



**INDUSTRIAL  
DEVELOPMENT  
AGENCY**

# **2007 ANNUAL REPORT**

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County Executive  
Edward A. Diana





**Office of County Executive**  
Orange County Government Center  
255 Main Street  
Goshen, NY 10924  
845-291-2700  
[www.orangecountygov.com](http://www.orangecountygov.com)

## Message from the County Executive

Dear Friends,

It's great to be a part of the business community in the fastest growing county in New York State. It's also great to be behind the Industrial Development Agency that's so important to that growth. The Orange County IDA is in the trenches every day, getting out the message that it is there to facilitate incentive programs to encourage commercial growth tied to specific types of projects and facilities. These projects result in more jobs, lower taxes and a better quality of life.



Edward A. Diana  
County Executive

The opening of International Boulevard, a four-lane access road to Stewart International Airport, and the airport takeover by the Port Authority of NY & NJ, has spurred an avalanche of activity and interest. The Port Authority has begun a \$500 million improvement and growth plan that includes parking, infrastructure and a cargo/maintenance area adjacent to the new access road that will enhance the freight-handling capabilities of the facility.

Some of the most prominent commercial real estate developers in the nation have set their sights on our County and are now going through the approval process on land they have purchased for speculative development. These developers have opted to join our local developers to take advantage of the phenomenal growth we are experiencing. They are all recognizing that we have the best transportation network in the northeast corridor, an educated workforce and great sites all located in the largest and richest marketplace in the western hemisphere.

Let Orange County, New York be the location of your next move or expansion. Let us demonstrate to you that this is not only a place to grow and prosper, but a great place to live and raise your family as well.

Sincerely yours,

Edward Diana  
Orange County Executive



## Orange County Industrial Development Agency

Orange County Government Center  
255 Main Street  
Goshen, NY 10924  
845-291-2931

### Message from the Chairman

In 2007, the Orange County Industrial Development Agency (IDA) continued to focus on its mission to promote economic development through a program of incentives-based allocations that assist in the construction, equipping and maintenance of specific types of projects and facilities.



James R. Petro, Jr.  
IDA Chairman

As the fastest growing county in the state, we continue to see increased interest from companies looking to expand or relocate to the area. This year, we processed over 20 applications representing \$600 million of potential capital investment, with a promise of 2,157 new jobs and the retention of 1,869 existing jobs. They also hold the potential of creating over 4,000 construction jobs.

As of year's end, three of those 20 applications have closed and five are on track for approval in the first quarter of 2008. The three projects mentioned represent 109 new jobs and 3,125 construction jobs. As a direct result of the assistance provided by the IDA, these companies will have the opportunity to share in the increased prosperity of Orange County.

The County is experiencing a considerable surge in interest following the November 2007 takeover of Stewart International Airport by the Port Authority of New York and New Jersey. We are seeing inquiries and land purchases by some of the largest local and national developers. The IDA is in the process of purchasing a 58-acre parcel adjacent to the airport that will be used to create a business park for technology and research companies.

I would like to thank the IDA Board for their dedication, service and expertise in guiding the County on a path to success. I would also like to thank the Orange County Partnership, IDA Attorney Philip Crotty, IDA Finance Officer Joel Kleiman, Executive Director William Trimble and our Immediate Past Chair David MacFarland.

James R. Petro, Jr.  
Chairman



## Orange County Industrial Development Agency

Orange County Government Center  
255 Main Street  
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### Message from the Executive Director

The Orange County IDA experienced a tremendous year, processing 20 applications during 2007.

Nine of those applications have completed the full application process, and the others are scheduled for completion in early 2008. The projects represented several categories of the business world, including manufacturing, warehousing, professional office, tourism, civic and many more.

These applications also represent an estimated capital investment to Orange County of over \$600 million. In addition, these applications project hiring 2,200 new employees, retaining 2,000 employees, and the creation of an estimated 4,000 construction jobs that are critical to our economy.

In addition, the Orange County IDA has taken an active part in the future of Stewart International Airport, providing assistance to a new air cargo facility, a Hilton hotel and has had several discussions regarding professional office and manufacturing projects. This airport is viewed as the future economic development engine for Orange County and the Hudson Valley, and the Orange County IDA is ready to be a part of this future growth.

Unlike the other areas of New York State and the country, Orange County's economy remains strong and the County continues to attract and retain business because of the aggressive efforts of the Orange County IDA and other programs of assistance in New York State.

William Trimble  
Executive Director



William Trimble  
IDA Executive Director



# COUNTY REPRESENTATIVES

## IDA BOARD OF DIRECTORS

### IDA OFFICERS



**EDWARD DIANA**  
County Executive



**M. WILLIAM LAHEY**  
Chair of Legislature



**JAMES PETRO**  
IDA Chairman



**ROBERT ARMISTEAD**  
IDA Vice Chair



**HANK VAN LEEUWEN**  
IDA Second Vice Chair



**STEPHEN BRESCIA**  
IDA Secretary



**JOHN STEINBERG**  
IDA Assistant Secretary



**DANIEL COLEMAN**  
IDA Board Member



**PHILIP CROTTY**  
IDA Counsel



**WILLIAM TRIMBLE**  
IDA Executive Director



**JOEL KLEIMAN**  
IDA Finance Officer



## Operations and Accomplishments - 2007

Name	Capital Investment	Jobs Created	Jobs Retained	Construction Jobs
Air-Car-Go Realty	\$9,700,000	50	50	25
Coach USA	\$13,000,000	322	5	
FW Webb	\$3,800,000	21		30
IBM	\$60,000,000	100	565	25
Clancy's Volcanic	\$21,700,000	106		
Monroe Free Library	\$10,000,000	10	21	50
Airport Properties	\$17,000,000	49		65
OC Choppers	\$13,400,000	60	68	60
Millennium	\$75,000,000			3000
Argent	\$10,000,000	60		
Catlin Creek	\$5,500,000	25		30
Medline	\$31,000,000	69		200
C&S Grocers	\$77,500,000	465	285	275
AT&TL	\$21,000,000	350		
CRH Realty	\$49,400,000	350	725	300
Unilock	\$18,150,000	70		
GMH Military House	\$162,000,000	50	150	

**\$598,150,000**

Total Capital Investment

**2,157**

Total Jobs Created

**1,869**

Total Jobs Retained

**4,060**

Total Construction Jobs

 Closed



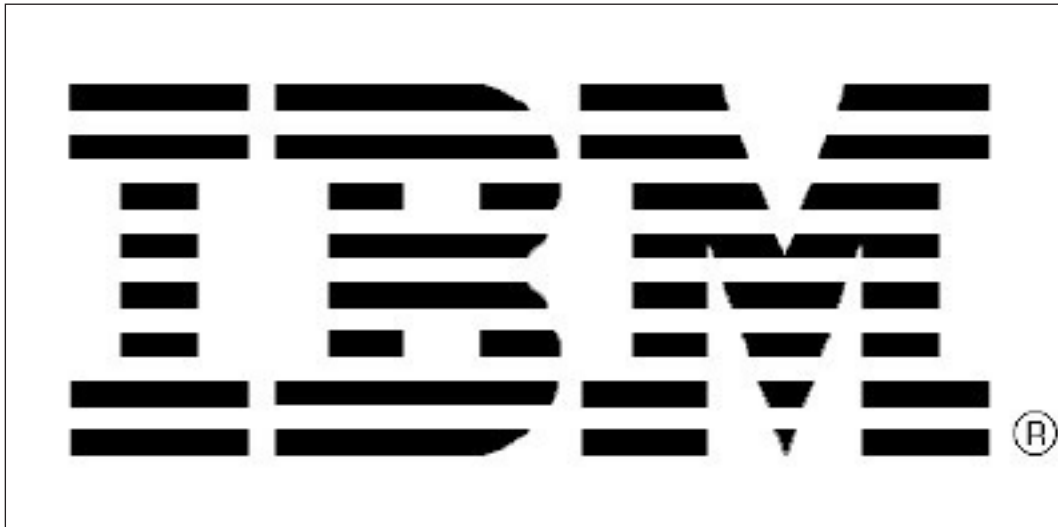
## IBM

The IBM project, located in the Town of Warwick, New York, is one of the major success stories for the Orange County IDA in 2007.

This project demonstrates the benefits that an IDA program can provide to a company which was contemplating closing its facility and relocating out of New York State. The present IBM facility was in need of extensive renovation and upgrading in order to meet the company's needs for the future. In addition, IBM owned other facilities and locations outside New York State that could have served the needs of this operation.

The impact of such a loss to Orange County would have been devastating. This facility employs over 550 people, including many who live in Orange County. A loss such as this would have had a major effect on the economy of Orange County in the form of lost jobs, income and housing, not just to IBM employees, but to all the support services that relied on IBM.

Negotiation and the eventual offering of incentives by the IDA made it possible for IBM to reconsider moving and start planning the \$60 million renovation the project needed at this Town of Warwick facility.







## ORANGE COUNTY CHOPPERS

The most recognizable project for the Orange County IDA in 2007 was that of the Orange County Choppers. This project was not as simple as many may believe.

With the Choppers' tremendous success came many offers to relocate their entire operation. Those offers included Florida, New Jersey, California and other states.

However, because of the Teutul's love for Orange County, New York, and the incentives provided by New York State and the IDA, Orange County, New York was the winner in hosting what is to be the world headquarters for the OC Choppers in 2008.

This project represented a \$13 million capital investment to Orange County, with the creation of 60 new jobs and the retention of 68. In addition, over 60 construction jobs were forecast for the project.







## MILLENNIUM PIPELINE

The Orange County IDA provided incentives to Millennium in order for them to undertake the construction of a 30-inch, 182-mile natural gas distribution system across New York State. The pipeline began in Corning and traversed the southern tier of New York through the counties of Steuben, Chemung, Tioga, Broome, Delaware, Sullivan, Orange and Rockland. In Orange County alone, the project covered 32 miles across five townships, including Deerpark, Greenville, Minisink, Tuxedo and Warwick.

This project required a capital investment of \$75 million and will create more than 3,000 construction jobs during the next two years of construction in Orange County. Employment included welders, heavy equipment operators, engineers and laborers, many of whom are from the Orange County workforce.

In addition to the capital investment and the job creation, this project will provide additional economic impact to the County in the form of other services needed to support a project of this magnitude, including lodging, fuel, food, and rental equipment.



*Michael Armiak, project manager, and Richard Leehr, president of Millennium, flank Orange County Executive Edward Diana at the closing for the Millennium Pipeline project with Executive Director William Trimble in background.*





## AIR-CAR-GO, REALTY L.L.C.

This nearly \$10 million, 108,000 S/F air cargo facility received its IDA approval in 2007 and is scheduled for a groundbreaking in 2008.

It is estimated that this project will create 50 new, full-time jobs and more than 30 construction jobs.

The air cargo hangar will include storage and office space for the future national and international air cargo needs of Stewart International Airport.





## AIRPORT PROPERTIES

This Homewood Suites by Hilton® is a \$17 million capital investment project supported by the Orange County IDA. The four-story, 125-suite extended-stay hotel, has a 3,000 S/F banquet room and multiple meeting facilities. The project will create 50 new, full-time employees and 65 construction jobs.

This is the first of many new hotels planned for Stewart International Airport.





## IDA Grants - 2007 Expended or Committed

The Orange County IDA strengthened the economic development climate of Orange County by distributing the following grants in 2007.

- Stewart International Airport received two grants for attracting and marketing AirTran and JetBlue airlines. The AirTran grant for 2007 was \$56,419, which was the last installment of a joint IDA/federal grant, for which most funds will be reimbursed to the IDA. The JetBlue grant for 2007 was \$79,451, which was the final installment of an original \$200,000 IDA grant for JetBlue.
- Orange County Community College (SUNY Orange) was entitled to draw down its third and final installment (in the amount of \$157,294) of a three-year grant in the amount of \$560,000. The grant is for the College's Business Training and Professional Development Center. However, the College approached the IDA and received permission to defer drawing down the 2007 installment for another eighteen months.
- Gateway to Entrepreneurial Tomorrow (GET) received the first \$50,000 of a \$150,000 three-year grant for the purpose of setting up and maintaining an office in Orange County. GET assists minorities in setting up their own businesses. The Orange County office is in the City of Newburgh.
- Hudson Valley Agri-Business Development Corporation received the first \$25,000 of a \$75,000 three-year grant to assist agricultural businesses in Orange County. The project is also funded in part by Dyson Foundation and is supported by the Orange County Planning Department.
- Pattern for Progress was granted \$20,000 for its regional planning strategic initiative. Other Hudson valley counties will also be contributing.







## IDA Projects - 2007

### Stewart International Airport – 58-acre parcel

When the State of New York and SPARC entered into a federal-court settlement in December 2005 that paved the way for a direct access highway from I-84 into Stewart International Airport, there were 400 acres set aside for economic development. Under the leadership of County Executive Ed Diana and County Legislature Chairman Bill Lahey, the Orange County IDA sought to acquire all the land from the State for \$1.00. The State's constitutional lawyers blocked that transaction. However, the IDA had a vision and pressed on, proposing to buy two of the most prime parcels for \$1,232,000. In the final hours of the Pataki administration in 2006, IDA Attorney Phil Crotty negotiated a deal for the IDA to buy 58 acres of prime airport land in the Towns of New Windsor and Newburgh for the agreed-upon price.

In 2007, the IDA set about to comply with the terms of sale. The land was overflowed, surveyed, delineated for wetlands, engineered, master-planned, and prepared for submission to the town planning boards.

IDA Chairman James R. Petro, Jr. reports that work is still in progress, but the end is in sight. Hopefully, a closing will take place with the State in the near future. At that point, the IDA's marketing arm, the Orange County Partnership, will attract high-tech companies, offering best-of-the best jobs to locate at six new buildings constructed in the business park.





## Orange County IDA's Internal Control Structure and Procedures

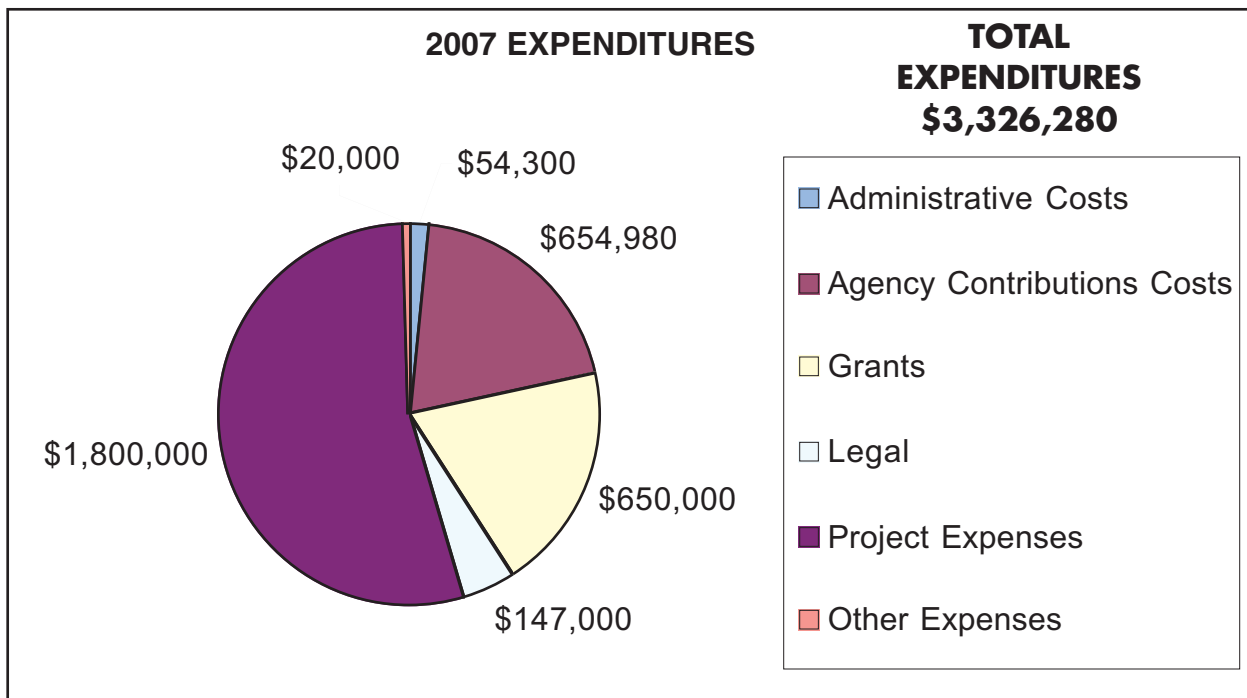
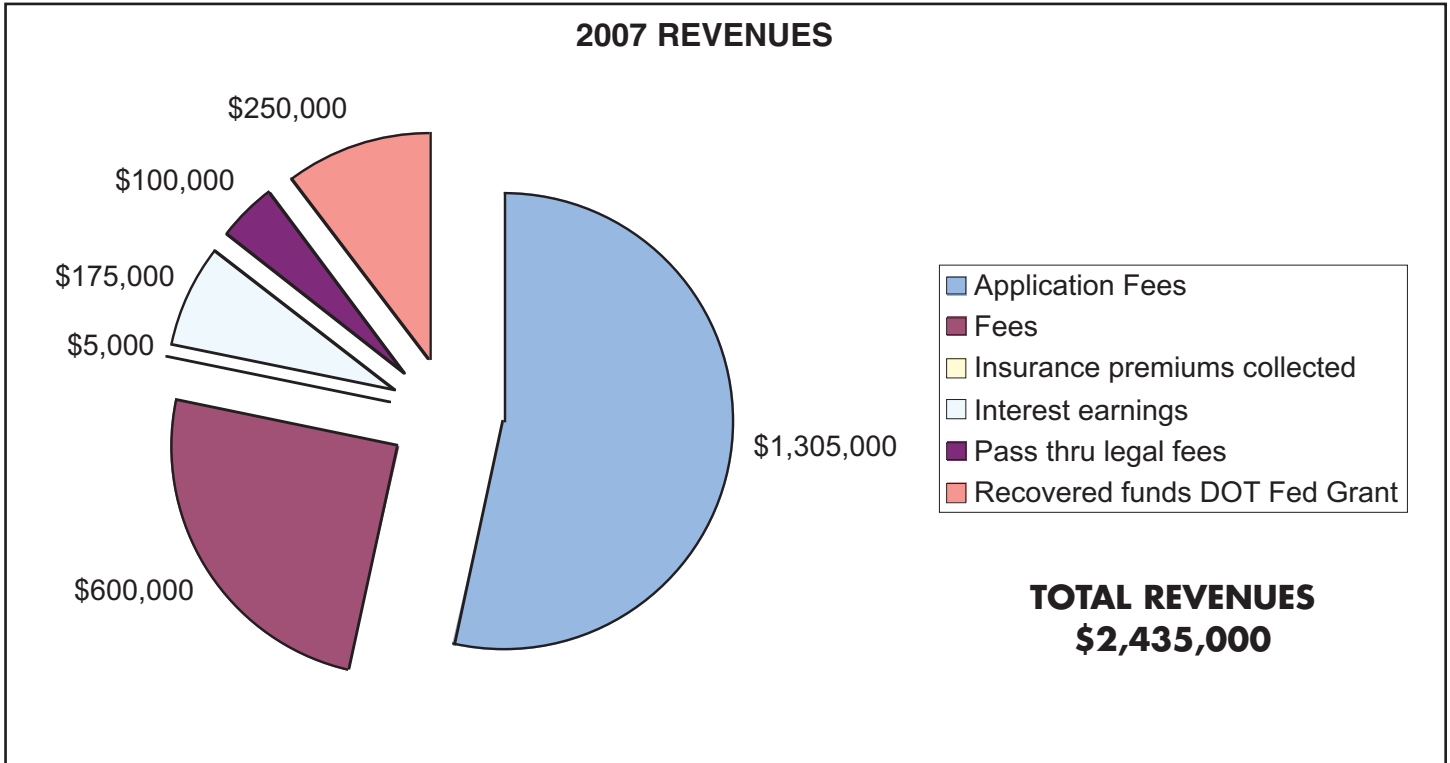
- The year 2007 was a year of transition, as the Orange County IDA began its first full year of operating under the Public Authorities Accountability Act (PAAA). The IDA's revised bylaws became effective in 2007.
- At the organization's meeting in January 2007, an executive director was appointed in accordance with the statute, as well as an Audit Committee and Governance Committee. The position of treasurer was eliminated in favor of the required chief financial officer, who took over his duties immediately and effectively. The IDA's financial reporting system was streamlined by the CFO in 2007, and its liquid assets, specifically CDs, were put on a rotating program. The contract officer was appointed as required for real property matters.
- In the third quarter of 2007, the budget for 2008 was prepared in a timely manner and submitted as required. The Audit and Governance Committees met and performed their required functions, keeping minutes. A new IDA liability insurance policy was discussed, evaluated, and acted upon.
- An IDA website was brought on line, as required by the PAAA, and is getting fine-tuned as the months go by. Two matters involving litigation, one in which the IDA is plaintiff (Breonics) and one in which the IDA is defendant (Greenwood Gardens) progressed satisfactorily during the year.
- The IDA meets every month on a regular basis, prepares an agenda, acts on the basis of formal resolutions, disburses grant money per written agreements, maintains minutes, and prepares full reports of public hearings for applicants for financing. It is respectfully submitted that "excellent" is the word to assess the effectiveness of the Orange County IDA's internal control structure and procedures for the year 2007.
- There is no person in a decision-making or managerial position with the IDA whose salary exceeds \$100,000.
- There were no bonds and notes outstanding at the end of the IDA's 2007 fiscal year.
- The Orange County IDA has adopted the Complete Orange County Code of Ethics which may be found online at [www.co.orange.ny.us](http://www.co.orange.ny.us).







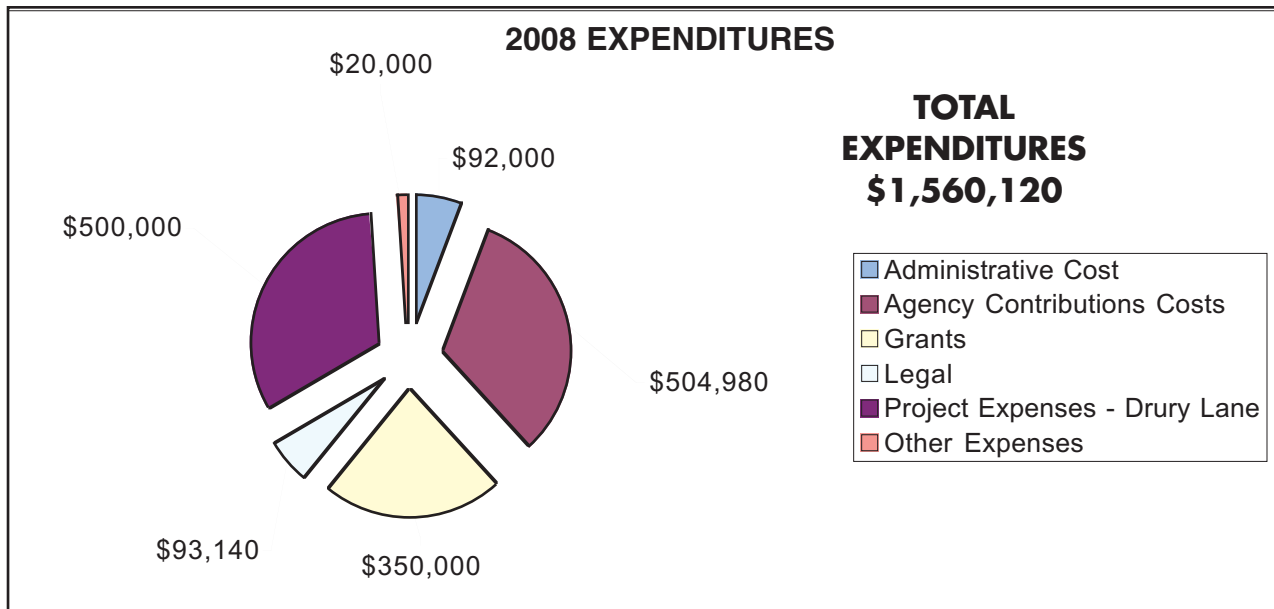
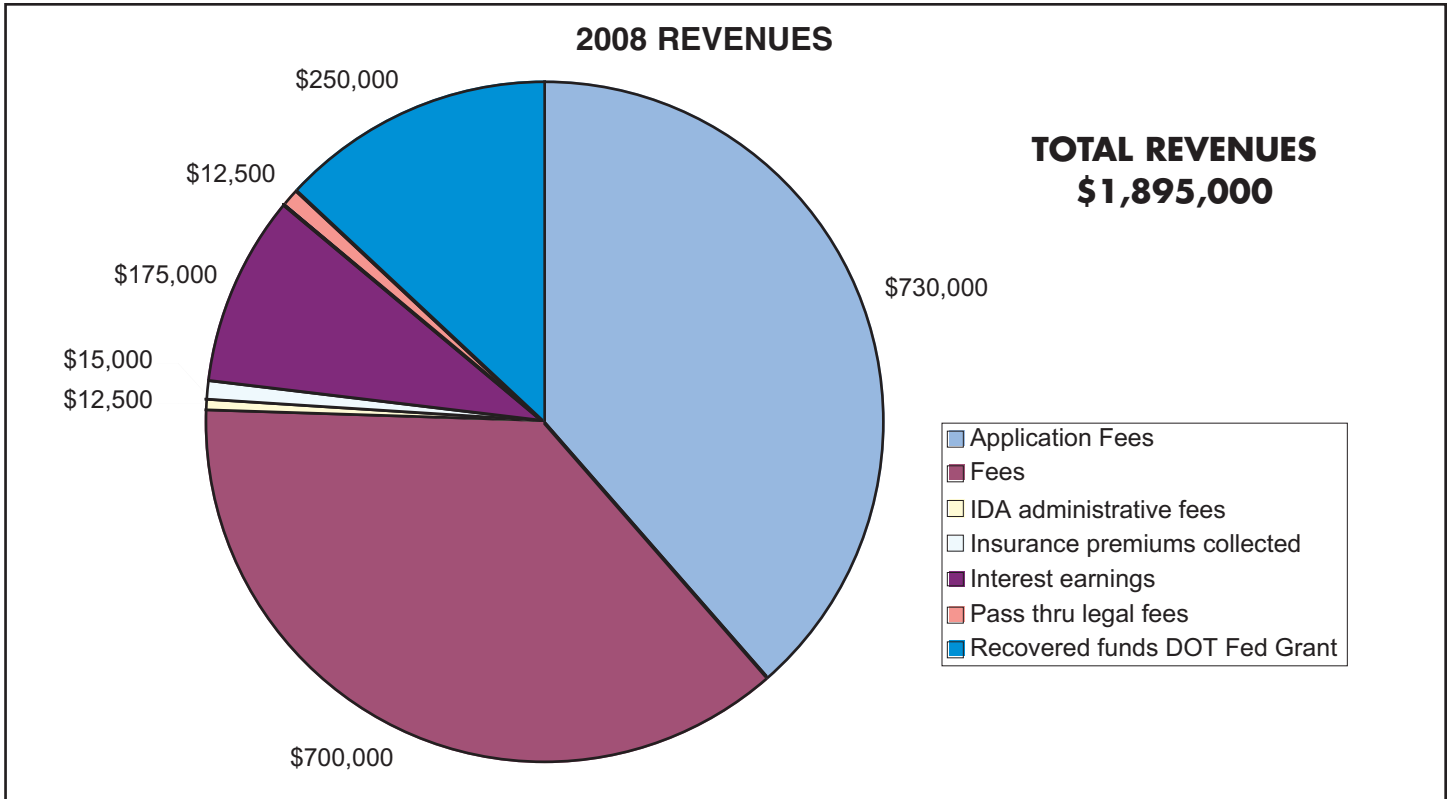
# Orange County IDA FINAL BUDGET — 2007



Complete breakdown may be found at the IDA website located on: <http://www.orangecountygov.com>



# Orange County IDA FINAL BUDGET — 2008



Complete breakdown may be found at the IDA website located on: <http://www.orangecountygov.com>



## Orange County IDA Financials - 2007

ORANGE COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY  
OF THE COUNTY OF ORANGE, NEW YORK  
GOSHEN, NEW YORK  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2007

### UNAUDITED ASSETS

#### CURRENT ASSETS

Cash	\$5,537,865
Accounts Receivable - Insurance Premiums	5,078
Accrued Interest	41,760
Prepaid Expenses	<u>3,860</u>
TOTAL ASSETS	\$5,588,563

#### NON-CURRENT ASSETS

Investment - OCCDC Fund #1	\$490,176
Development Costs	<u>22,926</u>
TOTAL ASSETS	\$6,101,665

### LIABILITIES AND NET ASSETS

#### CURRENT LIABILITIES

Accounts Payable	\$14,124
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#### NET ASSETS

Unrestricted - Undesignated	\$5,232,561
Designated	<u>854,980</u>
TOTAL NET ASSETS	\$6,087,541
TOTAL LIABILITIES AND NET ASSETS	\$6,101,665



## Orange County IDA Financials - 2007

ORANGE COUNTY  
 INDUSTRIAL DEVELOPMENT AGENCY  
 OF THE COUNTY OF ORANGE, NEW YORK  
 GOSHEN, NEW YORK  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2007

	<b>UNAUDITED</b>		
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
Fees	\$905,000	\$1,207,230	(\$697,770)
Insurance Premiums	5,000	21,988	16,988
Interest Earnings	175,000	265,585	90,585
Pass Through Legal Fees	100,000	26,500	(73,500)
Recovered Funds DOT Grant	<u>250,000</u>		<u>(250,000)</u>
<b>TOTAL REVENUES AND OTHER SOURCES</b>	<u>\$2,435,000</u>	<u>\$1,521,303</u>	<u>\$913,697</u>
<b>EXPENDITURES AND OTHER USES</b>			
Contractual/Administrative Expenses	\$2,021,300	159,897	1,861,403
Grants	1,304,980	994,996	309,984
Bad Debt Expense		<u>160,000</u>	<u>(160,000)</u>
<b>TOTAL EXPENDITURES AND OTHER USES</b>	<u>\$3,326,280</u>	<u>1,314,893</u>	<u>2,011,387</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES</b>	<u>\$(891,280)</u>	206,410	<u>\$2,925,084</u>
<b>FUND EQUITY, BEGINNING</b>		<u>5,881,131</u>	
<b>FUND EQUITY, ENDING</b>		<u>\$6,087,541</u>	



## Certification

The undersigned Executive Director and Chief Financial Officer of the Orange County Industrial Development Agency do hereby certify in accordance with the Public Authorities Accountability Act that based on their knowledge and based on 2007 **unaudited** financial figures as of this date: (a) the information provided is accurate, correct, and does not contain any untrue statement of material fact; (b) does not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made; and (c) fairly presents in all material respects the financial condition and results of operations of the authority as of, and for, the periods presented in the financial statements.

A handwritten signature in black ink, appearing to read "William Trimble", is written over a horizontal line.

William Trimble  
Executive Director  
March 31, 2008

A handwritten signature in black ink, appearing to read "Joel Kleiman", is written over a horizontal line.

Joel Kleiman  
Chief Financial Officer  
March 31, 2008

The 2008 Annual Report of the Orange County Industrial Development Agency is hereby approved.

A handwritten signature in black ink, appearing to read "James R. Petro, Jr.", is written over a horizontal line.

James R. Petro, Jr.  
IDA Chairman  
March 31, 2008



**Sales and Marketing Division  
for the Orange County IDA**

40 Matthews Street  
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845-294-2323  
[www.ocpartnership.org](http://www.ocpartnership.org)