



Putnam County Industrial Development Agency

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2019 Operations Report

Overview of the Agency

The Putnam County Industrial Development Agency (PCIDA) is a Component Unit of Putnam County Government. The Agency's primary mission is to encourage economic growth and expansion through financial incentives, thus advancing job opportunities, health, general prosperity and economic welfare of the people of Putnam County, the mid-Hudson Region and the State of New York. The Agency's operation is funded through project fees and, as needed, is augmented by annual appropriations from the County.

Economic Development Challenges

The Agency faces numerous challenges and impediments in meeting its mission:

- The population of Putnam County is 97,118 and is the least populated county in Hudson Valley and New York Metropolitan Areas.
- The majority of the County's well-educated workforce (65.7 percent) is employed out of the county.
- Of New York State's 62 counties, Putnam County ranks 55th in total acreage in area.
- Commercial and industrial development has lagged in Putnam due to implementation of the New York City Watershed regulations.
- While the County is traversed by two Interstates (I84 and I684), developable land lacks existing sewers to support large developments.
- The topography of the western areas of the County and two-lane state roads impedes commercial development.
- A majority of the County's land is within the Croton Watershed and development is subject to stringent NYC Dept. of Environmental Protection watershed regulations.

As noted in the New York Times, 'Since 1997, when the New York City and the Croton Watershed communities (in Westchester and Putnam Counties) reached an agreement to protect the quality of the drinking water, property in the Croton watershed has become some of the most carefully regulated on earth.'

Reorganization of the Agency

In January 2016 the members of the Board and the Agency's Executive Director resigned following a year-long attempt to secure operating funds from the County government. In late April, the County Legislature appointed five residents to the Agency. The new Board members began an evaluation of the structure and operating costs for re-establishing a working Agency; sought document retrieval of current and past projects, adopted best practices and policies, and sought contractual assistance of a contractor to facilitate compliance with state regulation. Compliance and re-instatement of Agency was achieved in 2017.

The Agency

Though not numerous, the PCIDA in the last two decades has provided financial incentives to facilitate development of commercial and industrial facilities, a hotel, medical services facility and food wholesale distributor. Pending projects include an international distillery and assisted living facility.

To attract new development and expansion of existing business, the Agency is a member of a coordinating team comprised of Putnam County Planning Department, Putnam County Economic Development Corporation, Putnam Tourism, county and local Chambers of Commerce in conjunction with Empire State Development, local utilities, and NYSERDA. As result, PCIDA is pursuing two projects on a former commercial campus located in the town of Carmel. The group is a county wide source that offers technical assistance, support and information on available state and local resources.

Management and Administration

Board Members are appointed by the Putnam County Board of Legislators for specific terms. There is currently one vacancy on the seven-member board. Several potential candidates declined.

The Putnam County Commissioner of Finance serves as CFO of the Agency.

Staff, responsible for operational notices, preparation of PARIS, minutes, website updating, filing, is undertaken by a part-time administrative aide (up to 10 hours a week).

Contracted services include a law firm to undertake general counsel services and a

Compliance officer to provide guidance to the Board.

The Chair at the direction of Board coordinates staff and consultants, responds to requests for information, attends meeting of the County Legislature and Economic Development sub-committee of the Legislature, participates in economic development team, meets with potential applicants and in general promotes the Agency's benefits and those of Empire State Development (Regional Office). The Agency contracts with InformAnalytics to undertake cost benefit analyses of potential projects. Since 2017 the Agency has updated its website.

The Chairman and Board members attend technical workshops offered by the NYS Economic Development Council. Existing and newly enacted compliance requirements are reviewed annually and adopted as necessary.

Budget and Financial

Each summer the Agency prepares an annual budget request to the Putnam County Board of Legislators. The budget is based on available funds and projected revenues for the following year. Once approved, the budget is reviewed and approved by the Agency submitted in its 5-Year Financial Plan which is then submitted to the ABO.

Pursuant to state legislation enacted in 1990, the Agency entered in a multiyear contract with PKF O'Connor Davis to undertake its annual independent audit in conformance with criteria provided by the Office of New York State Comptroller. The audited report for 2019 found the financial operations and

record keeping of the Agency in conformity with generally accepted accounting principles and in compliance with all relevant laws and regulations of New York State. That report is filed online in PARIS and on the Agency's website. See

<https://secureservercdn.net/198.71.233.153/4kt.b35.myftpupload.com/wp-content/uploads/2021/07/2019-Audited-Financial-Statements-and-Supplementary-Information.pdf>

2020 Operational Changes

At the suggestion of the CFO, The Agency will consider approval of a debit card for use by Chairman for making minor purchases. In 2020 the Agency may contract with Putnam County for staff services. In addition, the Agency will seek an independent server to host its website as the County is unable to provide website management services.

Internal Controls

This statement certifies that the accounting firm PKF O'Connor Davis assessed the internal control structure and procedures of the Putnam County Industrial Development Agency for the year ending December 31, 2019. It should be noted that Putnam County's Commissioners of Finance serves as the Agency's CFO. If deficiencies are identified, the CFO supervises any needed corrective actions. See [2019-Auditors-Compliance-Report.pdf \(secureservercdn.net\)](#)

Payment in Lieu of Taxes

Applicants seeking PILOTs are required to discuss the terms of the PILOT with the involved taxing entities.