

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

December 17, 2008

A regular meeting of the Orange County Industrial Development Agency was convened in public session on December 17, 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, Stephen Brescia, Henry Van Leeuwen, Mary Ellen Rogulski, John Steinberg

ABSENT: Daniel Coleman

ALSO PRESENT: James O'Donnell – Acting Executive Director
Lorrie Dana – Secretary to Executive Director
Edda Eller – Recording Secretary/Bookkeeper
Joel Kleiman – Chief Financial Officer
Phil Crotty – Attorney
Maureen Halahan, Judy Eurich – Orange County Partnership
Richard O'Beirne – Homewood Suites
William Trimble – NY Institute for Brain Injury – WT Solutions
Irwin Glenn, Steven Spiegel – Orange County Capital Development Corp.
Silvia Binder, Rolf Binder – Ondamed, Inc.

Chairman, James Petro, asked for a motion to approve the November 19, 2008 minutes. Henry Van Leeuwen made a motion seconded by Robert Armistead 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 November 2008 stating that budget revenue exceeded expenditures. Joel informed members that \$4,800,000 had been put out for bid on interest rates and Orange County Trust offered the best return on a 6 month CD at a 3.12% rate and recommended to board members to award monies to Orange County Trust. Henry Van Leeuwen made a motion seconded by Robert Armistead to accept recommended award as presented. Motion carried with five ayes and one abstain. Also presented were vouchers and payments as follows: Received from Tehan & Constantino \$2.25 for FOIL request, payment of \$50,000 to Orange County Partnership for 4th quarter, payment to Orange County Partnership of \$1,320 for table reservation annual event, payment of \$6,317.50 to Philip Crotty for October legal fees, payment to Marshall & Sterling of \$2,887.00 for Directors & Officers Insurance. Stephen Brescia made a motion seconded by Henry Van Leeuwen to approve financial report and vouchers and payments as presented. Affirmative votes of all members present resulted in motion carried.

Recognized was Irwin Glenn of Orange County Capital Development Corp. giving an update and how their structure works and operates. Their partnership for success includes Orange County Partnership and Orange County IDA founded in 2003 and is a unique link in New York State. The Board of Directors includes organizations governed by local board and prominent individuals. Their mission is working with the Partnership and the Orange County IDA in creating an innovative and entrepreneurial environment in Orange County to foster the growth of new business and industry. They bridge the gap and review process. They have bi-monthly dinner meetings and two presentations at each February to November Entrepreneur Trade Shows. They make decisions and leverage other Angel Networks. Average investment of the Orange County Capital Development Corp. is \$300,000. Their Roadlok Security Highlights are full production Ramp-up in Buffalo, N.Y. in manufacturing, assembly and packaging. Two full-time, administrative levels jobs were created in Orange County in 2008. Financial forecast for 2008 was \$311,000 and 2008 actual is \$406,000 unaudited. Forecast for 2009 is \$1.2 million. James Petro thanked Irwin for his presentation.

Richard O'Beirne told members that it is the first anniversary of the Hilton Suite at Stewart International Airport, and he would like to thank members of the Orange County IDA for their help in making it possible. Without their help it could not have been done.

Chairman James Petro asked Bill Trimble to bring doctors to the next meeting and come up with numbers of patients who would be treated at the New York Institute for Brain Injury. Not sure if numbers given to the board are correct projection of patients. Also, they need to have their name stated as a non-profit organization, not their original name of The Optimal Riding Therapy Center, Inc., to be considered for a grant by the Orange County IDA.

Presented was a Resolution terminating the IDA Land Development Project of 58-acres and 284-acres at Stewart International Airport. Since 2006 the IDA has been in negotiations with the NYS Empire State Development Corporation for acquisition of a 58-acre parcel of land at SWF on International Boulevard for economic development, and is party to a Memorandum of Understanding with ESDC for the IDA to acquire the land. The Port Authority of New York and New Jersey has advised the IDA and Orange County that it wants the 58-acres for airport development purposes. Following the advisement that PANYNJ wanted the 58-acre parcel, the IDA investigated the acquisition of a parcel of land comprising 284-acres across International Boulevard; and having examined a fly-over, survey, and wetlands analysis the IDA has determined that such parcel is not feasible for development. The IDA has expended \$198,249 in soft costs toward the 58-acre project and \$57,230 for the 284-acre project, for a total expenditure of \$255,479. The PANYNJ has offered six alternative economic development opportunities at SWF to the IDA, but none appear imminent or attractive at this time. Now therefore be it resolved that this IDA authorizes the Chairman to request \$255,479 from the Port Authority of New York and New Jersey to recoup the IDA's expenses, and upon receipt of such money, execute a release of the IDA's claim upon the 58-acres of land at SWF in favor of the PANYNJ; and be it further resolved that this Resolution is subject to an understanding reached this month between PANYNJ Director of Aviation Bill DeCota and County Executive Ed Diana that the six development alternatives at SWF presented to the IDA in October 2008 shall remain open, together with as-yet unidentified economic development opportunities at SWF, regarding which the IDA will receive preferential treatment if pursued. Stephen Brescia made a motion to accept Resolution as presented. Henry Van Leeuwen seconded motion and affirmative votes of all members present resulted in motion carried.

James O'Donnell informed members the upcoming 2008 audit with Nugent & Haeussler was resolved. They will charge the same fee as last year's audit, which was \$10,000 and also will have the audit completed on time. Stephen Brescia made a motion seconded by Henry Van Leeuwen to accept Nugent & Haeussler for the IDA's 2008 audit. Affirmative votes of all members present resulted in motion carried.

Lorrie Dana informed members of an e-mail received from Harris Beach regarding IDA's fee schedule. Harris Beach, after reviewing Orange County IDA's fee schedule, said it is fine the way it currently is set up. No changes are necessary.

Members were made aware of a letter received from Millennium Pipeline regarding their grant commitment to the Orange County IDA. The Company agrees to contribute monies over a ten-year period for economic development in the County, beginning sixty days following commercial operation of the Project. The Grant Funds will be made available to the IDA for up to a total of \$1,080,000 over the ten-year period, in annual installments of \$108,000.

Recognized was Silvia Binder, president of Ondamed, which makes a medical device that shares its name. They plan to relocate their manufacturing from Germany to Orange County, where they live, creating dozens of local jobs. The company is looking for a 7,500 square-foot building on several acres. The site will be used to assemble the VCR-size machines and to allow the company to host visiting doctors. Silvia Binder's husband, Rolf, invented the Ondamed device and founded the company in 1993. It uses electromagnetic waves, biofeedback and a wand-like applicator to scan the body for irregularities. The technology is registered with the U.S. Food and Drug Administration. The machine costs about \$26,000, including training. It is used by 600 doctors around the world, including 300 in the United States and a few in the mid-Hudson. They are asking the Orange County IDA for a grant, helping with the purchase of a building and set up for manufacturing. James Petro thanked Silvia Binder for a very informative and interesting presentation, but the IDA can only give grants to non-profit organizations.

Steven Spiegel of the Orange County Capital Development Corporation was very interested in getting together with Rolf and Silvia Binder discussing what they could do for them.

John Steinberg made a motion seconded by Henry Van Leeuwen that this meeting be duly adjourned, the time being 5:25 p.m.

Edda Eller
Recording Secretary