

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

County Government Center
255 Main Street
Goshen, New York 10924
Phone: 845-291-2700 Fax: 845-291-2724

James Petro, Jr., Chairman
Robert Armistead, Vice Chairman
Mary Ellen Rogulski, Second Vice Chairman
Stephen Brescia, Secretary
John Steinberg, Jr., Assistant Secretary
Henry VanLeeuwen
Robert J. Schreiber, Sr.

James O'Donnell, Executive Director
Joel Kleiman, Chief Financial Officer
Philip A. Crotty, Attorney
Laurie Villasuso, Administrative Assistant

REVISED Agenda

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on May 16, 2012 at 2:00 p.m. in 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 from April 18, 2012 meeting**
- **Financial Reports and/or Requests for Payments**
- **New and Unfinished Business**
 - Chairman's Report
 - Executive Director Report
 - Annual Report
 - OCBA Report
 - OCP Report
 - Discussions
 - Tourism Presentation – Susan Hawvermale
 - OCFC – Update
 - The Marketplace – Public Hearing Update (Transcript Review)
 - Municipal Project Expenditure Grant Program – Update
 - Hudson Valley Food & Beverage Alliance – Update
 - CNC Project – Update
 - SPCA – Request (and discussion of application fee)
- **Resolutions**
 - Hudson Valley Film Commission – Resolution
 - HVADC – Resolution
 - DEC Wetlands – Resolution
 - Continental Organics – Resolution
 - Bank Depository – Resolution
 - *Carlisle Construction – Final Resolution
- **Such other and further business as may be presented**
- **Public Comments**
- **Adjournment**

Dated: May 9, 2012

Stephen Brescia, Secretary

By: James O'Donnell, Executive Director

Orange County Industrial Development Agency
Income and Expense Summary
May 2012

	Apr 12	Jan - Apr '12	Budget	\$ Over Budget
Income				
Closing Fees	\$ -	\$ 1,000.00	\$ 983,333	\$ (982,333)
Fees	\$ -	\$ 424,608.06	\$ 563,000	\$ (138,392)
IDA Administrative Fees	\$ -	\$ 5,000.00	\$ 7,500	\$ (2,500)
Interest Earnings	\$ 1,594.52	\$ 5,235.25	\$ 30,000	\$ (24,765)
Millennium Pipeline Co. - Grant	\$ -	\$ 108,000.00		
Orange County Bus. Accelerator				
Client Rents	\$ 34,305.79	\$ 68,596.79	\$ 93,000	\$ (24,403)
HVEDC Rent	\$ -	\$ -	\$ 40,000	\$ (40,000)
Interest	\$ -	\$ -	\$ 300	\$ (300)
Sponsorship	\$ -	\$ -	\$ 2,000	\$ (2,000)
Utility Reimbursements	\$ -	\$ -	\$ 5,000	\$ (5,000)
Total Orange County Bus. Accelerator	\$ 34,305.79	\$ 68,596.79	\$ 140,300	\$ (71,703)
Pass Thru Legal Fees	\$ -	\$ 5,000.00	\$ 7,500	\$ (2,500)
Recovered Funds	\$ -	\$ 230.59	\$ 255,000	\$ (254,769)
Total Income	\$ 35,900.31	\$ 617,670.69	\$ 1,986,633	\$ (1,368,962)
Expense				
Administrative Costs				
Advertising	\$ -	\$ -	\$ 1,500	\$ (1,500)
Auditors	\$ -	\$ 1,500.00	\$ 13,000	\$ (11,500)
Insurance	\$ -	\$ 6,063.00	\$ 7,000	\$ (937)
Mileage	\$ -	\$ -	\$ 500	\$ (500)
Miscellaneous	\$ 39.42	\$ -	\$ 5,000	\$ (5,000)
OCIDA Admin. Support	\$ -	\$ -	\$ 15,000	\$ (15,000)
Office Expense	\$ -	\$ 320.36		
Secretary/Bookkeeper	\$ -	\$ -	\$ 47,130	\$ (47,130)
Total Administrative Costs	\$ 39.42	\$ 7,883.36	\$ 89,130	\$ (81,247)
Agency Contribution Costs				
Hudson Valley Eco. Dev. Corp.	\$ -	\$ -	\$ 20,000	\$ (20,000)
O.C. Empire Zone	\$ -	\$ -	\$ 5,000	\$ (5,000)
O.C. Foreign Trade Zone	\$ -	\$ -	\$ 25,000	\$ (25,000)
O.C. Partnership	\$ 50,000.00	\$ 50,000.00	\$ 200,000	\$ (150,000)
Patterns for Progress	\$ -	\$ -	\$ 17,000	\$ (17,000)
Total Agency Contribution Costs	\$ 50,000.00	\$ 50,000.00	\$ 267,000	\$ (217,000)
Legal				
Legal, Pass Thru	\$ -	\$ 5,000.00	\$ 7,500	\$ (2,500)
Legal - Other	\$ 7,715.72	\$ 18,850.72	\$ 96,000	\$ (77,149)
Total Legal	\$ 7,715.72	\$ 23,850.72	\$ 103,500	\$ (79,649)
O.C. Business Accelerator				
Business Accelerator Funding	\$ 170,500.00	\$ 346,000.00	\$ 682,000	\$ (336,000)
Total O.C. Business Accelerator	\$ 170,500.00	\$ 346,000.00	\$ 682,000	\$ (336,000)
Other Expenses				
Conf. Seminars & Events	\$ -	\$ 880.69	\$ 5,000	\$ (4,119)
Dues & Subscriptions	\$ -	\$ 29.95		
Meals and Entertainment	\$ 51.47	\$ 51.47		
Promotional Expenses	\$ -	\$ -	\$ 30,000	\$ (30,000)
Total Other Expenses	\$ 51.47	\$ 962.11	\$ 35,000	\$ (34,038)
Projects	\$ -	\$ 111,865.25	\$ 350,000	\$ (238,135)
Total Expense	\$ 228,306.61	\$ 540,561.44	\$ 1,526,630	\$ (986,069)
Income Over/Under Expenditure	\$ (192,406.30)	\$ 77,109.25	\$ 460,003	\$ (382,894)

Orange County Industrial Development Agency
Banks Accounts/Certificates of Deposit/Money Markets Accounts
As of April 30, 2012

Listed in order of maturity date.

#	Purchase Date	Maturity Date	# of Days	Bank	Principal	Interest Rate	Interest Amount	Status
1	10/5/07	1/4/08	91	Catskill Hudson Bank	\$ 2,820,045	5.03%	\$ 37,931.64	closed
2	12/10/07	1/15/08	36	Catskill Hudson Bank	\$ 1,000,000	4.82%	\$ 4,820.00	closed
3	12/10/07	2/19/08	71	Catskill Hudson Bank	\$ 1,000,000	4.79%	\$ 9,446.94	closed
4	1/4/08	3/18/08	74	Orange County Trust	\$ 1,000,000	4.52%	\$ 9,291.11	closed
5	1/4/08	4/15/08	102	Catskill Hudson Bank	\$ 1,000,000	4.75%	\$ 13,458.33	closed
6	1/4/08	5/20/08	137	Catskill Hudson Bank	\$ 1,000,000	4.75%	\$ 18,076.39	closed
7	1/15/08	6/17/08	154	Catskill Hudson Bank	\$ 1,000,000	4.45%	\$ 19,036.11	closed
8	2/19/08	7/15/08	147	Catskill Hudson Bank	\$ 1,000,000	3.13%	\$ 12,780.83	closed
9	7/15/08	9/17/08	63	Catskill Hudson Bank	\$ 1,000,000	3.13%	\$ 5,477.50	closed
10	8/19/08	10/15/08	55	Catskill Hudson Bank	\$ 1,000,000	3.06%	\$ 4,675.00	closed
11	9/17/08	12/17/08	91	Catskill Hudson Bank	\$ 4,800,000	3.18%	\$ 18,793.00	closed
12	10/15/08	4/15/09	182	HSBC	\$ 1,004,690	3.70%	\$ 38,584.00	closed
13	12/17/08	6/17/09	182	Orange County Trust	\$ 5,342,486	3.12%	\$ 83,114.44	closed
14	4/15/09	10/21/09	189	Orange County Trust	\$ 1,023,484	1.40%	\$ 7,419.55	closed
15	6/17/09	12/16/09	182	Orange County Trust	\$ 5,425,922	2.10%	\$ 56,816.10	closed
16	10/21/09	1/20/10	91	Catskill Hudson Bank	\$ 530,917	1.02%	\$ 1,368.88	closed
17	12/16/09	3/17/10	91	Orange County Trust	\$ 2,800,000	0.85%	\$ 5,934.00	closed
18	12/16/09	6/16/10	182	Orange County Trust	\$ 2,682,739	1.32%	\$ 17,657.56	closed
19	1/20/10	9/15/10	238	Orange County Trust	\$ 532,285	0.80%	\$ 2,776.63	closed
20	3/17/10	9/15/10	182	Catskill Hudson Bank	\$ 1,400,000	0.65%	\$ 4,600.56	closed
21	12/29/09	12/15/10	351	Orange County Trust	\$ 750,000	1.05%	\$ 7,572.95	closed
22	3/17/10	3/16/11	364	Catskill Hudson Bank	\$ 1,405,933.70	0.70%	\$ 9,950.89	closed
21	6/16/10	6/15/11	364	Orange County Trust	\$ 2,300,396.06	0.75%	\$ 17,205.70	closed
22	6/15/11	12/21/11	189	Orange County Trust	\$ 2,317,650.08	0.45%	\$ 5,400.44	closed
23	12/21/11	12/19/12	364	Orange County Trust	\$ 2,323,050.52	0.50%	\$ 11,583.43	open
					Amount	% of total		rate
Bank Accounts				Chase - checking	\$ 425,705.64	6%	bank account	0.10%
				Chase - savings	\$ -	0.0%	bank account	
Certificates of Deposit				Orange County Trust	\$ 2,323,050.52	32%	CD	0.50%
Money Market				Orange County Trust	\$ 4,421,074.81	62%	MM	0.40%
				HSBC	\$ 149.69	0%	MM	0.30%
				total	\$ 7,169,980.66	100%		

Orange County Funding Corporation
As of April 30, 2012

	Chase - checking	\$ 133,043	bank account
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THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

COUNTY GOVERNMENT CENTER
GOSHEN, NY 10924

5/14/12

(Date)

Pay To New York State Corporation Tax

Address NYS Dept of Taxation and Finance Corp - V

PO Box 15163 Albany NY 12212-5163

(For Agency Use Only)

Claim No.

DATE	QUANTITY	DESCRIPTION OF MATERIALS OR SERVICES	UNIT PRICE	AMOUNT
5/14/12		Payment for OCCDC Tax Returns		29 00
			TOTAL	29 00

I HEREBY CERTIFY that the above named articles, in the quantities specified were delivered to me upon the date indicated, and that the services have been rendered by the persons named, for the purposes and at the times indicated; and that such articles were for the sole use and benefit of the Orange County Industrial Development Agency.

Reviewed by CFO

(For Agency Use Only)

.....
To be signed by the Officer of the Orange County Industrial Development Agency

STATE OF NEW YORK: COUNTY OF ORANGE

_____ says that he/she is _____ Title (President or other office or member)
of _____ Name of corporation or firm

The claimant mentioned in the within claim, is duly authorized to execute this proof of claim, and hereby certifies to the Orange County Industrial Development Agency, its officers and representatives that the above claim is true and correct; that the services charged for were actually rendered; that the articles charged for therein have been furnished and delivered; that the disbursements were actually and necessarily made; that the whole amount claimed remains due, owing and unpaid, and that there are no federal, state or city taxes included in said claim.

Claimant further certifies that neither himself, nor any of his employees, having an interest, direct or indirect, in this claim, are officers or employees of the Orange County Industrial Development Agency.

Claimant, a corporation, certifies that no officer or employee of said corporation, having an interest, direct or indirect, in this claim, are officers or employees of the Orange County Industrial Development Agency.

Claimant, is an employee or officer of the Orange County Industrial Development Agency, certifies that this claim is only for compensation and or necessary expenses incurred in the performance of duties.

This certification is made pursuant to the provisions of Article IV of the By-Laws of Orange County Industrial Development Agency.

(For Agency Use Only)

Dated

Audited Date

Paid by Check

Signature of Claimant _____

Date _____

ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY
ORANGE COUNTY GOVERNMENT CENTER

255-275 MAIN STREET
GOSHEN, NY 10924-1621

1625

1-2
210 363

DATE 5/14/12

PAY
TO THE
ORDER OF

New York State Corporation Tax

\$ 29-

Twenty Nine & 00/100

DOLLARS

Security Features
Details on Cash



JPMorgan Chase Bank, N.A.
www.Chase.com

James O'Donnell

Paul Klavin

MP

⑆001625⑆ ⑆021000021⑆



THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
 COUNTY GOVERNMENT CENTER
 GOSHEN, NY 10924

5/14/12

(Date)

Pay To New York State Dept of Law

Address NYS Dept of Law – Charities Bureau – Registration Section

120 Broadway, New York, NY 10271

(For Agency Use Only)

Claim No.

DATE	QUANTITY	DESCRIPTION OF MATERIALS OR SERVICES	UNIT PRICE	AMOUNT
5/14/12		Annual Filing for OCFC		25 00
			TOTAL	25 00

I HEREBY CERTIFY that the above named articles, in the quantities specified were delivered to me upon the date indicated, and that the services have been rendered by the persons named, for the purposes and at the times indicated; and that such articles were for the sole use and benefit of the Orange County Industrial Development Agency.

Reviewed by CFO

(For Agency Use Only)

.....
 To be signed by the Officer of the Orange County Industrial Development Agency

STATE OF NEW YORK: COUNTY OF ORANGE

_____ says that he/she is _____
Title (President or other office or member)
 of _____
Name of corporation or firm

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Claimant, a corporation, certifies that no officer or employee of said corporation, having an interest, direct or indirect, in this claim, are officers or employees of the Orange County Industrial Development Agency.

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(For Agency Use Only)

Dated

Audited Date

Paid by Check

Signature of Claimant _____

Date _____

ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY
ORANGE COUNTY GOVERNMENT CENTER
255-275 MAIN STREET
GOSHEN, NY 10924-1621

1624

DATE 5/14/12

1-2
210 383

PAY
TO THE
ORDER OF

NYS Department of Law

\$ 25⁰⁰/₁₀₀

twenty five + 00/100

DOLLARS

 Security Features
Details on Back.

CHASE

JPMorgan Chase Bank, N.A.
www.Chase.com

Jan O'Donnell

Joel Klein

NP

⑈001624⑈ ⑆02100002⑆

ORIGINAL

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
STATE OF NEW YORK

In The Matter of

RE: MARKETPLACE AT NEWBURGH, LLC

Town of Newburgh Town Hall
1496 Route 300
Newburgh, New York
May 3, 2012
10:00 a.m.

B E F O R E: JAMES R. PETRO, JR. CHAIRMAN
Orange County IDA
P.O. Box 928
Vails Gate, NY 12584

FRANCES ROTH
COURT STENOGRAPHER
168 North Drury Lane
Newburgh, New York 12550
(845) 566-1641

A P P E A R A N C E S:

PHILIP A. CROTTY, ESQ.
Orange County IDA
P.O. Box 363
Cornwall-on-Hudson, New York 12520

James O'Donnell, Executive Director
Orange County IDA

1 MARKETPLACE AT NEWBURGH, LLC

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3 MR. PETRO: I'd like to call this public
4 hearing to order for the Marketplace at Newburgh,
5 LLC. This is the Orange County IDA. Would
6 everybody please stand for the Pledge of
7 Allegiance?

8 (Whereupon, the Pledge of Allegiance was
9 recited.)

10 MR. PETRO: Okay, hello everybody. My name
11 is Jim Petro. I'm the Chairman of the Orange
12 County IDA. With me today is Phil Crotty, he's
13 the IDA attorney, Laurie Villasuso, our
14 secretary, well not secretary but everything in
15 general and Franny's our recording secretary
16 today. Jim O'Donnell, our Executive Director is
17 on his way. The way these IDA mandatory public
18 hearings work is that this is a fact finding
19 informational meeting only. There will be
20 absolutely no action taken today by the IDA.
21 The IDA is a seven member board. I am one member
22 of the seven members. We report back to the IDA
23 members and give them the information that we
24 hear today from the public, from officials and
25 the applicant. So basically, Mr. O'Donnell is

MARKETPLACE AT NEWBURGH, LLC

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2 with us, so we have a full board here. Again,
3 there is no action taken today. I'm one member
4 of seven and we're here for a fact finding. I do
5 want to remind everybody that the IDA itself now
6 is not, this public hearing is not going to be
7 like a planning board public hearing. We're not
8 here to discuss the water runoff, setbacks,
9 drainage and anything, traffic counts, that's not
10 part of what the IDA does. The IDA is here for
11 three reasons. One is for a PILOT, which is
12 payment in lieu of taxes, sales tax abatement
13 which is 8 1/8 percent, if they hit the 8 1/8
14 percent, 4 percent from the state, 3.75 from the
15 county and .375 for the municipality, there's a
16 mortgage tax abatement 1.5 percent of any money
17 that's borrowed every dollar that's borrowed so
18 that's what the applicant is looking for from the
19 IDA. As you know, the IDA at this time has not
20 entertained a specific PILOT, we have boiler
21 plate PILOTS that are available which is the
22 equivalent of the 485-b which you can walk into
23 the assessor's office here and get the one page
24 form, fill it out and by New York State Law the
25 applicant is entitled to, the 10 year which is

MARKETPLACE AT NEWBURGH, LLC

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2 the enhanced PILOT and the 15 year PILOT which is
3 the super enhanced. But the IDA can also deviate
4 from those PILOTS. We can give an 80 year PILOT
5 if we felt it was necessary. The IDA's
6 independent from any township or rulings from any
7 township or municipalities in the county but that
8 doesn't mean that we don't take into
9 consideration what's said and what the individual
10 town boards are asking of us. With that, I'm
11 going to ask that the way I run the meeting also
12 we're going to hear a little bit from the
13 applicant, we're not going to go into a long,
14 drawn out application of what they're doing
15 because I've seen it at planning boards before, I
16 happen to know this has been around for more than
17 a couple weeks and then what I will do is open it
18 up to the public for public comment, closing the
19 public comment, come back to our board here and
20 close the public hearing. So with that being
21 said, Phil, would you read the notice of public
22 hearing?

23 MR. CROTTY: Notice is hereby given that a
24 public hearing pursuant to Article 18-A of the
25 New York General Municipal Law will be held by

MARKETPLACE AT NEWBURGH, LLC

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2 the Orange County Industrial Development Agency
3 on May 3, 2012 at 10:00 a.m. local time, at the
4 Newburgh Town Hall, 1496 Route 300, Newburgh, New
5 York 12550 in connectin with the following
6 matter: Marketplace at Newburgh, LLC for itself
7 or on behalf of the affiliate, subsidiary or
8 entity to be formed has submitted an application
9 to the agency requesting the agency's assistance
10 with a certain project consisting of the
11 acquisition by the agency of a fee, leasehold or
12 other interest in an approximately 85 acre parcel
13 of land more particularly described as tax parcel
14 number 60-3-49.22 and an approximately 9.95 acre
15 parcel of land more particularly described as tax
16 parcel number 60-3-49.1, an approximately 8 acre
17 parcel of land more particularly described as tax
18 parcel number 60-3-41.3, an approximately 2.97
19 acre parcel of land more particularly described
20 as tax parcel number 60-3-48, an approximately
21 1.0 acre parcel of land more particularly
22 described as tax parcel number 60-3-41.4, and
23 such other related and necessary properties
24 located at the intersection of Interstate 84 and
25 Route 300 in the Town of Newburgh, Orange County,

MARKETPLACE AT NEWBURGH, LLC

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2 New York and the construction on the land of an
3 approximately 784,000 square foot shopping center
4 to be known as the Marketplace, including parking
5 and related improvements and the construction of
6 such improvements to be done in one or more
7 phases and the acquisition and installation in
8 and around the improvements of certain items of
9 the equipment and other tangible personal
10 property and collectively with the land and the
11 improvements known as the facility. The agency
12 will acquire a fee, leasehold or other interest
13 in the facility and lease the facility back to
14 the company. The company will operate the
15 facility during the term of the lease. At the
16 end of the lease term, the company will purchase
17 the facility from the agency or if the agency
18 hold a leasehold interest, the leasehold interest
19 will be terminated. The agency contemplates that
20 it will provide financial assistance to the
21 company in the form of sales and use tax
22 exemptions, a mortgage recording tax exemption
23 consistent with the policies of the agency and a
24 real property tax abatement. A representative of
25 the agency will be at the above-stated time and

MARKETPLACE AT NEWBURGH, LLC

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2 place to present a copy of the company's project
3 application, including a cost benefit analysis
4 and hear and accept written and oral comments
5 from all persons with views in favor of or
6 opposed to or otherwise relevant to the proposed
7 financial assistance. Dated: April 18, 2012 by
8 the Orange County Industrial Development Agency.

9 MR. PETRO: Can you repeat that?

10 MR. CROTTY: Notice is hereby given--

11 MR. PETRO: Okay, I think that explains
12 pretty much the reason that we're here. And what
13 I'd like to do at this time is call up Mr. Wilder
14 or anybody who wants to represent Marketplace,
15 give us a brief overview of your project and what
16 you're asking for. Thank you, Mr. Chairman. My
17 name is Robert Wilder, I'm with Wilder Balter
18 Partners. We own the Marketplace site and are
19 the developers of the Marketplace project. The
20 Marketplace is a fully approved and shovel ready
21 784,000 square foot planned regional retail
22 facility which is located at the corner of Route
23 300, Interstate 87 and Interstate 84. As a
24 result of its location and the potential size, we
25 believe the Marketplace has a unique opportunity

MARKETPLACE AT NEWBURGH, LLC

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2 to make Newburgh a destination retail center
3 similar to a destination retail center that you
4 have over in Poughkeepsie or Middletown or down
5 in Rockland County. And we believe it's the only
6 site in the Newburgh area that affords that
7 potential opportunity. Our application today is
8 for the first phase or 400,000 square feet which
9 we're calling Phase I of the Marketplace. We're
10 not here requesting financial assistance through
11 the IDA for the entire 784,000 square foot
12 facility. In terms of just a real quick
13 overview, Chairman Petro went over specifically
14 what we're asking for but in terms of total so
15 you get a magnitude of the size of the Phase I
16 development we're talking about 84 million
17 dollars in new construction work. We're talking
18 about 611 person years of construction
19 employment, more than 1,000 permanent jobs.
20 We're talking about 8.1 million dollars of new
21 real estate taxes which I'll go into in a little
22 more detail while we're asking for tax abatement
23 over 15 years with what's known has a super
24 enhanced PILOT. Notwithstanding that, we'll
25 continue to pay new taxes and those new taxes for

MARKETPLACE AT NEWBURGH, LLC

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2 Phase I are estimated to be 8.1 million dollars
3 or around \$550,000 a year for the next, for the
4 15 year super enhanced PILOT. And in addition,
5 there will be additional sales taxes generated by
6 this property. There have been discussions as to
7 exactly how much new sales taxes will be
8 generated, are we taking from some other facility
9 in Orange County just moving the sales taxes
10 around the county. So we've hired an independent
11 analyst to look at that and we ended up with a
12 number of about 5.7 million dollars in additional
13 sales taxes generated by the Marketplace which
14 takes into account about a 30 percent reduction,
15 assuming that about 30 percent of the sales taxes
16 are really moved around and 70 percent are
17 effectively new tax revenues. One of the
18 questions you all either have or are thinking
19 about is why do we need the financial assistance.
20 And I think in today's environment we have a very
21 challenging situation for not only the
22 Marketplace but really every new development that
23 you see, which is why frankly you don't see a lot
24 of new development, not only in Orange County but
25 frankly in throughout America. We purchased the

1 MARKETPLACE AT NEWBURGH, LLC

2 site in 2004 and undertook a three year approval
3 process which was culminated when we had an
4 environmental impact review and findings issued
5 by the planning board and a site plan approval.
6 Unfortunately, immediately after we received all
7 our approvals a neighboring competitor, the
8 Newburgh Mall, commenced in court a series of
9 challenges of the project approvals in an effort
10 to frustrate our ability to secure tenants and
11 financing for the project and causing us and the
12 town to expend hundreds of thousands of dollars
13 in legal fees to defend what's turned out to be
14 very specious lawsuits. At the time the site
15 plan was granted in 2008, this is what we call
16 pre Lehman everything in today's parlance, pre
17 Lehman Brothers and post Lehman Brothers early
18 2008, 2007 period we had 50 percent of the space
19 either pre-leased or committed to lease and
20 that's 50 percent of the 784,000 square feet.
21 And we all know what happened in 2008 in Orange
22 County, throughout the country and in retail
23 specifically and with all those dramatic changes
24 combined with protracted litigation frankly all
25 our commitments were withdrawn. And in 2009-2010

MARKETPLACE AT NEWBURGH, LLC

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2 we really were starting fresh in addition to
3 defending ourselves on these lawsuits to start
4 again really finding and locating new tenants.
5 I'd say despite the fact that the economic
6 situation is not great here and in other places,
7 there's still some market demand for new
8 developments, whether they're retail developments
9 or office buildings or housing developments. The
10 problem really has been in the construction world
11 of the development world, the cost of developing
12 new, any new project hasn't gone down,
13 construction wages are not going down, the cost
14 of raw materials a lot of which are commodity
15 based, steel, concrete, other oil based things
16 like asphalt, petroleum all the things that we
17 compete with China, Brazil, Mexico and all these
18 places and those costs aren't going down. In
19 fact, they're going up. And unlike some
20 industry, the construction industry just doesn't
21 have a lot of technology progress that affords it
22 to then lower its cost base. So costs are going
23 up and at the same time revenues or rents are
24 going down, tenants either have pulled back or
25 have reduced what rents they're willing to pay.

MARKETPLACE AT NEWBURGH, LLC

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2 And I'm not speaking about the Marketplace. I'm
3 speaking really globally. The marketplace is a
4 part of that so you have the value it costs to
5 build something of X which is going up every year
6 and then you say what is it worth when it's
7 finished? What it's worth when it's finished
8 really is a function of the rents people are
9 willing to pay, as well as the economic costs,
10 the financing costs. Notwithstanding that, the
11 U.S. Treasury can borrow at 1.9 percent, trust
12 me, we can't borrow 1.9 percent equity when the
13 investors are requiring much higher returns
14 underwriting by banks, insurance companies is
15 much more difficult what we call the cost of
16 capital has gone up probably 2 though 400 basis
17 points making the spread between what something's
18 worth and what it costs to just widen. And
19 frankly, any assistance whether it's the IDA
20 assistance or any other assistance really is an
21 attempt to close that gap between what something
22 costs to develop and what it's worth when it's
23 completed. Before I turn this back to Chairman
24 Petro, we've got some comments and some feedback
25 from the public and what we read in the paper and

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2 it's clearly a misunderstanding or some
3 misunderstanding from some about really what a
4 tax abatement and PILOT is. And what I want to
5 make sure everybody understands that a PILOT, any
6 PILOT, whether it's 458B from the town or whether
7 it's super enhanced from the IDA is an abatement
8 or reduction of future taxes. If our taxes, for
9 example, at the Marketplace on the raw land are
10 \$100,000 a year, they don't go down, the IDA
11 doesn't even have the authority nor does the town
12 have the authority to reduce our current taxes.
13 All they can do is give us a reduction of taxes
14 that will occur or may occur in the future as a
15 result of a development. So people think oh,
16 they're going to get some money from the county
17 or money from the town, somebody's going to write
18 them a check, somebody's going to give them a
19 grant or loan. That's not what a PILOT payment
20 is, it's just a reduction of future taxes. And
21 that only happens when you have new development.
22 And instead of paying 100 percent taxes or
23 75 percent taxes, you pay 50 percent taxes. But
24 as you'll see in our application that
25 notwithstanding the fact that we're asking for a

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2 super enhanced PILOT, our belief that the PILOT
3 payments are under a super enhanced, my lot will
4 still be 8.1 million dollars over the next 15
5 years which is \$550,000 a year for additional
6 real estate taxes. So I hope that that clears up
7 to the public the difference between or exactly
8 what a payment in lieu of taxes means. And if we
9 receive this IDA benefit and the project doesn't
10 go forward for 400,000, it only goes forward for
11 300,000, it only reduces the abatement, just goes
12 down from our point of view but it doesn't
13 adversely financially affect the town or the IDA.
14 We hope that that clarifies that issue and we're
15 here to listen and answer questions as directed
16 by the Chairman. Thank you, Mr. Wilder. All
17 right, I think that's enough overview of the
18 project itself. I'm sure everybody's heard that
19 a number of times. One thing you have to
20 understand with any PILOT that's granted even by
21 the 485-b is that no township ever goes backwards
22 in taxes, the land value is always taxed in full
23 at full value and all special district charges
24 are taxed in full. So you never go backwards.
25 The first year be it a 10 year PILOT, 15 year

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2 PILOT, 485-b, you're actually getting more from
3 day one. There's always more taxes paid. Now of
4 course it's abated and you have to understand
5 that. But I didn't, I did want to clear that up.
6 Some people think that no taxes or that you're
7 going to lose assessment. The PILOT is, the
8 abatement is given on the improvement only onto
9 the property. So that being said, just try to
10 clear stuff up beforehand, number one. I passed
11 around a sheet that's still circulating, a
12 sign-in sheet, can you please sign your name and
13 any affiliation if you want to on the sheet so we
14 have a record? And with that at this time Phil
15 unless you have anything else?

16 MR. CROTTY: I would add, Mr. Chairman, that
17 not only do they not go backwards but the special
18 district charges are paid in full, that would be
19 the ambulance, the fire and the library.

20 MR. PETRO: Okay, with that at this time,
21 I'm going to open it up to the public for
22 comment. What I would like is for you to raise
23 your hand, be recognized by the Chair, come
24 forward, state your name and affiliation and
25 state your case. I don't go by a three minute

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2 rule, if you become either rude or redundant,
3 I'll ask you to sit down. So seeing nobody, I'll
4 entertain -- no, I'm only kidding. Wayne?
5 Supervisor Booth, I should say instead of Wayne,
6 sorry.

7 SUPERVISOR BOOTH: That's all right, I've
8 been called worse, usually when I'm sitting in
9 that chair. Town board of the Town of Newburgh
10 enters the following as a formal response to the
11 application for assistance to the Orange County
12 Industrial Development Agency submitted by
13 Marketplace of Newburgh, LLC. The Town Board of
14 the Town of Newburgh has several concerns with
15 the possibility of an IDA approval of the
16 proposed super enhanced payment in lieu of taxes
17 or PILOT agreement for the Marketplace, a
18 proposed 784,000 square foot phased retail
19 development located at the intersection of Route
20 300 and Interstate 84. The Town Board's primary
21 concern is the cost of required increased
22 municipal services for a project of this
23 magnitude versus the amount of revenue created
24 for the Town of Newburgh by the same project.
25 This project with its projected buildout would

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2 likely cause an increase of police services for
3 shoplifting, larcenies, on-site and off-site
4 motor vehicle accidents and emergency service
5 calls in the range of four times the calls for
6 service of the existing Wal-Mart. This
7 conclusion is based on the ratio of retail space
8 and similarity of the type of business when
9 comparing both locations. In the opinion of our
10 police chief this will result in 100 percent
11 increase of required staff for that post of the
12 Town of Newburgh Police Department. That equates
13 to a minimum of seven additional police officers
14 at \$115,000 per year per officer based on the
15 present bargaining contract. This would result
16 in an additional annual increase of more than
17 \$800,000 to our police budget alone. This
18 calculation does not include the increased
19 workload that would likely also result to the
20 Town's Justice Court, already one of the busiest
21 in Orange County. The requested PILOT plan
22 includes 95 percent property tax abatement for
23 the first year with 5 percent incremental
24 increases for the next 10 years. This is
25 followed by a 10 percent increase for the

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1 following five years until 100 percent of
2 assessed value is reached. Additionally, the IDA
3 tax abatements also include an exemption for all
4 sales tax for materials purchased in relationship
5 to the construction of the Marketplace and an
6 exemption for the mortgage tax on all financing
7 for the project. This results in the absolute
8 dissolving of tax liability for the Marketplace
9 during a period of time when the Marketplace will
10 be creating an increased strain on the services
11 of the Town of Newburgh. This taxation formula
12 would leave the cost of the increased services on
13 the backs of the residents and existing
14 commercial taxpayers of the Town of Newburgh. We
15 can ill afford this while the town's largest
16 taxpayers, Dynegy, has filed for bankruptcy and
17 is seeking to sell their properties. The
18 applicant has stated that there will be a benefit
19 for the Town of Newburgh from the increased sales
20 tax revenue that will be created over the course
21 of the proposed super enhanced PILOT. The town
22 questions the calculated figure. To date, the
23 Marketplace project has shown no stores of
24 destination. In our view, therefore, the sales
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1 tax generated on site will most likely only be
2 created from siphoning sales from other existing
3 area businesses. Shop Rite's sales will be
4 transferred from the existing Shop Rite on Route
5 32 in Newburgh and BJ's sales will likely only
6 siphon from the existing area supermarkets and
7 retail stores. Dick's Sporting Goods will be
8 splitting sales with its Middletown store, Gander
9 Mountain, Thruway Market and a hand full of other
10 small sporting goods stores, all located in
11 Orange County. Accordingly, in the Town Board's
12 estimation, the project will not serve as a
13 tourism destination attracting a significant
14 number of visitors from outside the region, nor
15 offer products not otherwise reasonably available
16 to our residents. The Town of Newburgh presently
17 participates in the granting of a standard 485-b
18 exemption to all commercial construction projects
19 including retail stores. To grant any further
20 exemption other than the standard 485-b,
21 particularly a super enhanced IDA tax abatement
22 to the Marketplace would likely provide further
23 incentive to all existing commercial taxpayers
24 who were not afforded the opportunity to obtain
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1 similar property tax relief to file certiorari
2 claims for assessment reduction against the Town
3 of Newburgh and its Sole Assessor. Additionally,
4 in the town's experience, the IDA also permits
5 its tenants to file such lawsuits on IDA owned
6 properties to lower their PILOT payments even
7 further, producing significant additional
8 litigation costs for the Town of Newburgh
9 taxpayers. If this application is approved as
10 presented, the IDA will be setting a precedent
11 that will require all future retail construction
12 projects to be subsidized on the backs of the
13 local taxpayers throughout the county. The Town
14 Board of the Town of Newburgh is united in
15 providing commercial growth and proper corridors
16 of the Town of Newburgh and surrounding areas.
17 We also promote the ideal that any project
18 permitted to be constructed in the town should
19 not only be beneficial to the developer but
20 should be beneficial to the town and most
21 importantly beneficial to the residents of the
22 Town of Newburgh. This project has been
23 processed through the Town Board, Planning Board
24 and the Town of Newburgh Zoning Board for several
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2 years. The consideration of a super enhanced
3 PILOT was never mentioned or considered in the
4 development process for this project.

5 Representing the Town Board and the residents of
6 the Town of Newburgh, I respectfully request that
7 this application and any further applications
8 that do not result in the Town of Newburgh
9 receiving maximum tax benefit be denied.

10 Respectfully submitted, Wayne C. Booth,
11 Supervisor.

12 MR. PETRO: Mr. Booth mentioned a couple
13 times the word retail in there. I just want to
14 explain that as far as the IDA's concerned in
15 2010 the New York State UTEP, which is Uniform
16 Tax Exempt Policy was changed to allow IDAs in 62
17 counties, 2008, I'm sorry, 2008 was changed and
18 it allows IDAs to consider retail projects. Also
19 you can also do it by a letter, a deviation
20 notice within 30 days and the Orange County IDA
21 has done both. So I feel that we're in
22 sufficient ground from New York State law and
23 through the deviation notice to entertain this
24 request. Just wanted to get that on the record,
25 that's why it's a retail project. Okay, next,

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we'll move around here, yes, sir?

MR. SACHS: I have some papers, morning, ladies and gentlemen, my name is Joel Sachs. I'm with the White Plains law firm of Kean & Beane and we're here representing both the Newburgh Mall which is directly across the road from the proposed Marketplace as well as a number of residents in the town who have opposed the proposed Marketplace for a number of years called Save Open Space. But I want to really concentrate today on the IDA application and what this would mean to the Newburgh Mall and to other businesses in the same corridor. I don't know how many members the IDA are familiar with the Newburgh Mall but we unfortunately have a vacancy rate presently of over 25 percent. We have a number of people who used to work at the Newburgh Mall who have lost their jobs and are unemployed presently. We have major tax certiorari proceedings pending against the town, the school district and the county and in fact, there's an actual hearing today on our tax certiorari proceedings in Goshen and for that reason some people who might have been here in addition to

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2 myself and there may be some other people at the
3 Newburgh Mall, some of them are at this hearing
4 in court in Goshen today. So, anyway, I think
5 you're aware from some prior correspondence that
6 we're vehemently opposed to the Orange County IDA
7 granting any benefits to the Marketplace. And I
8 think, Mr. Chairman, you should be aware of and
9 you have in your possession I brought some extra
10 copies along we wrote letters to the IDA on
11 December 20, 2011 and we wrote a second letter on
12 February 14, 2012. Do you need extra copies of
13 those because I brought them with me?

14 MR. PETRO: Frankly, no, I don't need them.
15 I've read them, they're in the file, we have them
16 if you want to give us an extra copy, that's
17 fine.

18 MR. SACHS: When I'm complete, I'll give you
19 a copy. And there was also a letter written on
20 December 20th by the planning and economic
21 consulting firm of Parish and Weiner, Mr. Parish
22 is here, he's going to with your permission is
23 going to speak after I'm completed. But that's
24 another letter you should have in your record.
25 First of all, as far as the legalities, I don't

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2 want to get into a legal debate with you, Mr.
3 Chairman, but I respectfully suggest that the
4 IDA's policy when it was changed on February 15,
5 2012 of this year was specifically done for the
6 benefit of the Marketplace. This is equivalent
7 if this was a zoning matter like a spot zoning
8 matter, like if something is residential zoned
9 and somebody wants to plop a shopping center down
10 in the middle of a residential area, you come to
11 a board and say I want to change the rules, let's
12 change the zoning and make this commercial
13 zoning. And--

14 MR. PETRO: That's your assumption, though.

15 MR. SACHS: Yes, yes. And for years this
16 IDA and with you as chairman specifically
17 indicated that retail was not an appropriate
18 subject of an IDA application. And again,
19 without getting into a legal debate, we don't
20 believe that the New York State law allows any
21 retail project to be subject of an IDA
22 application. But again, I don't want to really
23 kind of get into a legal debate. But we're
24 concerned about the fact that the rules suddenly
25 were changed from 2006.

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2 MR. PETRO: Let me just stop you right there
3 for a second. Approximately a year and a half
4 ago, we did one in Deerpark with a deviation
5 notice, strictly retail, so I would have to beg
6 to differ that we did not ever do retail, we did
7 a retail, we have a history of doing it. I'm not
8 saying that it's the best case scenario for or
9 against but to say that we have never done it is
10 incorrect.

11 MR. SACHS: Well, no, there was a statement
12 I thought from the press that you said that this
13 was a change for year 2006 policy which you
14 adopted on February 15th of this year.

15 MR. PETRO: The change meant we can now do
16 it without the deviation notice and go directly
17 to an application for retail, that was the
18 change. And I'm sure you're aware of that.

19 MR. SACHS: Right, okay, right. The main
20 issue that I want to discuss is the fact that the
21 Marketplace has undergone a very lengthy and
22 detailed environmental and land use review
23 process by the Town of Newburgh Planning Board.
24 And in those documents that were submitted to the
25 planning board, there were representations made

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2 by the applicant to the Town of Newburgh about
3 all the property taxes, all the sales taxes that
4 would be generated by this project and even
5 though there were very significant and still are
6 very significant adverse environmental impacts
7 from the project, such as traffic and a whole
8 bunch of others and drainage impacts on wetlands
9 which I don't need to mention, the planning board
10 in its wisdom even though we objected to it
11 decided that the economic benefits to the town,
12 to the school district and to the county far
13 outweighed any negative environmental impacts.
14 But then after they get the approvals then
15 Mr. Wilder, Mr. Wilder come before you and asked
16 you to grant them relief so that a good portion
17 of the property tax revenues, a good portion of
18 the sales tax revenues which were represented and
19 promised to the various taxing jurisdictions are
20 now going to be significantly diminished and in
21 fact, there was even a memo from the planning
22 board's economic consultant, Brian Cox, dated
23 February 24, 2012 and I'm going to give you a
24 copy of that too, who advises the planning board
25 of the Town of Newburgh that as a result of the

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2 IDA application, the significant tax revenues
3 from property taxes and sales taxes will be
4 significantly reduced. The one other report that
5 I really do want to make mention of is that there
6 was some type of economic report submitted to the
7 IDA by a company called A & R Global and we
8 believe that that report is a seriously flawed
9 report. I attended a meeting of the planning
10 board about a month or so ago and a couple of
11 members of the planning board, including the
12 planning board chairman, suggested that the
13 planning board should retain its own economic
14 consultant to review the A & R report.
15 Unfortunately, that did not occur. Another
16 member of the planning board said why don't we
17 write a letter to the town board and why don't we
18 ask the town board to analyze the A & R Global
19 report and that motion did not carry either. So
20 at this point, there is only one entity that we
21 know of which has analyzed this A & R Global
22 report which was submitted to your board and that
23 is Mr. Parish's firm and Mr. Parish when he gets
24 up in a few moments he's going to talk about the
25 serious flaws in the A & R economic report. And

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2 much of what Mr. Parish said about the A & R
3 report is also contained in an affidavit which
4 Mr. Parish has submitted to the Orange County
5 Supreme Court in the litigation which the
6 Newburgh Mall has against the Marketplace and the
7 town planning board and that's an April 4, 2012
8 affidavit of Mr. Parish. So, I mean, in closing,
9 you know, I really think that if this board
10 grants the application you're doing nothing but
11 hurting existing businesses in Newburgh Mall,
12 other businesses in the Town of Newburgh. All
13 you have to do is go right down the corridor
14 where the Newburgh Mall is and you'll see there
15 are big box stores, there are half a dozen if not
16 more retail establishments, all you're doing is
17 you're moving pieces from one parcel in the town
18 to another parcel in the town. There's
19 absolutely no overall growth. You're taking away
20 from one parcel, if you grant the application
21 you're putting that on another parcel and this is
22 not what the function of an IDA approval is. And
23 there's also something which I'm sure you're
24 familiar with is something called the antipiracy
25 provisions wherein a developer is not supposed to

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2 come in and request an IDA grant just to pirate
3 businesses, shopping centers from one
4 application--

5 MR. PETRO: I believe that you're schooling
6 me.

7 MR. SACHS: I'm not schooling you.

8 MR. PETRO: I understand, I think the
9 applicant has the right to ask for what they're
10 asking for and the schooling I really don't need.
11 Mr. Parish, are you going to speak on something
12 other than what, I know you want to talk about
13 the report, is that why you're here?

14 MR. PARISH: Yes.

15 MR. PETRO: Are you almost through?

16 MR. SACHS: Yes.

17 MR. PETRO: I don't hold anybody to three
18 minutes.

19 MR. SACHS: I don't think I've been
20 redundant and I think I brought information to
21 the agency that the agency should be aware of. I
22 think you're aware of the Times Herald Record
23 came out with an editorial opposing this
24 application as well so I don't think that I'm a
25 lone voice in the wilderness here. And I think

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2 we have a number of good and legal and factual
3 arguments why the application should be denied.

4 MR. PETRO: I think you made one point that
5 I found most interesting was that the planning
6 board you say relinquished some of their power or
7 oversight because of the financial impact they
8 were going to gain. And that's all I'm going to
9 say.

10 MR. SACHS: I'll just give copies of the
11 documents to everybody.

12 MR. PETRO: Yes.

13 MR. PARISH: Morning Supervisor, members of
14 the IDA, Mr. Chairman, I'll try to be brief. I
15 assume that your attorney perhaps can advise that
16 there's going to be a period for written comment
17 and so I'll keep my presentation very brief in
18 that the written comments will be available in
19 the record subsequent to this hearing. Is that
20 correct?

21 MR. CROTTY: Yes, that's correct.

22 MR. PARISH: How long will that period be
23 available for? Is there a time period normally
24 established?

25 MR. CROTTY: Well, the record, the

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2 stenographic record that's being produced today
3 will be made available to all the board members
4 at the next meeting. And if the chairman wants
5 to keep the record open for a longer period of
6 time that's his discretion.

7 MR. PARISH: So the written--

8 MR. CROTTY: The next meeting.

9 MR. PARISH: -- written statement will be in
10 a stenographic record as long as it gets there
11 before the next meeting that it--

12 MR. CROTTY: Yes.

13 MR. PARISH: When is the next meeting
14 scheduled?

15 MR. PETRO: The next meeting is the 16th so
16 that's pretty tight so I would suggest that I
17 think to be in all fairness that we need to get
18 your reports or anybody else's in the room that
19 wants to give a written report so we would have
20 it on the June meeting. In other words, that
21 should give you a full 30 days plus the 10 days
22 that have elapsed. So to answer your question
23 directly, approximately 40 days.

24 MR. PARISH: That's more than fair, Mr.
25 Chairman, I appreciate that. I'll try to be very

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2 brief. For the record, my name is Nathaniel J.
3 Parish with the, president of the firm of Parish
4 and Weiner. I will submit for the record my
5 professional resume but I am a licensed
6 professional engineer and a live member of the
7 American Institute of Certified Planners. I'm
8 going to focus briefly on the A & R Global
9 economic report. I think that under your
10 procedure that is the basis that you consider as
11 to whether there's some economic reason, a public
12 benefit reason for this application. And I
13 submit to you that a review of that report finds
14 that it is far, far short of providing the
15 information that you need to make such a
16 determination. Now, basically, I think in a way
17 Supervisor Booth's presentation was really on
18 point on that issue because he put a number of
19 facts in that I would try to stay away from and
20 the reason not being redundant but the A & R
21 report is from a company that says quote we use
22 our 60 years of experience work in economic
23 development in both the public and private sector
24 to develop third party quote independent economic
25 development analysis to help our clients shape

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2 the debate and make the business case as to why
3 they should receive economic development
4 incentives. So essentially what they're saying
5 is their report is to help the client shape which
6 they are entitled to do but your board has to
7 look for where is the independent economic
8 development analysis. Now, basically, they
9 assumed, they made a wrong assumption in their
10 report which Mr. Wilder didn't dwell on but they
11 talk about the project will provide shopping
12 opportunities currently not found and I'm quoting
13 from their report not in the Newburgh area and
14 provide an opportunity for big box national
15 retailers currently not operating in the county
16 under New York State to locate here. Now that's
17 in their report so they're operating on the
18 assumption that this application will be to
19 support big box retailers. On the other hand,
20 Mr. Wilder has in previous presentations pointed
21 out Phase I Lifestyle Center is for small
22 businesses and supermarket pharmacy and the big
23 box part of his thing on the site plan is in
24 Phase II. So an error already at the beginning
25 of the report. The basic assumption that this

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2 will bring in big box retailers it's very
3 important from your point of view because the
4 question here that arises is is there a public
5 benefit. Now if they were bringing in big box
6 retailers that currently are not in this area and
7 providing a new dimension of retailing so that
8 people are not now shopping here will begin to
9 shop here that would be a public benefit. But
10 there's nothing in this whole application in this
11 whole analysis that establishes that. Normally
12 in such analysis one starts with looking at the
13 primary market area, the secondary market area,
14 what are the household incomes, what are the
15 spending patterns for retail, how much is
16 currently being spent and whether there's a
17 deficit in the amount of retail volume that would
18 normally be expected out of those household
19 versus what's being produced. This report has no
20 such information in it. Rather it pulls numbers
21 out of the air and so we're going to produce this
22 much sales tax without ever explaining how they
23 arrived at the retail sales tax numbers.
24 Mr. Wilder said well, there's going to be a
25 30 percent reduction from what we assumed. They

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2 don't tell you how they arrived at their original
3 assumption and why the 30 percent is valid or
4 anything is a little difficult, not difficult,
5 it's impossible to ascertain from their report.
6 I can go on and on. They use an end plan
7 economic model which is a valid model in the case
8 if you brought a factory in here or as I worked
9 on the proposed Indian casino and Monticello
10 Raceway where you bring a whole new use in that's
11 going to generate jobs and volume that doesn't
12 now exist in the market area. That provides then
13 the economic engine for primary and secondary
14 spending and it's a valid economic analysis. But
15 in this case, we're dealing with a project which
16 will not produce new economic growth, rather it's
17 simply going to take from existing--

18 MR. PETRO: I think you made your point.
19 Let me assume that you didn't care for that
20 report?

21 MR. PARISH: Well, it's not a question of
22 my, I respect they're trying to do a puff piece
23 for their client and I respect that. There's,
24 it's America, they're entitled to do it but I
25 find the report doesn't meet what I, if I was

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2 sitting and reviewing it would find to be an
3 independent analysis that provides a basis for a
4 conclusion that there is a public benefit as a
5 result of this. And by the way, I believe IDAs
6 make sense, I love IDAs and what they do and what
7 they bring to our state economy and local
8 economies. I believe in public private
9 partnerships. I have consulted with public
10 agencies on them so I'm not talking here against
11 the concept of a public private partnership. In
12 this particular case though there's no public
13 benefit for it, so I can't find the basis for it.

14 MR. PETRO: All right, thank you. Are you
15 from the zoning board?

16 MR. HUGHES: Ronald Hughes, I'm on the
17 Zoning board of the Town of Newburgh and I'm the
18 incoming elected president for the Orange County
19 Planning Federation, I'm here however to speak as a
20 citizen today.

21 MR. PETRO: Your name?

22 MR. HUGHES: My name is Hughes, I live in
23 the Town of Newburgh. I'm also a member of some
24 other associations in the county and local
25 municipalities, I'll forego you the boring

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2 details. I'm here for two reasons. I sat
3 through all of the proceedings as a zoning board
4 member and as a citizen and tried to keep an open
5 mind about everything that went on and I think if
6 you'll talk to the applicant they were treated
7 with the ultimate amount of respect. The volley
8 went on for a long time, there were a lot of
9 issues to work out. I don't believe that the way
10 that the current plan is being presented is up to
11 date and you succinctly described well enough for
12 your board and for our municipality to come out
13 of this thing and live to tell about it. The
14 suggestion at this point is that it's going to be
15 done in phases in which the applicant would like
16 to delete the completion of all the traffic and
17 amenities and do those in phases as well. I
18 agree with all of the people that spoke before
19 me. My opinion is almost concurrent with them
20 and I don't often agree with all of those people
21 or maybe ever agree with some of those people.
22 But I tell the truth and I call 'em like I see
23 'em and this is why I'm here today. If your
24 agency, do you have any other members of the IDA
25 in the audience at this time?

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2 MR. PETRO: No, sir.

3 MR. HUGHES: Okay, it's kind of hard for me
4 to wrap my mind around this, how you as one
5 person of the membership and the attorney can
6 bring back to them without having a spin or a
7 bias level.

8 MR. PETRO: Well, we have the Executive
9 Director and the stenographer which is going to
10 be a detailed report.

11 MR. HUGHES: I'm not here to cross examine
12 you. I'm just trying to set the backdrop so it's
13 fair and open for everybody in the room. The
14 time you have the meeting is prohibitive for most
15 people to get here and all the tough stuff that
16 goes with it, it has the appearance, I won't go
17 any further, you can draw your own conclusions.
18 However, what the applicant at this point is
19 wanting to forego some of the traffic amenities
20 and some of the other bells and whistles that are
21 required to make a complete project of this
22 magnitude I think is improper and I don't see if
23 your agency is nuts enough to grant this contrary
24 to what everybody else in the room is telling you
25 that the insistence of the bells and whistles be

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2 done along in the first phase of the project
3 because if it goes belly up where are we in the
4 future? That's all I have to say for now. Thank
5 you.

6 MR. PETRO: Mr. Seidman?

7 MR. SEIDMAN: My name is Alan Seidman, I'm
8 the Executive Director of the Construction
9 Contractors Association and while I'm not a
10 Newburgh resident, I do have an office at 330
11 Meadow Avenue in the Town of Newburgh. And I'm a
12 commercial taxpayer in the Town of Newburgh. And
13 I do as Mr. Booth said earlier as someone who
14 pays his taxes on properties right near the
15 proposed site I urge the IDA not to give any
16 non-mandated benefits. I heard what was said to
17 the applicant that IDA benefits are good when
18 there's a positive impact on the economy. And
19 the mall will have a substantial impact on the
20 infrastructure while asking only to pay minimal
21 taxes, an impact also on special district retail
22 stores. Once construction is done it will be
23 mainly minimum wage jobs as has been said by a
24 couple people. And I believe the building of
25 this mall would primarily attract customers from

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2 businesses in Newburgh and surrounding areas in
3 Orange County that already pay their taxes. I'd
4 like to see the review of that economic study
5 that says the sales tax would increase so greatly
6 and the methodology that was used while the
7 developer asked for that 15 year PILOT and wants
8 to use taxes we provide to pay services for his
9 mall and is not even willing to guarantee to hire
10 local people to build this mall. I'm not against
11 someone wanting to make a profit but I urge you
12 not to help an out of the area developer make a
13 profit using Orange County taxpayer dollars.
14 Thank you.

15 MR. PETRO: Yes, ma'am, right there, all
16 right, go ahead.

17 MS. MCPHAIL: Hi, my name is Brenda McPhail,
18 I'm not from the town but I'm from the City of
19 Newburgh, but we're Newburgh whether you come
20 from the city or town. I represent Community
21 Voices Heard group in the City of Newburgh and I
22 just want the IDA to look at a couple things when
23 they're considering this proposal. Our
24 government has a responsibility to make smart
25 public investments that revitalize the economy

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2 and meets the needs of the community as a whole.
3 I'm wondering also why you're entertaining
4 developers from Westchester and not local people?
5 And then the man just said that it's unlikely
6 that part time and mostly low wage retailer jobs
7 will do much to lift up the local work force,
8 contribute to long term economic growth of the
9 region. Now I'm from an area in the City of
10 Newburgh that's really oppressed where a lot of
11 people are really out of work. To Mr. Wilder, if
12 you really want to come and build something, come
13 take a look downtown. This is where people
14 really need jobs and we have to stop allowing
15 people to come into our communities and bring
16 minimum wage jobs. We've got to support
17 promoting something that will give people a
18 benefit that they'll be proud to get up and go to
19 work every day. We got to stop bringing
20 McDonald's and these fast food restaurants,
21 things that are killing us into these areas and
22 start bringing something that's going to raise a
23 person's standards again for a better quality of
24 life regardless whether you're from the City of
25 Newburgh or the Town of Newburgh.

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2 MR. CROTTY: The Chairman stepped out for
3 just a second. But he asked me to entertain that
4 lady, please.

5 MS. DODERER: Eleanor Doderer, 83
6 Wintergreen Avenue, Newburgh. I would like to
7 present statements that have been publicized in
8 the press by developers, even members of the IDA
9 that highlight some of my reasons for my
10 opposition to this tax abatement. The size of
11 the mall has been greatly reduced from the
12 original site plan. The original site plan for
13 the Marketplace was for approximately 850,000
14 square feet. The original store anchors
15 reportedly were going to be Best Buy and Costco,
16 The Marketplace this was actually in April, the
17 Marketplace this week received approval for its
18 third amended site plan for 400,000 square feet
19 of retail space with likely tenants in quotes
20 Times Herald Record November 19, 2011 reported to
21 be Shop Rite and Dick's Sporting Goods. Phase I
22 will cost an estimated 98.2 million dollars and
23 Wilder Balter reportedly has a commitment for
24 31 million from undisclosed banks. The Times
25 Herald Record March 2, 2012. A foreclosure

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2 action has been filed against the Newburgh Mall.
3 The Marketplace if built will have serious
4 consequences for surrounding shopping centers
5 especially the Newburgh Mall. The Newburgh Mall
6 has reportedly yearly operating losses upward of
7 one million dollars since 2009. Anchors Bon Ton
8 and Sears have reported declining sales since
9 2006. Twenty-five percent of the small store
10 space is vacant and could worsen if the tax
11 assessment is approved. The impact of a publicly
12 subsidized Marketplace Mall and other shopping
13 centers in the area would be devastating in
14 quotes says Allan Hyman an attorney for the
15 Newburgh Mall. Mr. Adrian Goddard, a developer
16 who brought Barnes & Noble and Lowe's to 17K and
17 Union Avenue did not think the IDA gave such
18 agreements to retail projects and says in quotes
19 if they do, sign me up and in quotes again is
20 surprised a local government would consider
21 subsidizing a speculative retail project.
22 Goddard's new project, the 93,000 square foot
23 Shoppes at Union Square is scheduled to begin
24 with in the next 60 days, he's trying to find
25 tenants for his space and says the audience for

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2 Newburgh as a retail location has shrunk and
3 retail tenants are taking a more conservative
4 approach to opening new stores. Wholesale clubs
5 like BJs will focus only on an area they think
6 has obvious gaps and will ignore anything
7 speculative. The Times Herald Record editorial
8 February 19, 2012. If the IDA is going into this
9 part over the development business, retail, it
10 needs to be prepared for many more requests from
11 others planning similar projects. So it needs to
12 go beyond a simple yes or no and explain the
13 criteria it will use when these requests come in
14 to help build other shopping centers. All of
15 these are important details but they're not as
16 crucial as the ones that get to the heart of the
17 matter, the reason IDA got the power to control
18 local tax money. They were supposed to help
19 create or keep good jobs. In a 2008 essay in the
20 Times Herald Record, Petro said the IDA's tax
21 break policy applies only to meaningful jobs, not
22 low wage jobs, he defined, he defined as
23 manufacturing and high tech jobs. As Mr. Petro
24 said that retail, warehousing and distribution
25 jobs are excluded. He already has said he's in

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2 favor of giving the Marketplace Mall what it has
3 asked for and does not believe the IDA needs to
4 consider the affect on the Newburgh Mall. Times
5 Herald Record March 1, 2012. If the economy were
6 better, the agency probably wouldn't look at
7 Marketplace said Orange County Industrial
8 Development Agency Executive Director James
9 O'Donnell. With this economy we're looking at
10 everything that comes through he said. Times
11 Herald Record, November 19, 2011. Mr. Wilder
12 states the absence of taxes would make the center
13 attractive to perspective tenants because it
14 would translate into lower rents. IDA board
15 member Mary Ann Rogulski said she was not in
16 favor of granting 10 years without taxes but she
17 could support exemptions for sales taxes and
18 mortgages. She said it was improper to expect
19 taxpayers to finance the venture. Petro said he
20 supported the development because of the overall
21 stagnation of the economy and the potential for
22 jobs the stores would create. I'd like to state
23 in closing I'm not opposed to subsidizing
24 businesses which will provide employment long
25 term, good wages, potential for growth for both

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2 employee and business. However, when the
3 business suggested is in such a poor sector at
4 this time namely retail I feel I must voice my
5 opposition to such a poorly thought out plan.
6 Building a shopping center when malls of similar
7 size in the same location are struggling
8 financially makes no sense. Unfortunately, the
9 financial situation of the town, the county and
10 the nation makes it crucial that we invest wisely
11 and give great thought when spending this amount
12 of money at this time. It seems to me the IDA is
13 trying to ask taxpayers to subsidize this mall,
14 isolating itself from the very questions and
15 answers which are so obvious and apparent to
16 everyone else. Would we as homeowners go out and
17 buy something we can't afford, and is an apparent
18 luxury and ask everyone else to pay for it? I
19 think not. Thank you.

20 MS. LINDERMAN: Kate Linderman, 12 Victor
21 Court, Newburgh. Everyone else is giving titles
22 so I'll say professor emeritus, Mount St. Mary
23 College, senior scholar at the Institute of Aging
24 and Policy. I don't think they are relevant but
25 since everybody gives titles. I am, I have

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2 studied the fusion of innovations, how you get
3 people to accept something new and I really
4 compliment the company because if they had said
5 that they would be applying for this when they
6 were going through the review process I think
7 that they probably would not have gotten the
8 approvals. People have spoken about and I don't
9 want to belabor things, people have spoken about
10 jobs and stores moving from one place to another,
11 we all know what happened in Middletown when the
12 Galleria opened and there were empty stores all
13 over the place. I don't drive to Middletown so I
14 don't shop there very often but I'm conscious
15 that there was not very much adding of jobs or
16 income or anything else. I don't often agree
17 with the town board as some of the town board
18 members here would attest but I thought
19 Mr. Booth's presentation was brilliant and was
20 accurate in terms of what this abatement would
21 mean for the town in particular, its costs to us
22 in relation to police and everything else. I do
23 want to add one thing more, it's true when they
24 first spoke they spoke of Costco coming in and a
25 number of us said oh, here we are a union big box

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2 store and what have you, when I heard it's going
3 to be Shop Rite, I happen to live near the Shop
4 Rite on North Plank Road. Many people from the
5 City of Newburgh come out to the Shop Rite on
6 North Plank Road because of its prices. I think
7 it's unlikely they'll be able to drive all the
8 way out here or pay for a taxi. But second of
9 all, the Shop Rite at North Plank Road is a
10 habitable size, an enormous number of senior
11 citizens shop there because it's doable, unlike
12 some of the larger Price Chopper in New Windsor,
13 even Price Chopper in Newburgh. I think that
14 losing it will affect the quality of life because
15 there are no smaller stores with decent prices in
16 the area so it's not just a case of cannibalizing
17 other stores and the costs to the town and our
18 taxes eventually but also it's a quality of life
19 issue in terms of who's going to be there. And I
20 hope that you will not grant this because as I
21 said, I think if this had been known that they
22 would be applying for the proposal would never
23 have gotten to where it is. Thank you.

24 MR. PETRO: Thank you.

25 MR. WEINTRAUB: Richard Weintraub, Town of

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2 Newburgh. There was a report from Joe DaCapo who
3 is the Comptroller of the State of New York that
4 the IDAs in the state giving out tax abatements
5 have created losses of jobs. This would be the
6 case here and that's all I gotta say. The report
7 was, came out yesterday.

8 MS. LAGASSE: Barbara Lagasse, 21 McGall
9 Place, Town of Newburgh. I've been a homeowner
10 and taxpayer for 45 years in this town and have
11 supported my town. I feel with you bringing
12 these people in where is my benefit as a
13 taxpayer? What are you giving me? You're giving
14 me a place to spend more of my money. How am I
15 going to spend more of my money in your stores
16 when my taxes are the ones that are going up and
17 your taxes are going down? What are you doing
18 for us? We have never mentioned once what you're
19 doing for the people that have been here all
20 these years and supported this town and do not
21 get the breaks that you get. And the ones that
22 are here now are suffering and you're bringing in
23 what, I don't know, and I hope that you will not
24 allow it. And number two, you're doing a big
25 disservice to the taxpayers for having this at

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2 10:00 o'clock in the morning. How do you expect
3 people to come here, take a day off from work and
4 lose a day's pay? You people are wrong. You're
5 doing nothing for us and you think that we're so
6 stupid that we don't know what's going on?

7 MR. PETRO: All right, that's enough. I'm
8 volunteering my time, young lady, so I'm here at
9 10:00 o'clock also. I could be home playing with
10 my sons. You're next. Because I'm here at
11 10:00 o'clock also volunteering my time. Yes,
12 young lady?

13 MS. GRIFFIN: My name is Darlene Griffin.
14 I'm a member of Community Voices Heard and we
15 fight for low income people for their struggle
16 for their pain. So I just want to know where,
17 have you heard anything about jobs or wages, what
18 the wages are going to be?

19 MR. PETRO: Do you want to handle that
20 direct? Why don't you answer her direct or
21 somebody from your company? Your average wage of
22 the jobs, wage for the job average?

23 MR. WILDER: Well, I think the problem with
24 averages is the average between zero and 1,000 is
25 500 but there may be some situations where you

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2 have 1,000 and you have zero. So I wouldn't
3 really want to throw out averages. What I would
4 say people I know for retail jobs in stores are
5 not high paying jobs, like high technology jobs.
6 On the other hand, for large stores they have
7 managers and senior staff that often can have
8 incomes up to six figures. So I think for the
9 majority of part time sales people they're not
10 minimum wages jobs but lower paying jobs. I
11 think an important point in the idea of lower
12 paying jobs is that if you're a family that
13 makes, just going to pick a number, \$50,000 a
14 year, \$40,000 to \$50,000 a year and all of a
15 sudden you get your wife or your husband who
16 isn't employed gets a job for 15 to \$20,000 a
17 year and possibly some health benefits.
18 Individually looking at that it may not seem like
19 a lot at the margin but it puts your family in a
20 different situation. So it's a hard question to
21 answer. But just what is the average.

22 MS. GRIFFIN: Okay. Also, my next question
23 is why wouldn't you try revitalizing the Newburgh
24 Mall that's already there?

25 MR. PETRO: Well, I can't, I'm not involved

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2 in the Newburgh Mall, that would be a question
3 for the owners of the Newburgh Mall. And that's
4 not a bad question because a lot of times they
5 keep bringing up their plight and I have other
6 people saying well, maybe if they painted the
7 place, fixed it up or did something more they
8 would do better. I'm not in a position to answer
9 for the Newburgh Mall. I don't know the answer,
10 obviously they don't own the Newburgh Mall and
11 they're not going to fix up the Newburgh Mall.

12 MR. BARNLARDI: John Barnlardi, Wilder
13 Balter Partners, developer manager involved in
14 the project from its inception taking it through
15 the review process as well as being involved in
16 the defense of the litigations challenging the
17 approvals. And I can, one observation is that in
18 the five years we have been defending lawsuits
19 and spending hundreds of thousands of dollars
20 doing so, many tenants have left the mall, some
21 of them without having anyplace to go in the Town
22 of Newburgh, have just simply left the Town of
23 Newburgh. Old Navy, for example, CVS, and many
24 others. So in the time when the mall was a
25 attacking us they should of maybe been spending a

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2 little bit more time investing in their project
3 and keeping and trying to attain new tenants.
4 But they have been unsuccessful in doing that
5 and--

6 MR. PARISH: That's not on the subject, Mr.
7 Chairman.

8 MR. PETRO: No, this lady asked him that,
9 this lady, please, that's exactly what she asked
10 him, he responded.

11 MR. LOPEZ: Joe Lopez, I'm the head of
12 security at the Newburgh Mall.

13 MS. GRIFFIN: The reason that I mentioned
14 that is because there are three other failing
15 malls, that's the Carousel and also the Greece
16 Ridge Mall, they all failed.

17 MR. PETRO: I hear what you're saying but
18 again he's partially right, that has nothing to
19 do with the applicant. The applicant's here
20 making a presentation. So we have to stick with
21 that. Anything else specific to the IDA?

22 MS. GRIFFIN: Okay, that's it.

23 MR. PETRO: Anybody else? Over here. Bob?

24 MR. AMBROSETTI: Bob Ambrosetti, Business
25 Manager for the Plumbers and Steamfitters

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2 covering Orange County. We're not opposed to
3 generating economic development. What we're
4 opposed to is when outside people come into our
5 area and they man their jobs with people from
6 outside Orange County or even outside of New York
7 State. They bring them in from Connecticut, New
8 Jersey, Pennsylvania. So for the applicant has
9 made no commitment to local labor being used on
10 this project and all we do is hope that if
11 anything is done by the IDA that they would have
12 an attachment to use their local labor. Thank
13 you.

14 MR. PETRO: Thank you. Hold on. At this
15 time, if you want to speak on any subject, if
16 anybody wants to speak on any subject that we
17 have not already gone over. So with that
18 knowledge, I'm going to ask one more time would
19 anybody like to speak on something that we have
20 not gone over? Yes?

21 MR. PARISH: On the comments that he made
22 about the Newburgh Mall, why isn't it fair for me
23 to be able to put some statement in the record as
24 to a comment he made to the Newburgh Mall which I
25 didn't introduce?

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2 MR. PETRO: Hold on, cause there's somebody
3 right in front of, somebody else who raised their
4 hand.

5 MR. LOPEZ: I just said why not let him, he
6 made a comment I think I remember him when I
7 first came around. I'm a retired sergeant from
8 New York City, I have been working retired 21
9 years and I have done 21 years at the Newburgh
10 Mall. I'm a little, what can I say, that's just
11 the way I am. All I see that they're really
12 doing is taking something that's there and moving
13 it across the street because that's what they
14 would love to get the tenants that are from
15 across the street. Now if they did what they
16 originally said which is the big box malls, I
17 wouldn't be against that, that's a great idea.
18 But that's not what they're going to do. And
19 what you're going to have is people that are
20 paying taxes now, not taking people cause they're
21 going to move across the street, they would love
22 for everybody in the mall to move across the
23 street, that would fill up their location. I
24 don't know how great the outdoor location is
25 going to be. They talked about jugglers in the

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2 streets, jugglers in the streets in December in
3 Newburgh? I don't think that's going to work too
4 well. Relative to the mall the mall has been
5 there like 32 years, would he have had different
6 elements, that's the mall game or business, but I
7 can't see giving people that much money who have
8 quite a bit because they were planning
9 everything, give them more so it makes their job
10 a little easier. Give it to the people out there
11 now and keep them here. That's all I can say.

12 MR. PETRO: Yes?

13 MR. GAYDOS: Michael Gaydos, Town of
14 Newburgh resident and representing Hudson Valley
15 Building Trades and Iron Workers Local Union 417.
16 I've heard a lot about the Newburgh Mall. I
17 worked at the Newburgh Mall when it was the mall
18 of malls. Every mall has its life span. You
19 look at Middletown, they have it listed there,
20 competition is good, the Newburgh Mall I thought
21 the same thing, why don't they do anything? They
22 haven't, they haven't, we need a place to shop.
23 I support new projects, new developments. I
24 support everything that can help relieve tax from
25 its residents. But you have to understand that a

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2 mall has had its life span, without them putting
3 money into it, people are going to leave, that's
4 just life. Just like they're going to leave the
5 Town of Newburgh if our taxes don't maintain and
6 go down. So we need development. We need
7 builders to come in. We need jobs, whether
8 they're high paying or low paying, we need jobs.
9 We prefer the high paying jobs, you know what,
10 yeah, is it unfortunate we're having this meeting
11 at 10:00 o'clock? I should be doing other
12 things. My members are paying me a lot of money,
13 I can be doing a lot of things. I'm here saying
14 to this developer if he's going to build this job
15 he says he needs a break, well, if he's going to
16 get a break then use local labor with the
17 prevailing rate that it takes to live here,
18 employ the people that live here and pay their
19 taxes. And if you don't build Newburgh Mall's
20 not going to get any better. The other little
21 stores aren't going to get any better. But you
22 need an updated service like this mall could be,
23 it's a shame that the two can't get together but
24 that's their business. I'd like to see a bridge
25 going across and you'd have a mega-mall that

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2 would put Middletown and Poughkeepsie out of
3 business. But that ain't going to happen.
4 Bottom line you need development, you need smart
5 growth or else you're not going to afford to live
6 here. You need jobs, I do support the IDA, Town
7 of Newburgh Supervisor Wayne Booth and everybody
8 on that board one hundred percent. I think they
9 do the right thing. But what they're speaking
10 about you need to support the people who live
11 here, keeping their taxes where they're at. And
12 if he's looking for relief, we need a commitment
13 which we have talked to him about not out of the
14 question, I think there might be more room to
15 move but I think we need to support the project.
16 We also need to support people who live here by
17 giving them the appropriate breaks as long as
18 they hire the people who live here and pay the
19 appropriate wages.

20 MR. PETRO: Thank you. I want to finish up
21 with Mr. Parish, please, do you want to talk
22 briefly? I want a different subject please.
23 This lady wants to speak then you can finish.
24 Can you finish it up please?

25 MR. PARISH: Briefly, this isn't about the

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2 Newburgh Mall. I hope this is about what the
3 impact of this project could be on the retail
4 economy of the area as a whole. The Newburgh
5 Mall is not one, is one entity. There are many
6 other entities which my report says are not being
7 considered in the context of this application. I
8 think it's totally inappropriate to discuss
9 whether or not Newburgh Mall should of done this,
10 that or the other thing. The question is what
11 will the impact of this proposal be on all of the
12 retail establishments? He has, Mr. Wilder's
13 conceded that there would be some withdrawal, he
14 says 30 percent of his anticipated retail revenue
15 he said will come from other stores. Now, I
16 don't know where he got the 30 percent or how
17 that's confined to 30 percent but certainly that
18 means there's less jobs in other stores, there's
19 less volume, there's a possibility other stores
20 will move into here, that's your issue, not the
21 Newburgh Mall. And by bringing it in, I think
22 it's a total red herring. Thank you.

23 MR. PETRO: Now, remember, Mr. Parish, he
24 did respond at the request of the chairman to a
25 direct question from a woman in the audience.

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2 MR. PARISH: I think he went off base.

3 MR. PETRO: I don't think so, he was very
4 polite, did a good job. Unless somebody has a
5 different subject we've not touched upon? Let
6 the woman go first and Mike's going to finish.
7 Yes, ma'am?

8 MS. KOHLMANN: My name is Laura Kohlmann, I
9 live at 18 Wintergreen Avenue in the Town of
10 Newburgh. I have been a taxpayer in the Town of
11 Newburgh for 30 years. I have vehemently
12 objected to the 9.9 million dollar tax abatement
13 requested by the Marketplace in Newburgh. I
14 primarily object because the Town of Newburgh
15 cannot afford to give a 9.9 million dollar tax
16 abatement to anyone least of all to a retail
17 developer. We're already losing taxes from other
18 large corporations, Dynegy Northeast did not pay
19 the first quarter town and county taxes amounting
20 to 7.5 million dollars because of their
21 bankruptcy proceedings. What that means though
22 is the other three quarters they're not paid. If
23 the Roseton and Danskammer power plants are not
24 sold, the repercussions will fall on the Town of
25 Newburgh taxpayers. Is the retail mall developer

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2 the proper client for an IDA? I think we have
3 talked about this. If approval of this tax
4 abatement is granted, this will be a precedent
5 setting for this area. Who will benefit from
6 this tax abatement? Obviously the develop, the
7 Marketplace Mall, Mr. Wilder. Who are the other
8 benefactors? The only potential clients for the
9 Marketplace are Dick's Sporting Goods and Shop
10 Rite. I don't know if there's anybody new at
11 this point. Did they really need the help of
12 this tax abatement? Long after the Marketplace
13 developers are gone, the tax impact on the
14 citizens of this town will be felt for years to
15 come by the decision you make. Is this what the
16 Town of Newburgh wants to support? Obviously
17 not. We just said so today. I support Mr. Booth
18 in what he said today. Taxpayers from the Town
19 of New Windsor or other members of those making
20 the decisions for the IDA will not feel the
21 impact of the loss of this tax abatement. The
22 jobs of the council, town council is to do what's
23 right for and in the best interest of the people
24 of the Town of Newburgh. Please support their
25 petition. I support Mr. Booth, Mr. Sachs and the

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2 position that all the others have presented here
3 today. Thank you.

4 MR. PETRO: Thank you. Mike?

5 MR. OATES: Thank you, Mr. Chairman. Mike
6 Oates, Hudson Valley Economic Development
7 Corporation. I think there's just a couple quick
8 points that I wanted to make. First being that
9 we don't work in a vacuum. These are challenging
10 economic development times. Other states, other
11 regions are very aggressive in incentive projects
12 through economic development projects. If we're
13 not in a position to do so, we lose that
14 opportunity for investment which obviously comes
15 with jobs creation. I think it's also important
16 as to consider two major points, again, this is
17 for the first phase of the buildout, to jump
18 start the project and it's based on future
19 development and not a reduction in current taxes.
20 So we're in support of this project and we think
21 it's important to get this jump started in Orange
22 County and in the region.

23 MR. PETRO: Thank you. Okay, I think we
24 really covered it pretty well as far as IDA
25 issues are concerned. I think a lot of people

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2 asked some very good questions. We're going to
3 consider that at this time. I'm going to close
4 the public hearing and reopen it back up to
5 Mr. Crotty and myself and the Executive Director.
6 Phil?

7 MR. CROTTY: I'd just like to say in defense
8 of the IDA and the IDA program that recently I
9 had occasion to work with the Chairman, Chairman
10 Petro and Executive Director O'Donnell out in the
11 Town of Deerpark, which had a retail project.
12 And not every community and every project are the
13 same. It's not the same. But they had a project
14 out in Deerpark which is the other end of the
15 county for a retail project and we were not that
16 excited about a retail project but every
17 application that comes to us is entitled to its
18 review and we headed out to Deerpark thinking
19 that we'd have the same sort of reaction that we
20 obtained from the Town of Newburgh today. And it
21 was quite the different situation out there.
22 Everybody in the room from the school district to
23 the town board members to the planning board
24 members to the Chamber of Commerce members to
25 even people from Pennsylvania across the town

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2 line, state line came out in support of the
3 retail project for Deerpark. So of course we
4 were pleased that we never, we didn't have any
5 opposition at all and we were pleased to be able
6 to help that community with the retail project.
7 I sense today it's a little bit different but
8 please don't impugn the IDA for accepting the
9 application and giving the applicant its day in
10 court here. That's it, Mr. Chairman.

11 MR. PETRO: Okay, and also it should be
12 known also that the IDA a lot of people think
13 that the IDA just hands out funds, in other
14 words, we don't hand out, if you people today
15 said we're going to give out tax money, we're
16 going to give out now it may be money not that
17 you would take in that's very true but from day
18 one, from day one of any PILOT and you know this
19 as well as anybody else you only move up, in
20 other words, you start with the land value and
21 you start with the special district charges and
22 the first year the applicant pays more so you
23 have more the first year than you would have had
24 you built anything. Keep that in mind and it's
25 only a reduction in the taxes that would be paid,

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2 the IDA does not hand out checks and say here, go
3 subsidize your project. That's not to say the
4 IDA doesn't give grants to not for profits but
5 that's not the case. They are for profit and we
6 don't do that. Number two, this is very
7 important, the public should understand that the
8 applicant is entitled by state law to receive the
9 485-b exemption which simply is a one page form
10 like this in the assessor's office, they put
11 their project information on it and it's
12 approved, it's done March 1st of the following
13 year, all the business exemptions are applied and
14 it's as simple, it costs nothing and it's free.
15 They have every right to do that. The way that
16 works the 485-b starts at 50 percent of the value
17 that you would have paid on the improvements of
18 the increase of the assessment on the project and
19 goes up five percent a year until you're back to
20 par after 10 years. That's a 27.5 percent
21 savings to the applicant. They do not need the
22 IDA for that, they simply walk down the hall and
23 get the piece of paper. What the IDA can do if
24 it so deems to do is do the equivalent of the
25 485-b along with the sales tax exemptions and

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2 mortgage tax exemptions and that's what the IDA
3 can do with the 485-b. What they have asked for
4 is either a 10 year or 15 year, the 10 year is
5 55 percent savings and so is the 15 year
6 mathematically works out the same way but it's
7 over 15 years. So I want the people in the room
8 to understand that the 485-b is available to the
9 applicant or any retail or any commercial
10 property builder in the Town of Newburgh
11 regardless of IDA. So with that being said, I
12 want to thank everybody for coming out today.
13 Jim, go ahead, I'm sorry.

14 MR. O'DONNELL: Thank you. I'm Jimmy
15 O'Donnell, Executive Director of IDA. Just to
16 back up what chairman Petro said that 485-b is
17 worth 3.245 million dollars over the course of 10
18 years. So the lady that said the 9.9 million
19 you're correct, that was the 15 year PILOT.
20 You'd have to subtract that 3.245 from the 9.9 to
21 get a true number of what the extra abatement
22 would be what Bob Wilder's looking for. So
23 whatever that is that's what the true number of
24 the extra tax break they're looking for. As the
25 chairman said, legally, they're entitled to the

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2 485-b which is worth 3.245 million. I don't know
3 if any member members of the town board are still
4 here? Are they okay with the sales tax? I
5 didn't hear.

6 MR. PETRO: There was nothing in the letter
7 about the sales tax at all.

8 MR. O'DONNELL: We're going, I'm sorry,
9 Supervisor Booth left, I'd like to get a
10 clarification, I've got some more work to do now,
11 I want to get a clarification whether the town
12 board is okay with the sales tax abatement. If
13 it is not in the letter I was hoping it would be
14 in the letter, yes or no, so at least we can
15 instruct the board members when we go back to the
16 board whether they're for that or not for that as
17 well as the mortgage tax abatement. And I'm
18 looking forward to Mr. Parish's economic report
19 that will give me numbers. I'm looking for
20 numbers that say where did you get the
21 30 percent? What percent would you use if
22 that's, you gave us your resume so I'm assuming
23 you'd be able to but the numbers to numbers
24 against whatever they submit. It will help me.
25 The IDA also does an economic impact statement

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1
2 ourselves to figure out exactly what it means.
3 It's new in the area of IDA, there's more, the
4 more information I get the better I'm able to
5 inform the board members on what exactly the
6 economic impact is going to be and what kind of
7 tax break we're giving. And labor's here, I
8 appreciate labor always shows up at these, we try
9 to ensure that local labor's used. I think they
10 had some agreement with a piece of us somewhere
11 with not a lot of us so that's the last I heard
12 on that. So I'll talk to you later and figure
13 out where you guys are with that. But I
14 appreciate everybody coming out, trying to get
15 all the information you possibly can. We try to
16 get all this information back to the board
17 members for the record, even though there's only
18 one member of the IDA board, every board member
19 gets a written copy of the minutes of the meeting
20 prior to the meeting. One thing I would like
21 from Mr. Parish, don't wait until the 39th day,
22 all right? The quicker you can get that
23 information to us the quicker the stenographer
24 can get the report done the quicker we can get to
25 the IDA board members so they have some time to

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2 get questions back to me. I can call you for
3 some clarification, I can call the town board for
4 some clarification, talk to labor for some
5 clarification, talk to Mr. Tremble who put that
6 report together on his end, talk to Mr. Wilder,
7 lot of pieces here. I'll leave you with this
8 though, all right, and I appreciate whoever
9 quoted me, you got it a hundred percent right,
10 it's not often the case so I appreciate that very
11 much, but I'll give you just my own perception
12 and I don't vote on the board but when the
13 Palisades Mall built the new mall, the other mall
14 went down. Now the other mall is coming back to
15 life, what I think they're doing is keeping an
16 anchor store on one side, anchor store on the
17 other side and doing something similar to what we
18 heard comments in the middle. They came back.
19 Orange Plaza same thing, Pyramid went in there,
20 built, knocked Orange Plaza out of the box. Well
21 now Orange Plaza is back booming. Okay, I live
22 over in that side of the county, okay, so things
23 have revitalized. So, okay, thank you.

24 MR. PETRO: All right, thank you. One
25 minute, Mike, all right, go ahead, Mike.

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MR. GAYDOS: Jimmy is a hundred percent right, these malls came back. They built one hundred percent local labor, paid the wages that they can afford to live here and those malls are coming back. You're a hundred percent right.

MR. PETRO: The IDA will have this not on the May agenda it will be the June agenda which gives everybody time, more than ample time frankly to respond in writing to the Orange County IDA. Thank you for coming out and have a nice day.

(Proceedings concluded at 11:40 a.m.)

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4 I, FRANCES ROTH, a Stenographic Reporter and Notary Public
5 of the State of New York, do hereby certify:

6

7 That the foregoing is an accurate record of the testimony,
8 as given, to the best of my knowledge and belief, the same
9 having been stenographically recorded by me and transcribed
10 under my supervision.

11

12 That I am not related to any of the parties involved in
13 this matter, and that I have no personal interest
14 whatsoever in the outcome thereof.

15

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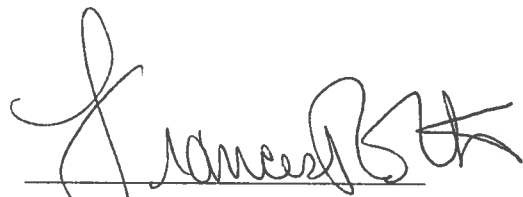
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FRANCES ROTH

Rendleman, Laurie

From: Dmytrenko, Orysia
Sent: Monday, May 14, 2012 11:58 AM
To: Diana, Edward; O'Donnell, James; Mayfield, Richard; Jensen, Kristin; Rendleman, Laurie; Kleiman, Joel
Subject: THR IDA jobs data better than reported

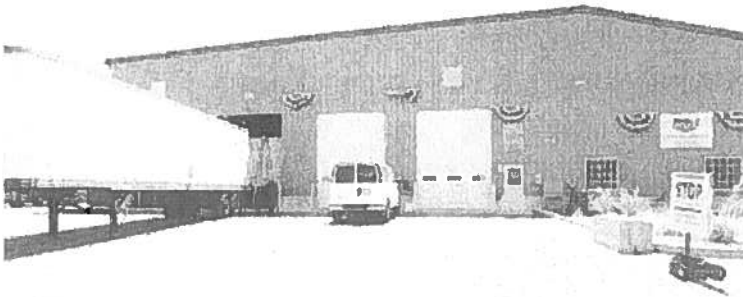
Times Herald-Record

Published: 2:00 AM - 05/12/12
Page 5

<http://www.recordonline.com/apps/pbcs.dll/article?AID=/20120512/NEWS/205120309&cid=sitesearch>

IDA jobs data better than reported

Orange's cost per employee beats average



North Jersey Trailer and Truck Service was one of at least four Orange County companies whose employment gains were missing in a comptroller's report, which credited the county IDA with just 88 jobs created. Adding the employees of those companies would increase the job count to nearly 1,300. TOM BUSHEY/Times Herald-Record

By James Walsh

Bob Sybesma, president of North Jersey Trailer and Truck Service in New Hampton, was surprised to learn that he and his employees don't exist — if figures from the state comptroller's office are to be believed.

The comptroller's office reported last week that **Orange County's Industrial Development Agency** was among the least efficient in the state, handing out tax breaks worth nearly \$30,000 for every job created in 2010. A Times Herald-Record examination of figures underlying the report, though, revealed significant errors. The corrections reduced Orange County's cost per job to about \$2,000, which is well below the state average of \$2,659.

North Jersey Trailer and Truck Service was one of at least four Orange County companies whose employment gains were missing from the report, which credited the county IDA with just 88 jobs created. Adding the employees of those companies would increase the job count to nearly 1,300.

Looming large from the spreadsheet were figures for Crystal Run Healthcare that appeared to veer far from reality. The state report indicated the company had shed 725 jobs since applying for benefits on a new building in the Town of Wallkill. The error might have occurred, said Crystal Run's marketing director Mark Trocino, because the company sought an IDA tax incentive under the name of a subsidiary, CRH Realty II, while the jobs were created at the medical branch of the business.

Views split on blame for errors

More than 400 jobs were created by building 95 Crystal Run Road in the Town of Walkill, bringing total employment to about 1,125, Trocino said.

The state report credited Orange County's IDA with creating just 88 jobs at a cost of \$29,796 per job in tax breaks. That was the second-highest cost per job among the 56 county IDAs in the state, nearly eight times the average \$3,770 per job in the mid-Hudson.

The comptroller's office blamed errors on figures supplied by the IDA. IDAs are required to certify that their figures are accurate when they submit them to the comptroller.

But IDA attorney Philip Crotty felt local IDA officials should have been contacted to verify data before the report was published.

"These are misguided numbers that we didn't have a chance to explain," Crotty said.

IDA Executive Director James O'Donnell, who's also deputy county executive, relayed through **IDA Administrative Assistant Laurie Villasuso** that some companies didn't respond to the IDA's request for information, such as number of employees, which was forwarded to the comptroller's office.

Continuing her relay from **O'Donnell**, **Villasuso** said it wasn't an error on the IDA's part; it simply didn't have the information. The IDA is continuing its efforts to gather the numbers.

Miscalculations at other sites

North Jersey Trailer and Truck Service looked like a busy place on Thursday morning. Two workers were rebuilding the side of a trailer as two others repaired the brakes on another vehicle. Others were rebuilding the lift gate on a trailer, and three people were busy in the office.

In 2010, the year of the report's figures and the first year of the business in New Hampton, there were five employees, Sybesma said. There are 17 workers there now, and Sybesma said he's looking to hire three more mechanics.

"Without that support, we wouldn't be here," Sybesma said of the IDA's granting a payment-in-lieu-of-taxes deal that phases in property taxes over 10 years. "It was critical for us."

Also under-represented in the report are the jobs created at the Catlin Gardens Inn in Slate Hill. The boutique hotel opened in June 2010 with 40 to 50 full- and part-time employees, owner John Stack said. The report listed zero jobs.

System cited as possible cause

Crotty suggested the erroneous figures or omissions may have had something to do with a computer system the 114 active IDAs use to report their numbers to the comptroller.

"They didn't send us a draft and say things look a little screwed up," Crotty said. "I wish they did call us, because there really were jobs created."

The comptroller's office shouldn't have to contact the IDA beforehand, countered Brian Butry, deputy press secretary for Comptroller Thomas DiNapoli. He said the comptroller's office relied upon figures the IDA submitted and that the state had long urged IDAs to ensure the accuracy of those figures.

"They're getting upset with the comptroller's office for not having the data that they were supposed to pass along," Butry said.

He later said in an email that while the comptroller's office does "some level of review to catch errors and make sure all the data is complete, we don't have the resources to check every entry made for the almost 4,500 projects supported by the local IDAs."

While it's unclear how many entries the comptroller's office reviewed, it appears the number crunchers aren't reality TV fans. If they were, they never would have believed that Orange County Choppers has no employees. There are actually about 45 workers at the company's Newburgh headquarters, according to the Orange County Partnership.

"And they're building a restaurant, too," Crotty said.

jwalsh@th-record.com

RESOLUTION APPROVING HUDSON VALLEY FILM COMMISSION AS AGENT FOR ECONOMIC DEVELOPMENT IN THE FILM INDUSTRY

MOTION BY _____

SECONDED BY _____

Whereas, this IDA has received from special counsel a legal opinion that IDA funds may not be disbursed to not-for-profit organizations for general operating expenses, and funds may be paid for authorized IDA purposes to certain not-for-profits which are performing authorized IDA activities as the IDA's agent; and

Whereas, the Hudson Valley Film Commission, in conjunction with the Ulster County IDA, for the past thirteen years has been performing an economic development function for the region including Orange County, by attracting and promoting local film, video, and media production including ads, industrial and fashion shoots; and also has been successful in creating jobs and work opportunities, including in 2011 a reported \$5.5 million dollars in direct spending from local production work; and

Whereas, after review of its grant application and recommendation by the Governance Committee, this IDA finds that the Hudson Valley Film Commission should be designated an IDA agent for economic development in the film industry in Orange County.

Now Therefore Be It Resolved that the IDA designates Hudson Valley Film Commission, Inc. as its agent to attract and promote film, television, and other media in Orange County for calendar years 2012, 2013, and 2014 at the rate of \$40,000 per year, subject to the Hudson Valley Film Commission complying with the terms of an agent letter agreement between the IDA Executive Director and Hudson Valley Film Commission.

Vote:

Mr. Schreiberis _____

Mr. Steinberg _____

Ms. Rogulski _____

Mr. Van Leeuwen _____

Mr. Armistead _____

Chairman Petro _____

Mr. Brescia _____

DATED: 5-16-12

_____AYES _____NAYS

RESOLUTION _____

RESOLUTION APPROVING DESIGNATION OF HUDSON VALLEY AGRI-BUSINESS AS IDA AGENT FOR AGRI-BUSINESS ECONOMIC DEVELOPMENT

MOTION BY _____

SECONDED BY _____

Whereas, this IDA has received from special counsel a legal opinion that IDA funds may not be disbursed to not-for-profit organizations for general operating expenses, and funds may be paid for authorized IDA purposes to certain not-for-profits which are performing authorized IDA activities as the IDA's agent; and

Whereas, this IDA finds that Hudson Valley Agri-business performs a vital economic development function by keeping County farmers viable agri-businesses and promoting visits and tourism in Orange County through HVADC's existing Incubator Without Walls (IWW) and Hudson Valley Bounty (HVB) Programs, including specifically:

- 1.) Technical assistance to farmers implementing USDA Value Added Grant Awards.
- 2.) Business expansion counseling to a local farmers seeking to add process capacity and expand operations to make room for next generation.
- 3.) Local vegetable sourcing for Farm-to-Table Co-packing and other regional commercial buyers.
- 4.) Business planning services to local farmers seeking to diversify production; and

Whereas, the Dutchess County IDA, Ulster County IDA, and Sullivan County IDA have also authorized funding, as well as the Columbia Economic Development Corporation; and the Governance Committee of this IDA has reviewed and approved the agent-designation application.

Now Therefore Be It Resolved that this IDA hereby designates HVADC as its agent for agri-business economic development in Orange County for calendar years 2012, 2013 and 2014, at the rate of \$25,000 per year, subject to the HVADC counter-signing and complying with the terms of an agent letter agreement to be executed between the IDA Executive Director and HVADC.

Vote:

Mr. Schreiberis _____

Mr. Brescia _____

Ms. Rogulski _____

Mr. Steinberg _____

Mr. Armistead _____

Mr. Van Leeuwen _____

Chairman Petro _____

DATED: 5-16-12

RESOLUTION: _____

_____ AYES _____ NAYS

1:57 PM
05/11/12
Accrual Basis

HVADC
Summary Balance Sheet
As of December 31, 2011

	<u>Dec 31, 11</u>
ASSETS	
Current Assets	
Checking/Savings	107,281.51
Accounts Receivable	<u>74,393.68</u>
Total Current Assets	181,675.19
Fixed Assets	5,229.80
Other Assets	<u>54,000.00</u>
TOTAL ASSETS	<u>240,904.99</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	<u>-5,704.55</u>
Total Current Liabilities	<u>-5,704.55</u>
Total Liabilities	-5,704.55
Equity	<u>246,609.54</u>
TOTAL LIABILITIES & EQUITY	<u>240,904.99</u>

**HVADC Program Budget
Fiscal Year 2012**

<u>Income</u>	<u>Total</u>
<i>CEDC Contribution</i>	35,000
<i>Dutchess County IDA</i>	25,000
<i>Orange County IDA</i>	25,000
<i>Sullivan County IDA</i>	25,000
<i>EDA</i>	50,000
Total	<u><u>160,000</u></u>

<u>Programs</u>	<u>Total</u>
<i>Hudson Valley Bountty - Consulting</i>	25,000
<i>Hudson Valley Bountty - Events</i>	20,000
<i>Incubator Without Walls- Consulting</i>	96,000
Total	<u><u>141,000</u></u>

RESOLUTION ADDING FIRST NIAGARA BANK TO IDA DEPOSITORIES FOR 2012 AND DELETING HSBC

MOTION BY:

SECONDED BY:

Whereas, the NYS General Municipal Law, Section 10, requires the Orange County Industrial Development Agency to designate one or more banks to secure the deposits of IDA funds and investments; and

Whereas, the IDA's Chief Financial Officer has requested that the IDA so designate its depositories.

Now Therefore Be It Resolved that pursuant to Article III, section 2, Exhibit C of the Orange County IDA Bylaws and Policies, the IDA hereby designates the following depositories located within Orange County, together with their maximum dollar limits.

<u>Depository Name</u>	<u>Maximum \$</u>
Bank of America	\$8,000,000
Berkshire Bank	\$8,000,000
Catskill Hudson Bank	\$8,000,000
Greater Hudson Bank	\$8,000,000
First Niagara	\$8,000,000
JP Morgan Chase Bank	\$8,000,000
Key bank	\$8,000,000
Manufacturers and Traders Trust Company	\$8,000,000
Orange County Trust	\$8,000,000
Provident Municipal Bank	\$8,000,000
TD Bank	\$8,000,000
Wachovia Bank/Wells Fargo & Co.	\$8,000,000

Vote:

Mr. Schreibeis _____

Ms. Rogulski _____

Mr. Armistead _____

Mr. Brescia _____

Mr. Steinberg _____

Mr. VanLeeuwen _____

Chairman Petro _____

DATED: May 16, 2012

AYES; NAYS

Resolution:

Motion By: _____
Seconded By: _____

RESOLUTION
(Carlisle Construction Materials Incorporated Project)

A regular meeting of the Orange County Industrial Development Agency was held on May 16, 2012 at 2:00 p.m. (local time) at the Orange County Business Accelerator, 4 Crotty Lane (Stewart Airport), New Windsor, New York 12553.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of Carlisle Construction Materials Incorporated (the "Company").

RESOLUTION OF THE ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY RATIFYING AND CORRECTING THE
RESOLUTION ADOPTED BY THE AGENCY ON APRIL 18, 2012
RELATIVE TO THE PROJECT BEING UNDERTAKEN FOR THE BENEFIT
OF CARLISLE CONSTRUCTION MATERIALS, INCORPORATED.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 390 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the "Act"), the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **CARLISLE CONSTRUCTION MATERIALS, INCORPORATED** (the "Company") has previously submitted an application to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of fee title to, or a leasehold interest in, an approximately 31-acre parcel of vacant land located on Eager Road in the Town of Hamptonburgh, Orange County, New York (the "Land", being more particularly described as part of TMID No. 1-1-21.21), (ii) the construction on the Land of an approximately 350,000 square-foot building and related improvements to be used by the Company as office space and space to produce and distribute insulation products for the commercial and industrial waterproofing and roofing markets (the "Improvements"); and (iii) the acquisition in and around the Improvements of certain items of equipment and other tangible personal property including, but not limited to, tanks, pumps, piping, laminating and packaging equipment (the "Equipment" and, collectively with the Land and the Improvements, the "Facility"); and

WHEREAS, by resolution dated April 18, 2012 (the "Original Final Resolution"), the Agency authorized the execution and delivery of the a lease agreement (the "Lease Agreement"),

leaseback agreement (the "Leaseback Agreement"), payment-in-lieu-of-tax agreement (the "PILOT Agreement") and related documents be negotiated (collectively, the "Closing Documents"); and

WHEREAS, at the time of the adoption of the Original Final Resolution, the Agency proceeded with the understanding that, pursuant to Article 8 of the Environmental Conservation Law and 6 N.Y.C.R.R. Part 617 (collectively referred to as the New York State Environmental Quality Review Act or "SEQRA"), on April 2, 2012, the Town of Hamptonburgh Planning Board (the "Planning Board") had determined that the potential environmental impacts associated with the Project were largely consistent with those potential impacts previously reviewed and mitigated in the generic environmental impact statement and associated findings statement issued by the Planning Board in August 2002 and, to the extent that the proposed plan for the Project differed from the conceptual plan analyzed in the generic SEQRA review previously completed by the Planning Board, had found that such potential impacts did not constitute potential significant adverse environmental impacts, and thus issued a negative declaration pursuant to 6 N.Y.C.R.R. § 617.10(d)(3) of the SEQRA regulations (the "Determination of Consistency and Negative Declaration"); and

WHEREAS, at the time of the adoption of the Original Final Resolution, the Planning Board had not adopted the Determination of Consistency and Negative Declaration and such adoption did not take place until May 3, 2012; a copy of the Determination of Consistency and Negative Declaration is attached hereto as Exhibit A; and

WHEREAS, the Agency desires to adopt a resolution correcting the Original Final Resolution, ratifying the findings made by the Agency in the Original Final Resolution and any and all actions taken by the Agency (and the Company) in reliance on the Original Final Resolution (including the execution and delivery of the Closing Documents) and authorizing the Agency to provide benefits to the Company.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby recognizes that at the time of the adoption of the Original Final Resolution, the Agency proceeded with the understanding that a determination of consistency and negative declaration had been adopted on April 2, 2012, in accordance with the SEQRA and, in fact, such adoption did not take place until May 3, 2012 (the "Determination of Consistency and Negative Declaration"). The Agency hereby ratifies the Planning Board's determinations that: (i) the potential environmental impacts associated with the Project are largely consistent with those potential impacts previously reviewed and mitigated in the generic environmental impact statement and associated SEQRA findings statement issued by the Planning Board in August 2002; and (ii) to the extent that the proposed plans for the Project differ from the conceptual plan analyzed in the generic SEQRA review previously completed by the Planning Board, determine that such potential impacts do not constitute potential significant adverse environmental impacts requiring the preparation of a supplemental environmental impact statement, and thus warranting the issuance of a negative declaration for the Project pursuant to 6 N.Y.C.R.R. § 617.10(d)(3) of the SEQRA regulations.

Section 2. The Agency hereby ratifies all findings made in the Original Final Resolution and all actions taken by the Chairman, Vice Chairman and/or the Executive Director of the Agency and the Company and their respective counsel (including the execution and delivery of the Closing Documents) in reliance thereon.

Section 3. Any and all actions heretofore taken by the Agency, for and on behalf of the Company, are hereby ratified, confirmed and approved in their entirety.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 5. These Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Robert Armistead				
Mary Ellen Rogulski				
Stephen Brescia				
John Steinberg, Jr.				
Henry VanLeeuwen				
Robert Schreibeis, Sr.				
James Petro, Jr.				

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF ORANGE) ss:

I, the undersigned Secretary of the Orange County Industrial Development Agency, DO
HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the meeting of the Orange
County Industrial Development Agency (the "Agency") including the resolution contained
therein, held on May 16, 2012, with the original thereof on file in my office, and that the same is
a true and correct copy of the proceedings of the Agency and of such resolution set forth therein
and of the whole of said original insofar as the same relates to the subject matters therein referred
to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting,
that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public
Officers Law (Open Meetings Law), said meeting was open to the general public, and that public
notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency present
throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force
and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this 16th
day of May, 2012.

Secretary

EXHIBIT A

**Town of Hamptonburgh Planning Board's
Determination of Consistency and Negative Declaration**

[See Attached]