

2020 Operations Report

I. 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.

The Putnam County Industrial Development Agency serves all municipalities in the County. It is an important incentive to facilitate development of sites that are inherently limited for growth by the County's topography, and watershed regulations to protect New York City and local reservoirs.

II. Impact of Pandemic and Governmental Closings

- The Administrative Assistant position was vacant; Agency utilized part-time services of college intern employed by Putnam County. Services were curtailed by staff contraction with the virus.
- Compliance Consultant was ill with the virus and convalescing for 4 months and unavailable to undertake various reporting functions.
- Three PILOT leases transfers (of title) were delayed due to limited staff in the Real Estate Division of the Putnam County Clerk's Office.
- The Agency utilized Zoom to conduct Agency and related meetings.
- During 2020 the Agency experienced major failures in accessing its website for compliance and reporting and consequently it contributed to lateness in submitting its PARIS reports for 2019 and 2020.

III. Financial/Purchasing Actions

- The Agency approved disbursements of \$3000 or less can be signed by the Chair or Treasurer.
- The Agency approved the use of debt card by the Chairman to charge approved purchases.
- The Agency issued RFP for IT and Website Maintenance and Services and for Monthly Website Maintenance.
- The Agency approved a 3-year commitment for audit services with its current Auditor.

IV. Website Failure

In 2019, the County IT Department recommended that the Agency should seek professional assistance rebuild and maintain the site as it apparently had inherent problems. In 2020, an IT/Website specialist advised the Chairman that the website had:

- Security & Malware Issues
- Expired Plugins
- Broken Links
- Doc. files were downloaded instead of pdf. for agency documents
- Incorrect Site Map

In addition the site contained:

- Broken links
- Repetitive, missing and aged documents
- Accessibility issues

In December 2020 the Agency issued an RFP for Website design, remedial services and monthly maintenance subject to ABO website requirements. (The work is currently underway.)

V. Management and Administration

Board Members are appointed by the Putnam County Board of Legislators for specific terms. There is currently one vacancy on the authorized seven-member board. The Putnam County Commissioner of Finance serves as CFO of the Agency.

Staff is limited to a part-time administrative aide (up to 10 hours a week). Contracted services provide legal and compliance assistance. 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 Inform Analytics to undertake cost benefit analyses of potential projects. The Chairman and members attend technical workshops offered by the NYS Economic Development Council. Existing and newly enacted compliance requirements are reviewed annually and adopted as necessary.

VI. Financial Report

Pursuant to state legislation enacted in 1990, the Agency entered in a multiyear contract with PKF O'Connor Davis to undertake an annual independent audit in conformance with criteria provided by the Office of New York State Comptroller. The audited report for 2020 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.

VII. 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.

VIII. Payment in Lieu of Taxes

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

IX. Background

The Agency/Economic Development

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 NYSEDA. As result, PCIDA is pursuing one project on a former commercial campus located in the town of Carmel and a potential distribution center in the Town of Southeast. The group is a county wide source that offers technical assistance, support and information on available state and local resources.

The Chairman reports regularly with the Economic Committee of the County Legislature and with Town officials to discuss potential projects. Not all are eligible for IDA assistance, but it is import to maintain communications

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.'