ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

REVISED MINUTES

October 20, 2010

A regular meeting of the Orange County Industrial Development Agency was convened in public session on October 20, 2010 at 3:00 P.M. at the Business Accelerator, New Windsor, New York

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

PRESENT:	James Petro, Stephen Brescia, Mary Ellen Rogulski, Stephen Brescia, John Steinberg, Henry VanLeeuwen, Robert Schreibeis
ABSENT:	Robert Armistead
ALSO PRESENT:	James O'Donnell – Executive Director Joel Kleiman – Chief Financial Officer Phil Crotty – Attorney Melanie Tanner – Acting Administrative Assistant Michael DiTullo – Orange County Business Accelerator Peter Gregory – Orange County Business Accelerator Bill Lahey, Orange County Legislator Peter Hartmayer – CymoGen Dx Christian Livermore – Times Herald-Record Maureen Halahan – Orange County Partnership

Chairman, James Petro asked for a motion to approve September 15, 2010 minutes. Henry VanLeeuwen then made a motion seconded by Robert Schreibeis. Affirmative votes of all members present resulted in motion carried.

Presented was a Resolution to approve the IDA Budget for 2011. John Steinberg made a motion seconded by Robert Schreibeis to approve Resolution as presented. Affirmative votes of all members present resulted in motion carried.

Chief Financial Officer Joel Kleiman presented the financials for the IDA Investment Portfolio. He pointed out there are 3 CDs outstanding, maturing on Dec. 15, 2010, March of 2011 and June of 2011. We have upwards of 2.7 million dollars in two money market accounts and we have $25,000.00 in the Orange County Funding Corporation. The only item of action is the list of expenditures in the packet. Received in October from the Orange County Business Accelerator $60,645.64 for revenues through September, the IDA will be receiving a check every quarter. Also presented were the following vouchers and payments: Philip Crotty $6,011.37 legal fees for August 2010, Frances Roth $250 minutes for Satin Fine Foods Public Hearing, Harris Beach $2,500.00 for Continental Organics pass-through fee, Harris Beach $2,500.00 for Satin Fine Foods pass-through fee, Orange County Partnership $52,500.00 for third quarter, Orange County Business Accelerator $50,000.00 for an investment and Ondamed, Inc. $50,000.00 grant. Chairman Petro raised the grant for Ondamed and stated he felt the check should not be paid out at this time and the members needed to discuss the wording in the agreement, will go back to Steve Spiegel for new language. Steinberg asked that a motion be made at this meeting since this has dragged on for so long. Melanie was instructed to hold the check until she hears from Chairman Petro. Robert Schreibeis made a motion seconded by Henry VanLeeuwen to approve financial report as presented and to approve vouchers for payment with the

condition that the Ondamed check be held until the language in the agreement has been changed. Affirmative votes of all members present resulted in motion carried.

Mike DiTullo, Managing Director of the Orange County Accelerator, pointed out that OCBA will celebrate next week the one year anniversary of their opening and they're way ahead of plan. He went on to present the financials. The OCBA took in $510,645.00 year to date. On a quarterly basis the OCBA will be transferring back to the IDA any income. Total income over expenses through the first three months is just a little under $140,000.00. Chairman Petro asked how the $3,625.00 in security deposits is being handled. Mr. DiTullo said the funds that were turned over to the IDA included the security deposits, which after speaking with Joel it was decided the OCBA should hold the security, so a credit will go back to the OCBA.

Mr. DiTullo gave an update on Array and stated there was a tour of the facility this afternoon. He stated there were delays in their fit up, which actually turned out to be a good thing because one of their major customers needed to do some re-tooling for their chips. They have a check point which they expect to pass in early November at which time they will start on their fit-up. The space at the OCBA will be exclusively for office space. They had thought about setting up some of their testing and lab at the Accelerator but decided to keep it across the street. This will free up an additional 800 square feet for tenants.

A resident tenant was signed last week the company is Frugal Doo they make an application for cell phones that uses satellite technology and they are establishing OCBA as their headquarters.

Working with a company that started in Orange County a few years ago with one employee, they are now currently in Montgomery and have 22 employees. Looking into a 15-30,000 square feet building. They will lease the last remaining suite at the OCBA to expand their capacity and will employ 6-8 people. This is a soft ware development and web based business to business products for the financial industry. This is the higher fruits the Accelerator is looking for. Mary Ellen Rogulski asked how this existing company fits with the OCBA. Mr. DiTullo stated this is a high tech company, with high paying jobs and they have an immediate capacity need now that we can fill and the sought out the OCBA because they wanted to be located in the international plaza, because a company started up two or three years ago, it doesn't disqualify them from using our services. Phil Crotty pointed out that we're not just an incubator, we're an accelerator, looking to get companies up to the next level. This company is talking about expanding up to 100 jobs.

Mike DiTullo gave an update on the Focus Fund he said Russ and Ross have been meeting with potential investors and have had over 30 meetings in the last few months. One potential investor is considering investing 2 million dollars into the Fund. Plan is to hold a meeting sometime in November at the Accelerator with 8 or 10 of the potential investors. Mr. Ditullo said there seems to be a positive feeling this will close by year end or first quarter of 2011.

Peter Gregory updated the members about the briefings which are held at the Accelerator on the 4th Wednesday of each month which are held at 7:30 AM and 12:00 noon. Peter had a guest column in the Times Herald Record last week, received good feed back.

Chairman Petro reminded the members the GET Luncheon is tomorrow at the Powelton Club and the IDA has purchased a table for 10. Mr. DiTullo stated there will be approximately 200 people in attendance.

Presented was a Resolution authorizing the execution and delivery of certain documents in connection with the provision of an additional interest rate mode with respect to the issuer's $15,965,000 original principal amount variable rate demand civic facility revenue bonds (St. Luke's Cornwall Hospital Project), Series 2006. Henry VanLeeuwen made a motion seconded by Robert Schreibeis to approve Resolution as presented. Affirmative votes of all members present resulted in motion carried.

Chairman Petro informed the members that he had attended the Public Hearing for Satin Fine Foods at the Chester Town Hall, there was no opposition, it went well. Presented was a Final Resolution authorizing the Orange County IDA to (i) take title to or a leasehold interest in the land and existing improvements located at 32 Leone Lane in the Town of Chester, Orange County, New York; (ii) appoint the company as its agent to undertake a certain project as more fully described below; (iii) negotiate and execute a lease agreement, leaseback agreement and related payment-in-lieu-of-tax agreement; (iv) provide financial assistance to the company in the form of (a) a sales tax exemption for purchases and rentals related to the acquisition, construction and equipping of the project, (B) a partial real property tax abatement through the payment-in-lieu-of-tax agreement, and (c) a mortgage recording tax exemption for the financing related to the project; and (vi) execute related documents. Henry VanLeeuwen made a motion seconded by Steve Brescia to approve Resolution as presented. Affirmative votes of all members present resulted in motion carried.

Presented was a Resolution approving $3,000 stipend for CFO Joel Kleiman. Henry VanLeeuwen made a motion seconded by Robert Schreibeis to approve Resolution as presented. Affirmative votes of all members present resulted in motion carried. Chairman Petro advised the members that the stipend will be paid to Orange County and the County will pay it out however they handle it.

Mr. VanLeeuwen asked that something be done for Edda. The IDA approved a $250.00 donation to be made in Edda's name. Melanie advised that Edda's obituary asked that donations be made to the Marlboro High School Band. Motion to approve the $250.00 donation in Edda's memory made by Henry VanLeeuwen and seconded by Robert Schreibeis. Affirmative votes of all members present resulted in motion carried.

Attorney Crotty gave an update on the Monti v. IDA Litigation (Greenwood Gardens) a Stipulation Discontinuing Action has been filed in the case.

Chairman Petro noted that Maureen Halahan from the Orange County Partnership joined the meeting and he praised her for her great work.

Recognized was Peter Hartmayer, Executive Vice President and co-founder of CymoGen Dx. His company is engaged in creating research products to monitor cancer and other genetic diseases. The company is currently producing 150 products used for monitoring research. He is currently working with five major pharmaceutical companies and 20 top academic institutions are reviewing their products for use in their research. Mr. Hartmayer will have his corporate headquarters here at the OCBA, all sales and marketing will be handled in Orange County and all the manufacturing will continue to be done in Irvine, CA. He hired 6 additional people in the last 3 months, will be looking to hire 60-70 people. In 2 to 3 years he sees a projected need for 15-20,000 square feet of space.

Mike DiTullo reiterated to the members that the OCBA will have a guest speaker at the IDA meetings.

Steve Brescia asked that the members be given a copy of the Fire Fighters Museum application. Chairman Petro reminded the members that he gets the grant applications first, they go before the Governance Committee and then they go to the County Executive. The Chairman suggested passing the grant applications by the County Executive's office first.

Chairman Petro reminded the members that GET is asking for three $75,000.00 grants over the next three years and perhaps at the GET luncheon tomorrow we can get a feel for what they do.

Chairman Petro informed the members that the IDA would like to shoot their video in November at the OCBA if the County Executive is not on vacation.

Henry VanLeeuwen made a motion seconded by Steve Brescia that this meeting be duly adjourned, the time being 4:10 pm.

Melanie Tanner
IDA Acting Administrative Assistant