

**Minutes of the Board of Directors
Meeting of July 7, 2011
34 Gleneida Avenue
Carmel, NY 10512**

Chairman Kevin Bailey called the meeting to order at 5:35 p.m.

1. Roll Call – The following Directors were present: Kevin Bailey, Richard Ruchala, Vincent Murphy, Marissa Brett, Maureen McLaughlin and Josh Meyer.

Also present: Robert Schneider, Esq. – Cuddy & Feder LLP
Burt B. Houseworth, CEO
Alan Wolfson, CFO

2. Approval of Minutes – On motion by Marissa Brett, second by Vincent Murphy, the Minutes of the May 11, 2011 meeting were approved – carried unanimously.
3. Board Appointment – The appointment of Maureen McLaughlin to the IDA Board for a 3-year term (to expire 12/31/13) was confirmed by the Putnam County Legislature as of July 6, 2011 and was confirmed by the IDA Board on motion by Kevin Bailey, second by Marissa Brett – carried unanimously.

4. Dunmore Industries –

- a. Public Hearing – There was a review of the Public Hearing comments regarding the Dunmore Project and bond underwriting for the Dunmore expansion. On motion by Kevin Bailey, second by Maureen McLaughlin, the comments as submitted were approved – carried unanimously.

- b. Resolution – The Resolution to grant final approval of the Dunmore Project subject to the following terms:

- i. Receipt of Financing Agreement among the IDA, the Company & the Bank.
- ii. Approval of the request for an increase in tax exempt bond allocation from \$2.9 million to \$9.7 million.
- iii. Receipt of a signed resolution from the County approving the Bond underwriting (signature of Paul Eldridge on resolution is acceptable).

On motion by Kevin Bailey, second by Richard Ruchala – carried unanimously.

5. Member Officers – The By-Laws indicate that Member Officers are to be elected and hold office concurrent with their term of office. In this regard, the following individuals were elected:

Kevin Bailey - Chairman – term expires 12/31/11
Richard Ruchala – Vice Chairman – term expires 12/31/13
Vincent Murphy – Secretary – term expires 12/31/11

On motion by Josh Meyer, second by Marissa Brett, Member Officers were reappointed for the duration of their term.

6. Non-Member Officers – Kevin Bailey, in accordance with authority as stipulated in the By-Laws, reappointed the following Non-Member Officers for the calendar year 2012:

Burt B. Houseworth – CEO
Alan Wolfson - CFO

7. Finances – Alan Wolfson, CFO, reviewed the statement of revenue and expenses for January – June 30, 2011 and the balance sheet through June 30, 2011. While we have a net loss of \$36,618.70 for the first six months, we have assets totaling \$49,277 on hand which will enable us to continue operation. It was also noted that the Dunmore Bond closing will yield an additional \$40,000 within the next two months enabling us to continue operations.
8. Reviewed Current Status of Projects
 - a. Jaral Hotel/Staybridge Inn – delayed.
 - b. Fox Ridge Hotel, Route 121, Southeast – has received a building permit from the Town.
 - c. Homeland Security Training Center – is attempting to develop initial financing and work towards major bond underwriting.
 - d. Stateline – is awaiting confirmation of tenant base.
9. Adjournment – On motion by Kevin Bailey, seconded by Vincent Murphy, the meeting adjourned at 7:45 p.m. - carried.

Respectfully submitted,

Vincent Murphy
Secretary