

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

May 21, 2008

A regular meeting of the Orange County Industrial Development Agency was convened in public session on May 21, 2008 at 3:00 P.M. at the County Government Center, Goshen, in Orange County, New York.

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

PRESENT: James Petro, Robert Armistead, Henry Van Leeuwen, Stephen Brescia,  
Daniel Coleman, John Steinberg

ABSENT:

ALSO PRESENT: William Trimble – Executive Director  
Lorrie Dana – Secretary to Executive Director  
Edda Eller – Recording Secretary  
Joel Kleiman – Chief Financial Officer  
Phil Crotty – Attorney  
Maureen Halahan – Orange County Partnership  
Irwin Glenn – Orange County Capital Development Corp.  
David Church – Orange County Planning  
Todd Erling – Hudson Valley AgriBusiness Development Corp.  
Bill Lahey – Orange County Legislature  
Michael Levensohn – Times Herald-Record

Chairman, James Petro, asked for a motion to approve April 16, 2008 minutes. Henry Van Leeuwen made a motion seconded by Stephen Brescia to approve minutes as presented. Affirmative votes of all members present resulted in motion carried.

Chief Financial Officer, Joel Kleiman, presented the financial report for April 2008 stating that 35% of budget revenue has been received and expenditures so far have been less than 30% of budget. He noted that the current rate with Orange County Trust Co. for the Agency's Money Market is 3% and recommended to put \$1 million from a maturing CD into the account. Since there was no audit committee meeting before the board meeting to approve the request, Robert Armistead made a motion seconded by Henry Van Leeuwen to put \$1 million into the current Orange County Trust money market account. Motion approved by all members present. Also presented were vouchers and payments as follows: Edda Eller \$1,625.00 2<sup>nd</sup> quarter, Pattern for Progress \$250.00 for 2008 membership dues, Hardenburgh Abstract Co. \$650.00 for Stewart Land Development, Ausfeld & Waldruff Land Surveyors \$10,300.00 for Stewart Land, Turner Miller Group \$4,853.75 for Stewart Lands 3/31-4/15/08, Turner Miller Group \$12,988.67 for Stewart Land 3/3-3/30/08, Shaw Engineering final voucher \$3,185.00 Stewart Land 4/1-4/13/08, Orange County Partnership \$25,000.00 for computer & marketing expense, McGoey, Hauser and Edsall \$6,625.30 for Stewart Land, Philip Crotty \$7,700.00 legal fees for March. John Steinberg made a motion seconded by Robert Armistead to approve financial report and vouchers and payments as presented. Affirmative votes of all members present resulted in motion carried.

Recognized was Irwin Glenn, the new Managing Director of the Orange County Capital Development Corp., who brings vast experience in start-up businesses. He is also an active Angel investor with 14 personal investments and 5 in New York State. The Fund provided by OCIDA has invested in one company so far: New Hampton Technologies in Middletown. They market a motorcycle lock that has gained international attention and has won major awards in the motorcycle industry. Total investment in NHT was \$100,000.00 and they employ 4 full time people in Middletown. The remaining approx. \$400,000 is in a money market at TD Banknorth. He will work with the Agency's CFO on getting a better interest rate for the funds. Mr. Glenn gave a quick update on the full audit being done for both the OCCDC and the Fund which is underway and in draft status. Audit is being performed by Nugent & Haeussler. He expects the audit to be finalized in 30-45 days. The expansion of the Angel network as a regional entity is underway. The semi-monthly dinners have been well attended and exciting companies are seeking funding. Mr. Glenn has reviewed over 40 companies in various startup stages in the month of May. The majority were in New York State and some were overseas and looking for a US base of operations. The next dinner is planned for June 19<sup>th</sup> and will be held at the Powelton Club in Newburgh. All Board members of the IDA are invited to attend. The OCCDC is now co-residing with Hudson Valley EDC at 555 Hudson Valley Avenue, Suite 106, New Windsor. John Steinberg commented that OCCDC is fortunate to have someone such as Irwin Glenn taking Robert Hannan's place.

Recognized was David Church from the Orange County Planning Department updating members on the Comprehensive Grant with the original amount of \$300,000 in 1998. Up to date approx. \$212,000 was spent and \$3,700 needs to be billed out yet. After the final voucher is presented for payment, the project will be closed out.

Recognized was Todd Erling of Hudson Valley Agri-Business informing members the counties of Columbia, Dutchess and Ulster also pledged \$25,000 as did the OCIDA last year. He handed out to members their Annual Report for May 2008, showing members the progress they made first before putting in a voucher for the 2007 grant of \$25,000 from the OCIDA. One of the highlights was a Hudson Valley Dairy Forum held last year in Newburgh partnered with Orange County Cornell Cooperative Extension to organize a regional event to help Hudson Valley dairy farmers set goals for the future and share perspectives on the challenges and opportunities facing the local dairy industry.

James Petro gave an update regarding the 58 acres at Stewart. He read a letter addressed to William DeCota, Director of the Aviation Department for the Port Authority of New York and New Jersey, dated May 22, 2008 to be mailed out with his signature.

Presented was a Resolution approving termination of the IDA's interest in 58-acres at Stewart International Airport, subject to conditions. The IDA agrees to terminate its interest in the 58-acres currently under MOU with NYS ESDC upon receipt of \$198,249 from the PANYNJ, and upon receipt of an executed MOU with NYS ESDC for 283-acres under substantially the same terms and conditions as the 58-acres MOU, and provided the PANYNJ agrees promptly to exercise its best effort to enable the IDA to acquire the 283-acres for zero consideration of, and if that is not possible, to request the PANYNJ offset the IDA's purchase price up to \$1.4 million; and that the IDA Chairman is authorized to send a letter to the PANYNJ Director of Aviation expressing the provisions of the resolution. Robert Armistead made a motion seconded by Stephen Brescia to approve Resolution as presented. Affirmative votes of all members present resulted in motion carried.

Stephen Brescia, Governance Committee Chair, handed out to members the minutes from the May 19<sup>th</sup> meeting which included a final draft of the Grant Application Form and Guidelines for Grant Applicants for approval by the IDA board. Henry Van Leeuwen made a motion to adopt the new Grant Application Form as recommended. John Steinberg seconded the motion and affirmative votes of all members present resulted in motion carried. Stephen also mentioned that one topic discussed was the issuing of Sales Tax Relief Letters prior to a project's closing. It was suggested that the IDA Board adopt a policy that would allow the early issuing of the Sales Tax Relief Letter only if, for some special reason, the formal closing could not take place prior to the start of the project. It was also recommended that the formal closing be within thirty days of the issuing of such letter. The pending grant application from Hudson Valley Film Institute was reviewed and it was recommended that this application does not meet the criteria of the IDA.

Presented was a Resolution approving a \$50,000 grant to Hudson Valley Film Commission to help offset its operating costs as it attempts to create a new strategic economic development vision by serving as a conduit for film production in the Hudson Valley. Stephen Brescia made a motion seconded by John Steinberg to approve Resolution as presented. Upon roll call Resolution denied with zero ayes and six nays.

James Petro asked members if an applicant should get a break if the request does not go through and they only get Sales Tax and Mortgage Abatement instead of a PILOT or 485-b. He asked to have the Governance Committee look into it and come up with some examples showing numbers and percentage of payment.

Presented was a Resolution accepting the application of Airport Properties VIII, LLC with respect to a certain project describing the forms of financial assistance being contemplated by the Agency with respect to such project; and authorizing a public hearing for such project. At this time, because of a conflict of interest, Robert Armistead recused himself and left the room. Stephen Brescia made a motion seconded by Daniel Coleman to approve Resolution as presented. Resolution carried with five ayes.

Bill Trimble, IDA's Executive Director, informed members that the reimbursement of the \$250,000 DOT grant is being finalized and a check should be forthcoming soon. He also announced that as of May 31<sup>st</sup> he will be retiring. He was hoping that the transition for a new executive director could be easy and he would help whomever would be chosen to take his place.

Presented was a Resolution calling for Executive Session to discuss matters leading to the appointment or employment of Executive Director, pursuant to the NYS open meeting law. Henry Van Leeuwen made a motion seconded by Robert Armistead to enter into Executive Session to discuss the appointment or employment of a replacement Executive Director. Affirmative votes of all members present resulted in motion carried.

Ending Executive Session, Henry Van Leeuwen made a motion seconded by Daniel Coleman that this meeting be duly adjourned, the time being 5:28 p.m.

Edda Eller  
Recording Secretary