



Empowering Businesses. Inspiring Growth.

**Robert T. Armistead, Chairman • Mary Ellen Rogulski, Vice Chairman • John Steinberg, Jr., Second Vice Chairman
Stephen Brescia, Secretary • Henry VanLeeuwen, Assistant Secretary • Robert J. Schreiber, Sr. • Edward A. Diana
Laurie Villasuso, Chief Operating Officer & Executive Vice President
Kevin Dowd, Attorney • Joel Kleiman, Chief Financial Officer**

Revised Agenda

PLEASE TAKE NOTICE, The Orange County Industrial Development Agency will hold a regularly scheduled meeting on October 20, 2016 at 1:00 p.m. at the Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, New York, to consider and/or act upon the following:

Order of Business

- **Roll Call**
- **Attorney-Client Meeting***
- **Approval of the minutes from September 8, 2016 meeting**
- **Financial Reports and/or Requests for Payments**
- **New and Unfinished Business**
 - Chairman's Report
 - Appointment of Governance Committee
 - Diana (Chair); Schreiber; Steinberg
 - Alternate: Rogulski
 - Chief Operating Officer Report
 - The Accelerator Report
 - Orange County Partnership Report
 - Discussions
- **Applications/Resolutions**
 - Middletown Medical, PC
 - Final Resolution
 - CRH III and CRH VIII Transfer of Ownership
 - Resolution – IDA Consent
 - Matrix Newburgh I, LLC
 - Resolution – Lease Amendments
- **Such other and further business as may be presented**
- **Executive Session**
- **Adjournment**

Dated: October 13, 2016

Stephen Brescia, Secretary

Rv: Laurie Villasuso, Chief Operating Officer



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Dated: October 13, 2016

Stephen Brescia, Secretary

By: Laurie Villasuso, Chief Operating Officer

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCYMINUTESSeptember 8, 2016

A regular meeting of the Orange County Industrial Development Agency was convened in public session on September 08, 2016 at 2:07P.M. at the Orange County Business Accelerator in New Windsor, New York.

The meeting was called to order by the Chairman, Robert Armistead, and upon roll being called, the following were:

PRESENT: Robert Armistead, Stephen Brescia, Robert Schreibeis, Edward Diana, Mary Ellen Rogulski, Henry VanLeeuwen

ABSENT: John Steinberg

ALSO PRESENT: Laurie Villasuso – Chief Operating Officer
 Joel Kleiman – Chief Financial Officer
 Kevin Dowd – IDA Attorney
 Russell Gaenzle – Harris Beach
 Vincent Cozzolino – Managing Director
 Melanie Schouten – Project Manager
 Lisa Sommers – Focus Media
 James Walsh – Time Herald Record
 Jim Loewke – Loewke Brill Consulting
 Ellen Guerrero – Concerned Citizen for Hudson Valley
 Christine Miele – Concerned Citizen for Hudson Valley
 Debra B. Corr – Concerned Citizen for Hudson Valley
 Melissa Wolff – Middletown Medical, PC
 Rajan Gulati, MD – Middletown Medical, PC

Robert Armistead calls to order the regular meeting of the Orange County IDA, September 08, 2016 (Pledge of Allegiance is recited). Board consists of six members. There is a quorum.

Minutes

Review of the prior August 11, 2016 meeting minutes. Motion to approve the minutes is made by Mr. VanLeeuwen, seconded by Ms. Rogulski. Motion carries with all in favor.

Chairman's Report

Mr. Armistead thanks the IDA staff and board for their recent efforts. Mr. Armistead appointed Ms. Rogulski to head an ad hoc committee and work with Ms. Villasuso, Mr. Cozzolino, and Mr. McCarey to review the Legoland PILOT proposal, and engage an independent third party to provide a cost benefit analysis. As seen in the board packet, there is numerous correspondence in both support and opposition of the Legoland Project. The project analysis is ongoing, and the board will continue to do their utmost to make the best decision on the behalf of the tax payers of Orange County.

Mr. Armistead states that Mr. Diana is the Public Accountability Compliance Committee head with support from Mr. Cozzolino and Mr. Dowd. The committee has been working closely with the Harris Beach lawyer, Bob Ryan. They have been reviewing the board bylaws, composition, committee structure, standard operating procedures, conflicts of interest, code of ethics, and other related issues on how it pertains to the board conducting business. It is also important to review these topics in comparison to other New State IDAs. The committee has made a lot of progress in the past month.

Mr. Armistead states that The Accelerator has been experiencing a strong growth period, and the board has been working on facility needs. As a result of these needs, he will be organizing an ad hoc building committee headed by himself to address the future facility needs of the IDA and Accelerator.

Mr. Armistead states that each board member should have received an updated copy of the labor policy. He would like to appoint an ad hoc committee specifically to review the policy, and report back to the full board at the October meeting.

Chief Operating Officer Report

Ms. Villasuso states that the Labor Policy is located in the packets, and includes all the revisions offered by the governance committee and industry experts. These revisions include more detail allowing the IDA to enforce the policy, for example, the factors determining residency. Once the committee reviews the updated policy, it can be presented to the board next month. The appointed labor policy monitoring firms will also review the policy to provide additional input.

Ms. Villasuso states that currently the Piller- Retford Project, the Isomedix/ Steris Project in Chester, and the Crossroads Hotel Project, Route 17 in Newburgh are being auditing. The Matrix Project and the Allstate Project will be engaged as well, as they both just closed. This is the first month of the audits, and Loewke Brill provided a report. As some of these projects closed awhile back, some of the work on the current audits is forensic. Special exemptions might need to be filed, and the audit committee will review them before the next meeting.

Mr. Armistead states that the auditing process is new, and the consulting firms have not been receiving 100% cooperation. As a result, the process is taking a little longer, but hopefully there will be good results for the next meeting. All the IDA projects moving forward will be audited, and as things progress, the process will become more efficient.

Mr. Loweke states that currently the process is enforcement, as well as education. His firm has been working on getting general contractors to understand the policy, and what they need to do to be compliant.

Ms. Villasuso states that the IDA was recently notified that the Kikkerfrosch project has officially been terminated. The business partnership has been dissolved, and the property will be put on the market in the near future. They notified the IDA, Mayor of Goshen, and County Executive. They thanked the board for their support.

Ms. Villasuso states that she, Ms. Schouten, and Mr. Dowd met with an insurance agent to review the IDA and OCFC Director's and Officer's insurance. The current plan is under review and the goal is to acquire better coverage in the new year.

Ms. Villasuso states that OCP has an investor breakfast on October 6th at the Falkirk Estate.

Ms. Villasuso states that the 4 Crotty Lane, New Windsor lease has been recently reviewed and it currently expires Dec 31, 2017. A year's notice is required to terminate that lease. Therefore, if the board would like to terminate this lease, notice must be given this December 2016.

Ms. Villasuso states that she and Mr. Cozzolino continue to attend a monthly meeting with OCP and the County Executive to touch base and work together. They discuss the labor policy, the audits, and all the ongoing projects.

The Accelerator Report

Mr. Cozzolino states that The Accelerator II has opened down the hill housing 4 soap and natural beauty care companies. This was made possible due to the assistance of TSEC and state funding.

Expansion into Middletown has been discussed for quite some time. Now that Middletown has the Downtown Revitalization Initiative (DRI), funding expansion is possible. This new space will be used to house an industry cluster of computer and technology programmers. Studies have shown that programmers like to cluster around urban environments. They like to walk to local shops, go to local sites, and live close to where they work. It is expected that

Middletown Accelerator. The DRI funding will be used to create a marketing plan to make this possible. Some of the offered incentives are free rent for a year, location within a HUB Zone, and the latest high speed technology to support the business. The IDAs contribution to this endeavor would be shared staffing.

Mr. Diana states that they are looking into a few sites with ideal proximity to local businesses. This decision will not be made lightly. They'll do their best to research the best location, and present it to the board. With the offered benefits it's ideal for entrepreneurs from NYC and NJ to move north. The high tech industry is ideal as it can provide more high paying job opportunities.

Mr. Cozzolino states he and Ms. Villasuso attended the Magic sourcing show in Las Vegas. This fashion based event is important as it provides industry insight that can help The Accelerator support 2 of its clients with connections.

Mr. Cozzolino presents a growth chart of the Incubator clients. There is a new perspective client expected to move in and another recently graduated.

Lit Green is a new resident client that develops special LED lighting that can be submerged 50 ft in water. The NYC MTA will be the recipient of their current lighting project. The expected end use will be in the subway tunnels in NYC to help lighting longevity and cut on costs. Their first project was the lighting for the Walkway Over the Hudson.

Mr. Diana states that for a few years he was concerned that the IDA was becoming stagnant in its incubation goal. However, within the last year or so things have grown, and changed tremendously. The mission of job creation is finally starting to be met. It is a testament to Mr. Cozzolino, Ms. Villasuso, and the board that they have really been able to make such progress.

Discussions

No discussions are presented.

Applications/ Resolutions

Middletown Medical, PC Presentation

Ms. Wolff and Dr. Gulati are present on behalf of Middletown Medical.

Ms. Wolff presents the Middletown Medical project to the board.

Middletown Medical is a private multi physician medical group. It's been in existence since 1984. It originated in Middletown as an urgent care walk-in facility. The practice has grown to 3 counties: Sullivan, Ulster, and Orange. It has 20 locations, over 400 employees, and about 300,000 patient visits a year. 70% of the visits take place in the Orange County offices, 75% of the employees work in Orange County, and there is about 70,000 sq ft of patient office space in Orange County.

The new project is in the Town of Walkkill. It is a new 20,000 sq ft multi use medical complex. The estimated cost of this project is \$6,000,000. Middletown medical plans on creating and retaining 100 jobs within the first 3 years, with an estimated 75 construction jobs created. These would be high quality jobs, with middle to high level skilled employees. For example, nurses, physicians, and radiology technicians.

There are many reasons this project will be beneficial to Orange County. It will bring under represented services to the area, such as an outpatient eating disorder center. This will be the first center of its kind between Albany and West Chester. It will bring expanded urgent care, including late night accessibility. This expansion will include additional hours and patient services offered. There will be an outpatient infusion center. This facility will also include a pharmacy making it easy for patients in the practice to pick up their needed prescriptions after a visit.

Middletown Medical is in support of the Governor's goal to reduce the amount of emergency room visits by 25% over the next 5 years. The benefits of the facility will help contribute to this goal regionally. The Middletown Medical project also supports the Mid-Hudson REDC goal to stimulate the local economy, and support workforce development.

The current Walkill campus is spread out over a number of buildings. This project will help centralize the patient facilities, adding an ease to patient navigation. The current buildings will then be used for administrative purposes.

The projected timeline is: planning board approval this month, building permit in late fall, demolition in winter, talk publicly about the project in January 2017, and a project completion date of May 2018.

Ms. Villasuso tells the board that Middletown Medical is applying for the mortgage recording tax exemption, sales and use tax exemption, and a ten-year PILOT.

Middletown Medical, PC – Initial Resolution

Mr. Dowd reads aloud the Middletown Medical, PC Initial Resolution. Motion is made by Ms. Rogulski, seconded by Mr. Diana, accepting resolution to take action on certain matters pertaining to a proposed project for the benefit of Middletown Medical, PC. Affirmative votes of all members present results in motion carried.

Financial Reports and/or Requests for Payment

Mr. Kleiman reviews the summary of IDA bank accounts, certificate of deposits, and money market accounts that reflect a total of \$12,071,191, as of August 31, 2016. One CD matured at the end of August and was renewed with Orange County Trust for 1 year. Another CD mature on September 1st, and will be renewed for 6 months to off-set financial accessibility. A third CD will be maturing in December, and renewing actions for that CD will be decided at that time due to available rates.

Mr. Kleiman reviews the income and expense summary, noting that YTD is just \$2,464,314, and YTD expenses are \$292,551, with revenues exceeding expenses by \$2,171,763.

Mr. Kleiman reviews the income and expense summary for the Business Accelerator, noting that revenues YTD are \$101,481, and expenses are \$657,227. Expenses, as anticipated, exceed revenues by \$555,746.

Lastly, Mr. Kleiman reviews funds received and vouchers for the month. There is a total of \$231,725.05 to be approved by the board.

Chairman Armistead asks for a motion to approve the vouchers and payments in the amount of \$231,725.05. Motion made by Ms. Rogulski, seconded by Mr. VanLeeuwen, that the Board accept the financial reports and authorize IDA payments and vouchers. Open for discussion. Affirmative votes of all members present results in motion carried.

Mr. Kleiman reviews the IDA draft budget for 2017 with the board. The budget will be further reviewed by the audit committee, and action is requested at the next meeting.

Such other and further business as may be presented

No such other and further business was presented.

Public Comments

No public comments were presented.

Executive Session

Chairman Armistead entertains a motion that the committee enter into executive session pursuant to section 105(1)(h) of the open meetings law to discuss the purchase of real property or an interest in real property. Motion made by Mr. VanLeeuwen to enter executive session issued. Motion seconded by Ms. Rogulski. All in favor.

Executive Session

The members discuss the acquisition of real property.

End of Executive Session

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

Executive Session

The members discuss the employment history of particular people employed by the IDA.

End of Executive Session

Motion is made by Ms. Rogulski, seconded by Mr. VanLeeuwen, authorizing two months' severance pay for James Petro. A quorum of votes results in motion carried.

Chairman Armistead entertains a motion that the committee enter into attorney client closed door session. Motion made by Ms. Rogulski to enter the closed door session issued. Motion seconded by Mr. VanLeeuwen. All in favor.

Attorney Client Session

The members discuss the legalities on a certain matter.

Attorney Client Session

The board discusses dates and timing for the October 2016 IDA and OCFC meeting.

With no further business, meeting called for adjournment by Chairman Armistead, motion made by Mr. Diana, seconded by Mr. VanLeeuwen, the time being 4:19 p.m.

Orange County IDA

October 2016

Funds Received

Allstate Fabrication (Closing Fee)	30,650.00
The Accelerator (2nd Q Reimbursement)	21,214.00
Total	51,864.00

Vouchers & Payments

Joel Kleiman (CFO Services 7/1/16-9/30/16)	1,875.00
Loewke Brill (August Reporting and Site Visit)	1,940.00
Loewke Brill (September Reporting and Site Visit)	2,990.00
Frances Roth (Alto Music Public Hearing)	250.00
Focus Media, Inc. (September PR)	3,750.00
Focus Media, Inc. (October PR)	3,750.00
Laurie Villasuso (Travel Reimbursement IEDC Course Baltimore)	201.59
Orange County Partnership (Behavioral Marketing Ad Campaign)	40,950.00
Orange County Partnership (3rd Quarter 2016)	54,250.00
Hudson Valley Film Commission (4/1/16-6/30/16)	2,500.00
Hudson Valley Pattern for Progress (2016)	17,000.00
Harris Beach PLLC (Pass-Thru Vouchers 2016)	15,000.00
The Accelerator (4Q 2016)	335,625.00
Rockland Economic Development Corp (3rd Q 2016)	7,000.00
Kevin T. Dowd, Esq (Legal 9/1/16-9/30/16)	10,915.00

Total **497,996.59**

ORANGE COUNTY INDUSTRIAL AGENCY
STATE OF NEW YORK

-----X

IN THE MATTER OF
ALTO MUSIC OF ORANGE COUNTY, INC.

-----X

Tuesday, July 26, 2016
11:00 a.m.

Wallkill Town Hall
Middletown, New York

B E F O R E : JAMES PETRO, Executive Director
Orange County IDA

REPORTED BY: Roberta O'Rourke

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

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Alto Music

LAW OFFICES OF KEVIN T. DOWD
Attorneys for Defendant
96 Daisy Lane
Montgomery, New York 12549

Kelly Reilly, Client Services Specialist, OCIDA

A L S O P R E S E N T :

JON HABER, Alto Music
BILL FIORAVANTI, O.C. Partnership
SARA WILSON, Intern
DEVIKA NAIK, Intern

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1 *Alto Music*

2 MR. PETRO: Would everyone please

3 stand for the pledge of allegiance.

4 (The pledge of allegiance was recited.)

5 MR. PETRO: This is a public hearing

6 for Alto Music.

7 Who we have is our attorney Kevin

8 Dowd, Executive Assistant Kelly Riley. We

9 also have our interns here, Devika and Sarah,
10 and Roberta our stenographer.

11 We have one person in the audience
12 which is the applicant and the owner. So
13 with that, Mr. Dowd, would you read the
14 notice of public hearing?

15 MR. DOWD: I will, Mr. Chairman.

16 MR. PETRO: Thank you.

17 MR. DOWD: Notice is hereby given that
18 a public hearing pursuant to Article 18-A of
19 the New York General Municipal Law will be
20 held by the Orange County Industrial
21 Development Agency on Tuesday July 26, 2016
22 at 11:00 a.m. local time in the Board Room of
23 the Wallkill Town Hall, Building A, 99 Tower
24 Drive, Middletown, New York 10941 in
25 connection with the following matter: Alto

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Alto Music

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2 Music of Orange County, Inc., for itself or
3 on behalf of an entity formed or to be formed
4 has submitted an application to the Agency
5 requesting the Agency's assistance with
6 respect to a certain project consisting of
7 (i) the acquisition by the Agency of a
8 leasehold or other interest in an
9 approximately 10 plus or minus acre parcel of
10 land located at 180 Carpenter Avenue in the
11 Town of Wallkill, Orange County, New York
12 together with the existing approximately
13 31,000 square-foot one-story building
14 thereon, (ii) the construction on the land of
15 an approximately 17,000 square-foot addition
16 to the existing improvements for use as
17 warehouse and photo studio space in
18 furtherance of the company's business of
19 manufacturing and repairing microphones,
20 speakers and various musical instruments;
21 (iii) and the acquisition and installation
22 in, on and around the improvements of certain
23 items of equipment and other tangible
24 personal property.

25 The agency will acquire a leasehold

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25*Alto Music*

actually here representing Amanda Dana, my partner at the office, she handles retention expansion so she gets to work with great clients like John. She's on vacation so I just wanted to cover this. We definitely wanted to be here to show our support.

To me, you know, we work with the IDA on so many attraction projects, bringing new businesses here, one of the things I do hear all the time is what about the businesses that are already here? How do I get my help, you know? And I think the IDA has responded to that well and I think we, especially Amanda, have brought a few projects that are worthy and are the kinds of projects we want to support and you've done that. I think this is another great example.

Alto Music is an institution here in the Town of Wallkill. I haven't worked closely with Jon, but I am a customer. I mean it really is a destination and it has a regional appeal for sure. And these are the kinds of projects we want to support, local owners, local business owners, local

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Alto Music

MR. PETRO: With that I'm going to
close the meeting.

(Whereupon, the proceeding was concluded at
11:07 a.m.)

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Alto Music

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C E R T I F I C A T I O N

THE FOREGOING IS CERTIFIED.

to be a true and correct transcription of the
original stenographic minutes to the best of my
ability.



Roberta O'Rourke, Court Reporter



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Date: October 11, 2016
From: Laurie Villasuso
RE: Next Meeting Date

IDA Board Meeting Notice

The next Board of Directors meeting of the
Orange County Industrial Development Agency is scheduled for:

Thursday, November 17, 2016 at 1:00pm

**The Accelerator
4 Crotty Lane, Suite 100
New Windsor, NY 12553**

Orange County Industrial Development Agency
4 Crotty Lane, Suite 100 • New Windsor, NY 12553