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**Industrial Development Agency
City of Middletown**

**City of Middletown
Industrial Development Agency
MEETING MINUTES
October 17, 2016; 4:30 p.m.
Mayor's Office; City Hall**

Meeting called to order at 4:30 pm

1. ROLL CALL: Present: Anthony Amelio, John Degnan, Judy Green, Joseph M. DeStefano, Wayne Hawkins, David Madden

Also in attendance: Maria Bruni, Patricia Racine, John Naumchik and Richard Guertin

2. APPROVAL OF MINUTES – 07/26/16

Motion to approve made by Hawkins; seconded by Madden
Motion carried: 6-0

3. TREASURERS REPORT – see attached

Motion to accept made by Green; seconded by Madden
Motion carried: 6-0

4. BILLS AND COMMUNICATIONS –

Staples - \$429.96
Motion to approve payment made by Hawkins; seconded by Madden
Motion carried: 6-0

Communication: A letter from the Orange County Accelerator discussed under new business

5. UNFINISHED BUSINESS

6. NEW BUSINESS

Accelerator -

Received the communication on Saturday (10/15/16) from the Orange County Accelerator requesting an opportunity to speak to the board about a project.

Mr. DeStefano gave some background on the Accelerator. It is a County IDA program that is similar to a business incubator. There is currently one in New Windsor, the County IDA runs it but they work off of other funding agencies but the County IDA is the primary funding agency. Their interest in Middletown is two-fold. 1 - They are filled up at the New Windsor location at the Corporate Park at Stewart Airport. They vet the business applicants, basically startup businesses, they work with them for a year with free rent, utilities and advisers. They help them grow their businesses. After a year, if the business is viable and they place them into different areas. Currently they have a sewing operation and a computer operation. 2 - We have space available and they are interested in coming here. There will be two locations – one at Touro College which is a medical device accelerator. Companies will come in and develop business models for medical devices which they have already had success at. The second is a data analytics

program. They currently have a data analytics accelerator in New Windsor but the people in the startup businesses that they would be attracting are not interested in a corporate park situation they want to be in a downtown. They are millennials, young people, who want to be in an urban setting where they can walk to work and access to transportation, cafes, etc. The City will be working with them. We've already connected them with Fei Tien, who will have a data analytics degree program. It seems like a perfect fit. The Accelerator is of course asking for some funding. They want to come in and make their pitch in the next week or so.

Amelio: Where do these funds actually come from? I know they are distributed through us.

DeStefano: They are asking us to fund directly through our treasury. They do the same with the Orange County IDA on a much larger scale. We're not interested in getting involved in the County Accelerator because we are not a direct beneficiary of it. But the two that would be located here are a direct benefit to the city. We are a Hub Zone, a federal program that gives preference on federal contracts for people that are located in that zone. They will give a better picture of what they do and how they do it. The City will give them free rent. The data analytic portion would be located downtown perhaps the TD Bank Building or Woolworths. The medical component would be located at Touro. I don't know what their deal with Touro involves but we would give them space rent free.

The County IDA will be funding the Accelerator also, the main funding, but they are also asking us for some funding. So please research this on your own.

Galileo is the company that works with the Accelerator. You can research them also.

Bruni: We visited with the data analytics pod and he said he is having trouble attracting workers because of the corporate park setting. These are \$80,000 a year jobs. They want to be in an urban downtown setting. This is someone who would leave the Accelerator space and move into a larger space in a city like ours and open his business

Hawkins: So you feel this would be a good fit for the City.

DeStefano: We see this as hand in hand with what we're doing with the DRI. It's a recruitment of businesses but with that recruitment comes a lot of specialty. These are new businesses that have been fully vetted by the Accelerator. There are people behind it and grant money available to those businesses.

Hawkins: So the goal then is to keep these people in the City once they get off the ground.

DeStefano: There's no guarantee, that they'll stay but it appears to be successful in other parts of the country. They'll also pay for equipment so that other companies can then share the equipment. On its surface and from what we've seen and what the state people have told us it looks good for us.

Bruni: If everyone is available on October 27 at 4:30?

Agreement.

DeStefano: Please research the information that I have given you so that you are prepared to ask questions.

The board then went into executive session to discuss personnel matters.

The board adjourned the executive session

No action was taken.

Resolution – Reimbursement to the City for that portion of Patricia Racine's salary attributable to IDA work. Such work is to be performed outside of normal city hall hours.

Motion to approve made by Hawkins; seconded by Madden

Motion carried: 6-0

Amelio: (stated to Racine) The board has agreed to increase your salary as of January 1, 2017 to \$3500 per year.

DeStefano: This is for work associated with the IDA. If you stop doing the IDA work then it's done.

Racine: Understood.

Budget report

Bruni: You can see the proposed budget for the PARIS Report. We have our estimated 2016 budget as of now. We didn't have any new projects this year. You can see for next year what we have estimated with bumps each subsequent year to 2020. Our expenses we're looking at about 11,000.

Madden: Is the \$3500 appropriate to put under salaries and wages.

Guertin: It's a contractual relationship with the city.

Hawkins: Does that also pertain to John and Richard?

DeStefano: No John is already management.

Guertin: and attorneys are exempt from overtime.

Amelio: So let's put the \$3500 under contractual.

DeStefano: This is all proposed.

Resolution – to approve and submit the budget report to New York State.

Motion to approve made by Madden; seconded by Hawkins

Motion carried: 6-0

7. ADJOURNMENT

The next meeting then is October 27, 2016 at 4:30 in the Mayor's office.

Motion to adjourn made by Green; seconded by Madden.

Motion carried: 6-0