



Putnam County Industrial Development Agency

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2022 Operations Report

The Agency

The Putnam County Industrial Development Agency (PCIDA) is a Component Unit of Putnam County Government. It was established under Section 927-f of the Article 18 of the GMU. 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.

Organization Management / Administration

Board Members:

The Board Members of the Agency are appointed by the Putnam County Board of Legislators for specific terms. Two members resigned in February of 2022; and one vacancy remained. Following active recruitment by members of the Board, the Agency submitted the names of three candidates, one woman and two men, to the Legislature for approval. The Candidates were approved by the Legislature in May 2022.

The position of Chief Financial Officer (CFO) is traditionally held by the Putnam County Commissioner of Finance. Upon the CFO's retirement the Agency approved the appointment of Michael Louis, the new Commissioner of Finance.

The Chairman of the Agency attends meetings of the County Legislature's Economic Development Committee to present information on the status of projects and potential projects. The Legislature annually provides an allocation for the operations of the Agency, if needed.

The Agency was unable to recruit part-time Administrative Aide in 2022. In 2023 the Agency will recruit a part-time to undertake the administrative tasks under the direction of the Chair. The Agency has prepared a job description for the position.

Outside Services:

The approved renewal of contracts for the Agency's Counsel, website and video tasks for Board Meeting and Public Hearings and the services of a Compliance Officer for reporting , reviewing

draft applications, completing Cost Benefit Analysis for projects. (The Agency contracted with MRB Group for use of a cost Benefit Analysis Tool.)

Miscellaneous Board Activities

The Chair at the direction of Board coordinates interns, staff if available and consultants. The Chair responds to requests for information, attends meetings of the County Legislature and Economic Development sub-committee of the legislature, participates with an economic development organization, meets with potential applicants and in general promotes the Agency's benefits and those of Empire State Development (Regional Office).

The Chair and members attend technical workshops offered by the NYS Economic Development Council.

News from the ABO (website) is circulated to the Members by e-mail .

Existing and newly enacted compliance requirements are reviewed annually and adopted as necessary.

- The Administrative Assistant position will be filled in 2023.
- The website is kept up to date.
- The term of the PILOT for Brewster Plastics ended in 2021. The un-paid PILOT payments will be subject to litigation by the Putnam County. [*See Measurement and Achievement Report.*]
- The Agency utilized Zoom to conduct Agency meetings. It now "live-streams" meetings and is on Facebook.

Financial/Purchasing Actions

If sufficient project fees are not generated by Agency, the County Legislature has authorized annual appropriations of up \$40,000 as needed, in 2023.

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 2022 found the financial operations and record keeping of the Agency is 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.

Internal Controls

Annually PKF O'Connor Davis assesses the internal control structure and procedures of the Putnam County Industrial Development Agency for the year ending December 31, 2021. It should be noted that Putnam County's Assistant Commissioner of Finance will review the Agency's financial activities. The PCIDA received a similar audit report for 2022.

Payment in Lieu of Taxes

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

Public Hearings

The Agency voted to name the daily edition of the Putnam Edition of Journal News.

ONGOING ACTIVITIES AND CHALLENGES

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

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 NYSERDA. As a result, PCIDA is pursuing two projects on a former commercial campus located in the town of Carmel and a distribution center in the Town of Southeast. The Agency also assisted in enabling one of the County's major employers to stay and expand. 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 communication channels and promote the County's Economic Development Team.

Economic Development Challenges

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

- The population of Putnam County is 97,963 and is the least populated county in Hudson Valley and New York Metropolitan Areas.
- The majority of the County's well-educated workforce employed out of the county remains above 50%, but has been reduced after COVID remote working experience.
- 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.'