a proposed re-subdivision involving the alteration of five existing lots of records, Town of Warwick, Orange County, New York, and

Whereas, there are no other involved agencies pursuant to SEQR,
and

Whereas, the Planning Board has reviewed an Environmental Assessment Form (EAF) for the action dated 7/23/13, the probable environmental effects of the action, and has considered such impacts as disclosed in the EAF.

Now Therefore Be It Resolved, that the Planning Board adopts the findings and conclusions relating to probable environmental effects contained within the attached EAF and Negative Declaration and authorizes the Chair to execute the EAF and file the Negative Declaration in accordance with the applicable provisions of law,
and

Be It Further Resolved, that the Planning Board authorizes the Chair to take such further steps as might be necessary to discharge the Lead Agency's responsibilities on this action.

On a motion by Dennis McConnell seconded by Sean Kennedy, and a vote of 5 for, and 0 against, and 0 absent, this resolution was adopted on August 7, 2013.

617.7

State Environmental Quality Review (SEQR)

Negative Declaration

Notice of Determination of Non-Significance

Date of Adoption: August 7, 2013

This notice is issued pursuant to Part 617 of the implementing regulations pertaining to Article 8 (State Environmental Quality Review Act) of the Environmental Conservation Law.

The Town of Warwick Planning Board, as Lead Agency, has determined that the proposed action described below will not have a significant effect on the environment and a Draft Environmental Impact Statement will not be prepared.

Name of Action: Warwick Valley Local Development Corporation Re-Subdivision

SEQR Status: Type I []
Unlisted [x]

Conditioned Negative Declaration: [] YES
[x] NO

Description of Action: The Mid-Orange Correctional Facility was closed and vacated by the State of New York on July 1, 2011. The site, which consisted of a medium security prison facility for males, is located within the Town's Office and Industrial Park (OI) Zoning District. The State of New York and Town of Warwick have proposed transfer of the property to the Town and possibly others through the Warwick Valley Local Development Corporation (LDC), a not-for-profit 501(c)(3) corporation. In order to effectuate the transfer from the State, the action includes initial re-subdivision of the site for the following purposes: 1) future development and redevelopment of the prison facilities area including creation of an initial ± 60 acre lot for anticipated future development; 2) protected freshwater wetlands for transfer to a land trust; and 3) transfer of the remaining lands to the Town of Warwick for park, recreation and other municipal uses. As a pre-condition to closing on the site transfer from the State, the State has required that the existing five site parcels be reconfigured first in the way in which they will be accepted by the Town and LDC.

Location: State School Road, Town of Warwick, Orange County, NY
Parcel Nos. 46-1-9.1, 9.2, 16, 19, and 20

Reasons Supporting This Determination:

1. The Town of Warwick Planning Board has given due consideration to the subject action as defined in 6 NYCRR 617.2(b) and 617.3(g).
2. After reviewing the Environmental Assessment Form (EAF) for the action dated July 23, 2013, the Planning Board has concluded that environmental effects of the proposed project will not exceed any of the Criteria for Determining Significance found in 6 NYCRR 617.7(c).
3. Farming activities occur within the area of the proposed subdivision. Map notes on the subdivision plat give notice to future purchasers of the proposed lots that certain farming activities occur at odd hours of the day, create noise, odors and dust, result in spraying of crops with fertilizers and pesticides, and can create a potential danger to children and motor vehicles. All deeds of the proposed lots will contain references to the map notes relative to the hazards and nuisances (noise, odors, hazardous chemical use, etc.) to which residents of such parcels willingly subject themselves to. Furthermore, an Agricultural Data Statement has been filed by the applicant, forwarded to all owners of farming operations within 500 feet of the site, and such Statement has been considered by the Planning Board.
4. The site is located in the Town's Aquifer Protection Overlay Zoning District. Map notes on the subdivision plat give notice to future purchasers of the use restrictions imposed within this area.
5. The site is located in the Town's Biodiversity Conservation Overlay Zoning District. Map notes on the subdivision plat give notice to future purchasers of the use restrictions imposed within this area.
6. No construction has been proposed in conjunction with the re-subdivision action.
7. A Town Board appointed Mid-Orange Advisory Committee conducted an analysis of potential future use of the prison property if it were to be transferred to the Town of Warwick and others. The Committee conducted a visioning meeting with residents and property owners in the Town to reach out to the public on potential future uses of the site. The Committee members held eight committee meetings as a whole along with numerous meetings by five Subcommittees including Agency Interaction, Community Outreach, Facilities, Legal, and the Records, Reports and Archive Committee.

The Committee prepared a Final Report that is posted online on the Town of Warwick website for public review. The Report recommends the Town pursue future projects such as: 1) conservation and historic preservation; 2) agriculture; 3) food processing and distribution; 4) sustainable energy generation; 5) low security

corrections; 6) open space and recreation; 7) office and light industrial development; and 8) transportation alternatives. No plans have been developed for such uses at this time. However, at such time as the re-subdivision process concludes, and the transfer from the State has been completed, it can be expected that plans will be formulated. At that time, additional SEQR reviews will be required for future development and redevelopment and such development will be subject to the Town's Zoning Law and other applicable regulations. Future approvals and SEQR reviews for development and redevelopment will likely be necessary from agencies such as the Town Board, Planning Board, Zoning Board of Appeals and other County, State and Federal agencies. It should be noted that the Warwick Town Board has conducted its own SEQR review of the proposed transfer process through a coordinated review with the New York State Office of General Services, New York State Department of Corrections and Community Supervision, and Empire State Development. The prior SEQR review resulted in the Town Board's issuance of a Negative Declaration on October 25, 2012.

8. The SEQR regulations at 6 NYCRR 617.3(g)(1) provide that a lead agency may segment the environmental review of an action when it believes that the circumstances warrant such a review, and where it clearly states the reasons in support of such determination and that such segmentation is no less protective of the environment.
9. Segmenting the environmental review of the proposed re-subdivision review process from any future development or redevelopment of the prison property is warranted since the current action will not commit the Town Planning Board or any other agency to an approval of development or redevelopment of the property, assuming that such development or redevelopment were to be formulated and submitted to the Town and other agencies in the future. Reviewing the proposed transfer and subdivision actions as separate from any future development or redevelopment of the prison property will be no less protective of the environment since any future local actions such as subdivision, site plan, and/or special permit applications will be subject to a full and comprehensive site-specific environmental review under SEQR. Other agencies may also receive applications that would likewise be subject to site-specific SEQR reviews.
10. The Planning Board's review of the proposed action will in no way impair or impede any subsequent environmental review process. Segmented approval of the proposed re-subdivision review process from any future development or redevelopment of the prison property will not result in the creation of several smaller projects that fall below the threshold requiring environmental review because the Town Planning Board and other agencies will have the authority to issue a Positive Declaration for any development of the property that may be proposed in the future if such agencies find that a significant adverse impact on the environment may result.
11. The Planning Board has not identified any potentially significant adverse environmental impacts as a result of the proposed re-subdivision action. The

absence of potentially significant adverse impacts of the proposed action implies a proper basis for segmentation. The purpose of SEQR is to mitigate significant adverse impacts to the extent practicable. The absence of the potential of such impacts from the subdivision process indicates the absence of any further need for SEQR review at this time (i.e. prior to the initial re-subdivision and transfer of the property).

12. The Planning Board does not commit itself or any other agency to a subsequent approval of any future development or redevelopment of the prison property. Thus, the environmental review of the proposed action presents a proper case for segmentation and such review is no less protective of the environment.
13. There are several environmental issues associated with the site due to the extensive freshwater wetlands that are present on the site and surrounding areas. The undeveloped portions of the site are within the Town's Biodiversity Conservation Overlay Zoning District. The Town has established this District to protect biodiversity resources in the community. No species of conservation concern, significant habitats or rare plant or rare animals are known to exist on the site, but they have been found in the surrounding areas. The site is also in the Town's Aquifer Protection Overlay District (AQ-O). Development and redevelopment activities in the future will require an Aquifer Impact Assessment as part of any site-specific SEQR review.
14. A portion of the parcel includes Wickham Lake and presents an opportunity for future recreational use by the Town. A total of 42 percent of the project site has been estimated to be comprised of New York State Protected Freshwater Wetlands. An additional 367 acres of the project site may be additional wetland areas or protected wetland adjacent areas. Therefore, careful planning will be necessary in the future to avoid impacting the wetlands. The Southern Wallkill Biodiversity Plan states that *"These wetlands and fields along Wawayanda Creek contain some of the most important biodiversity in the entire Southern Wallkill Region, for a variety of taxa. Impacts to wetlands and other habitats in this area should be minimized to the greatest extent possible."*
15. The ± 769 acre site is well segregated from residential areas due to the present use and environmental conditions on-site. The site's potential reuse as Town park and recreation lands, municipal uses, conservation lands and redevelopment of the existing structures and areas represents an opportunity to create planned uses that could mitigate the loss of jobs in the Town as a result of the prison closing.
16. The Manor House located on the grounds of the Mid-Orange Correctional Facility is eligible for or already listed on the State Register of Historic Places. It had been used by the State for staff housing. It was built in 1841 on the foundations of a pre-Revolutionary War farmhouse. The project area is also almost entirely within an area identified as sensitive for archaeological sites on the New York State Site Inventory. While the proposed action will not affect such cultural resources in any

way, because there is no construction planned nor are there any plans developed to date for development or redevelopment of the site, care must be taken in the future to ensure cultural resources are fully evaluated and any potential impacts on such resources are avoided or properly mitigated. However, the Manor House has been proposed for preservation. The Orange County Land Trust Board of Trustees has expressed an interest in occupancy of the Manor House for administrative offices, conference, exhibition and seminar rooms by the Trust and perhaps other not-for-profits and such use by a land trust and others was recommended in the Mid-Orange Advisory Committee's Final Report. Preservation and adaptive reuse of this historic resource can be considered a beneficial effect of the action.

17.A Phase 1 Environmental Site Assessment was completed on December 6, 2011 of the entire site by HRP Associates, Inc. for the New York State Department of Corrections and Community Supervision (DCCS). The Site Assessment was performed by HRP in accordance with the American Society for Testing and Materials (ASTM) "Standard Practice E1527-05," which also satisfies the Federal government's "Standards and Practices for All Appropriate Inquiries" or AAI from 40 CFR Part 312.

The Site Assessment identified several recognized areas of environmental concern from the past prison operations. An outdoor firing range operated by DCCS will be remediated by DCCS. The presence of the lead is not in itself an environmental hazard because it could be reclaimed and recycled as scrap metal (CFR 261.6(a)(3)(ii)). However, depending on the circumstances, it may be subject to the authority of Resource Conservation and Recovery Act (RCRA) §7003, which addresses imminent hazards.

The remainder of the areas of environmental concern involve underground and above ground storage tanks, used primarily for storage of fuels and oil used to operate the prison's energy and transportation needs. There were two buildings with oil staining on the floors of the buildings. A coal cinder disposal area, an area of possible dumping of drums and car parts, a greenhouse, and a trench drain connected to an oil/water separator were the remaining areas that were identified. All of these and other areas of potential risk are being further assessed in a Phase 2 Environmental Site Assessment. It is expected that if such Phase 2 Assessment identifies the need for remediation, that such remediation will occur by the responsible parties if a public health threat exists. Federal regulations impose joint and several liability among current and past property owners for the costs associated with the remediation of environmental hazards. Therefore, irrespective of whether or not a current environmental hazard is identified, the Legal Subcommittee of the Mid-Orange Advisory Committee recommended that, prior to taking title of any portion of the State-owned property, the Town and/or Local Development Corporation should secure a letter of indemnification from the State for any costs associated with the remediation of any environmental hazards attributable to State operations on the property.

18. Closure of the prison resulted in the elimination of the need for disposal of sewage from the site to the Wickham Sewer District. This Town operated District serves approximately 540 homes and the former prison. The prison contributed approximately one-half (50 %) of the \$420,000 annual operating budget of the District. Loss of this revenue has impacted the remaining homeowners who will be required to continue to pay for the operations of the Sewer District. The Town and the Local Development Corporation have begun an immediate search for viable redevelopment and/or reuse of the site so that the jobs and tax revenues lost as a result of the closure can be replaced.

19. Following the re-subdivision approval and filing, the Town intends to acquire most of the former lands on the prison property and the State will transfer title to the property to the Town of Warwick for "public use". Public use would include parks, recreational facilities, and government facilities, all of which would require government funding to maintain. This could include expanding public access to Wickham Lake and environmentally sensitive areas.

20. The proposed prison closure eliminated about 309 jobs in the Town. Additional jobs may have also been affected as a result of the closure. For example, many support businesses exist to accommodate the needs of the prison employees and inmates including food services, supplies, transportation, and many other commercial services. It has been the intent of the Town Board to work with the State to create an equitable solution to the loss of jobs so that the site can continue to supply needed jobs and tax revenues to the Sewer District and new sources of tax revenues for Town services.

21. There have been no significant adverse environmental impacts identified as a result of the proposed re-subdivision process. Future development and redevelopment activities, assuming plans are formulated for such activities, will be subject to environmental review under SEQRA.

For Further Information:

Contact Person: Connie Sardo, Secretary
Address: Town of Warwick Planning Board
132 Kings Highway
Warwick, NY 10990
Telephone: 845.986.1127

A Copy of this Notice Filed With:

Town of Warwick Planning Board (Lead Agency)
132 Kings Highway
Warwick, NY 10990

Town Board of the Town of Warwick

Michael Sweeton, Supervisor

Warwick Valley Local Development Corporation

2013-08-07-WVLDC-LLA-negative-declaration.docx

Kevin T. Dowd, Esq.
46 Daisy Lane
Montgomery, New York 12549

Telephone/Facsimile (845) 778-5442

August 10, 2018

Larry Wolinsky, Esq.
Jacobowitz & Gubits
158 Orange Avenue
Walden, NY 12586


RE: Amy's Kitchen with Orange County IDA

Dear Larry:

I am writing to you regarding the Agent Agreement that I forwarded to you last August for a \$500,000 Project expenditure by the OCIDA to be used by your client for roadway and other infrastructure improvements. As you know from our recent email communications, the OCIDA is concerned that this Agent Agreement has never been signed even though the funds have been earmarked by the OCIDA since 2014. The OCIDA Board of Directors want your client and/or its representatives to appear before it at its September 13, 2018, Board Meeting to give the Board an update on the overall Project as well as to explain why this particular Agent Agreement was never signed. I have also been instructed by the OCIDA to inform you that these funds will not continue to be earmarked for your client's Project unless your client is prepared to sign the Agent Agreement following its appearance on September 13th.

I have amended the Agent Agreement to include current dates and time frames for use of the funds as well as some minor text changes.

Very truly yours,


KEVIN T. DOWD
Counsel to the OCIDA

cc. ✓ Board of Directors
Chief Operating Officer

AGENT AGREEMENT

THIS AGENT AND PROJECT EXPENDITURE AGREEMENT dated this ____ day of September, 2018, by and between the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, with its principal office at 4 Crotty Lane, Suite 100, New Windsor, New York 12553, hereinafter referred to as the “Agency”, and AMY’S KITCHEN, INC., a California corporation, with its principal office at 1650 Corporate Circle, Suite 200, Petaluma, California 94955, hereinafter referred to as the “Company.”

WITNESSETH:

WHEREAS, the Agency was created by Chapter 390 of the Laws of 1972 of the State of New York pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has submitted an application to the Agency requesting assistance with respect to a certain project consisting of: (i) the acquisition by the Agency of a leasehold interest in an aggregate approximately 60 acres of land located at Hartley Road in the Town of Goshen, Orange County, New York; (ii) the construction on the Land of an approximately 370,000 square foot manufacturing and food processing building and related improvements including, but not limited to, warehouse, office and related space; and (iii) the acquisition and installation in, on and around the Improvements of certain items of equipment and other tangible personal property, all to be used by the Company as an organic and natural food manufacturing facility; and

WHEREAS, by resolution adopted on February 20, 2014, the Agency determined that it was necessary to assist the Project by expending up to \$500,000 in roadway, infrastructure and related improvements to service the Project and surrounding properties, subject to certain conditions; and

WHEREAS, this Agreement sets forth the terms and conditions under which the Agency will expend up to \$500,000 for such roadway, infrastructure and related improvements.

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration the receipt of which are hereby acknowledged, it is mutually agreed as follows:

1. The parties understand that the Agency has as among its purposes the furtherance of economic development in Orange County, New York.
2. The Agency has determined, by final resolution adopted on May 11, 2017, that the Project is consistent with economic development in Orange County and authorized financial assistance to the Company to induce the Company in the creation of meaningful manufacturing and other jobs to benefit County residents and taxpayers.
3. The Agency has determined, by resolution adopted on February 20, 2014, to undertake a certain project together with the Company for road improvements, infrastructure and related improvements at, on and around Route 17M and Hartley Road for the benefit of the Project and the surrounding properties. In addition, by the same aforesaid resolution, the Agency approved the expenditure of up to \$500,000 for such road and infrastructure improvements. The Company agrees that the expenditure authorized for the work is not to be used for any other purpose.
4. The Company agrees that the Agency shall not be a party to any contract for such services but shall pay the contractor directly for such services, payment being the only obligation of the Agency. The Company acknowledges and agrees that the Agency's total obligation shall not exceed the \$500,000 authorization.
5. The Company agrees that it will comply with all competitive bidding and labor law requirements as may be necessary and appropriate for all work performed under this Agreement.

6. The Company shall present vouchers from time to time to the Chief Financial Officer of the Agency for payment for the work performed together with a certification from the Company that the work was performed satisfactorily. The Agency shall, thereafter, make payments directly to the contractor. Any funds not duly requested by voucher by April 30, 2019 for work performed shall be lost to the Company.
7. The Company agrees that the Agency shall have no responsibilities for payment of any salaries, wages, or benefits to any employees of the Company or its contractors as a result of the monies paid under this agreement and that the Company will indemnify and hold harmless the Agency, its directors, officers, employees and agents from any claims of whatever kind and of whatever nature arising under this agreement unless said claim be due to the wrongful acts of the Agency, its officers, employees, or agents.
8. The Agency's funds shall only be used upon demonstration to the satisfaction of the Agency that the Company has expended a substantial amount of its own funds for the construction of the improvements and/or has expended whatever grant money the Company has received from whatever sources. The purpose of this provision is to ensure that the Agency's funds are not the first funds so expended.

IN WITNESS WHEREOF, the parties hereto have executed this Agent and Project Expenditure Agreement as of the day and year first above written.

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: _____
Laurie Villasuso, Chief Operating Officer

AMY'S KITCHEN, INC.

By: _____

August 21, 2018

BOARD OF DIRECTORS

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EXECUTIVE VICE PRESIDENT

Joel Kleiman
- CHIEF FINANCIAL OFFICER

Kevin T. Dowd
- ATTORNEY

VIA EMAIL AND CERTIFIED MAIL

Martin Milano, Member
Cross Roads Court Real Estate, LLC
P.O. Box 10804
Newburgh, New York 12552

**Re: Orange County Industrial Development Agency Sales Tax
Recapture Cross Roads Court Real Estate, LLC Project**

Dear Mr. Milano:

We are writing in connection with the above-captioned project (the "Project") authorized by the Orange County Industrial Development Agency (the "Agency") and undertaken by Cross Roads Court Real Estate, LLC (the "Company") and the sales and use tax exemption benefits that were granted by the Agency with respect to the Project.

By way of background, the Company previously submitted a NYS Form ST-340 (the "ST-340") indicating that it claimed \$593,125 total sales and use tax exemptions for the Project. The Company subsequently reported that it claimed an additional \$59,846.55 in total sales and use tax exemptions, for an aggregate amount of \$652,971.55 in sales and use tax exemptions claimed for the Project. The aggregate reported amount of sales and use tax exemption benefits approved by the Agency's Board in November, 2015 was an amount not to exceed \$593,125. The Company has exceeded that maximum approved amount by an amount equal to \$59,846.55.

We have for your reference and information also enclosed a copy of the Agent Agreement, dated as of November 23, 2015, entered into by and among the Agency and the Company (the "Project Agreement") and direct your attention, in particular, to Section 2(h) thereof that sets forth the Company's covenant that, among other things, the maximum amount of the sales and use tax exemption benefit authorized and approved by the Agency will not exceed \$593,125.

Martin Milano, Member
August 21, 2018
Page 2

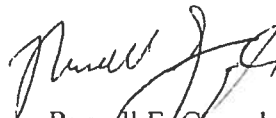
The relevant portion of Section 2(g) of the Project Agreement provides that:

In accordance with Section 875(3) of the New York General Municipal Law, the policies of the Agency, and the Resolution, the Company covenants and agrees that it may be subject to a Recapture Event Determination (as hereinafter defined) resulting in the potential recapture and/or termination of any and all Financial Assistance, as described below, if the Company receives, or any duly appointed subagents receives, any Financial Assistance from the Agency, and it is determined by the Agency that:

(2) the sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the Company or its Subagents, if any...

Accordingly, we request that you pay to us, at our address listed above, the amount of \$59,846.55 by no later than September 1, 2018. The Agency will then, as required by statute, within thirty (30) days following receipt, remit the same to the New York State Commissioner of Taxation and Finance (the "Commissioner"). Please be advised that failure to pay over such amount shall be grounds for the Commissioner and/or Orange County to assess and determine sales and use taxes due under Article 28 of the New York Tax Law, together with any relevant penalties and interest due on such amounts. Please also be advised that the Company should continue to refrain from using the Agency's sales and use tax exemption benefit.

Sincerely,



Russell E. Gaenzle
Attorney for Orange County
Industrial Development Agency

REG:sem

cc: Goldman Attorneys PLLC
255 Washington Avenue Extension
Albany, New York 12205
Attn: Paul J. Goldman, Esq.

New York State Commissioner of Taxation and Finance

GOLDMAN ATTORNEYS PLLC

Attorney and Counselors at Law

255 WASHINGTON AVENUE EXTENSION, SUITE 108
ALBANY, NEW YORK 12205

TELEPHONE: (518) 431-0941
FAX: (518) 694-4821

Paul J. Goldman
pgoldman@goldmanpllc.com

August 30, 2018

Russell E. Gaenzle, Esq.
Orange County Industrial Development Agency
4 Crotty Lane, Suite 100
New Windsor, New York 12553

Re: Orange County Industrial Development Agency Sales Tax
Recapture Cross Roads Court Real Estate, LLC Project

Dear Mr. Gaenzle:

I am in receipt of your correspondence dated August 21, 2018 and on behalf of Cross Roads Court Real Estate, LLC, I would respectfully respond. In this regard, we have asked our Contractor to verify the reporting, as my client believes there may be some over counting and we are going to need an additional period of thirty (30) days to provide a response.

Please confirm that this is acceptable. I am.

Very truly yours,

GOLDMAN ATTORNEYS PLLC



Paul J. Goldman

PJG/am

cc. Mr. Martin Milano

\$2.7M brewery pitched for ex-prison site in Warwick

By **Daniel Axelrod**

Times Herald-Record

Posted Aug 13, 2018 at 6:15 PM

Updated Aug 13, 2018 at 8:12 PM

WARWICK – The owner of Pine Island Brewing Company has unveiled ambitious plans to open a \$2.7 million brewery in a former Mid-Orange Correctional Facility administration building in the Town of Warwick.

The Orange County Industrial Development Agency, a public benefit corporation that considers tax breaks to boost the county's economy, voted Thursday to consider up to \$128,000 in sales and mortgage recording tax relief for the project.

The project is already receiving \$540,000 in state capital grants and job credits.

Brewery owner Michael Kraai declined to comment on Monday.

But his IDA filing calls for a 14,350-square-foot brewery, with a first-floor tasting room and pizza oven, a second-floor wedding and event space, a cellar with a barrel aging room, and a warehousing and distribution center.

An outdoor beer garden and festival area would include a 1,200-square-foot patio space with outdoor tables and seating for 100, gas-powered fire pits and access to 400 acres of walking trails.

Construction is planned for the fall, with a spring 2019 completion.

It's unclear what Kraai's plans are for the current Pine Island Brewing Co. site at 682 Route 1.

Regardless, the new brewery at the prison site might be called Warwick Terroir, according to the IDA paperwork.

Renderings feature an open, rustic, post-industrial design, with up to 13 employees, a 60-foot bar, 23 taps and a brewing area that will create 5,000 barrels per year, plus a 35-can-per-minute production line.

A catwalk will give visitors a view of 30 oak foeders, which will be a key feature of the brewing process – one used by just “four breweries in the U.S.,” according to the project plan.

A closing on the project's 1.3-acre parcel is imminent, said Bob Krahulik, president of the Warwick Valley Local Development Corporation, which owns much of the former prison property.

The Town of Warwick planning board has approved the new property use, said Warwick Supervisor Mike Sweeton.

Kraai “has a very well-thought-out plan,” Sweeton said. “We're looking forward to having him on the site.”

The project is another win for the WVLDC, a nonprofit public benefit corporation, full of community and business leaders, that's been steadily redeveloping the former prison site since acquiring it from New York in March 2014.

The Orange County Partnership, a Goshen nonprofit that promotes economic development, also has facilitated the rejuvenation.

In a nearby 10-lot office park on the prison site, four lots have been taken, and three are under negotiation for occupants, Krahulik said.

Citiva Medical is turning one lot into a 40,000-square-foot medical marijuana processing plant.

And the site is already home to Michael Forman, owner of Eden Restoration, a historic preservation company that redid Baird's Tavern in Warwick; and the school bus maker Trans Tech Bus.

Healthy interest also has been expressed in five former prison buildings, and in the surrounding prison yard, where the operator of The Yard Sports Village recreational complex filed for bankruptcy in June 2017, Krahulik said.

"Now that we see people purchasing and breaking ground, we think we're off and running, and the rest of the property will be developed," Krahulik said.

daxelrod@th-record.com