



**Putnam County Industrial Development Agency**

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## **2024 Operations Report**

### **The Agency**

The Putnam County Industrial Development Agency (PCIDA) Was established in 1987 as a Component Unit of Putnam County Government. It was established under Section 927-f of 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**

The Board Members of the Agency are appointed by the Putnam County Board of Legislators for specific terms. There was one vacancy on the seven-member board. Following active recruitment, the Agency submitted the name of our recommended candidate to the Legislature but were asked to withdraw that candidate and advertise for candidates on a wider scope. The PCIDA Board has a long-held un-written policy to provide representation for each town in the County. We will expand our recruitment while maintaining that goal.

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 Agency did not need or request an allocation from the County for the operations in 2024.

The Putnam County Commissioner of Finance or his Assistant Commissioner serves as CFO oversight to the Agency.

In 2024 the Agency engaged a part-time bookkeeper/admin aide to undertake the some of the tasks currently being performed by the Chair. The Agency is looking into arrangements for the position of executive director.

Contracted services provide legal, technical/website services and compliance assistance.

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 the Putnam County Economic Development Corporation and Putnam Tourism as part of the Putnam County Economic Development Team. The Chair meets with potential applicants and in general promotes the Agency's benefits and those of Empire State Development (Regional Office).

The Agency has contracted with MRB Group for use of a Cost Benefit Analysis Tool to better analyze the value of a project for Putnam County.

The Chair and Board Members attend in-person and virtual technical workshops offered by the NYS Economic Development Council and other informative forums. Existing and newly enacted compliance requirements are reviewed annually and adopted as necessary.

The Putnam County Industrial Development Agency serves all municipalities in the County. It can offer important incentives 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.

- The website was brought up to date in late 2021 and continues to be maintained and improved. PARIS reports for 2023 were submitted. Clarifications requested, were also made to Office of the State Comptroller
- The term of the PILOT agreement with Brewster Plastics ended in 2021. Brewster Plastics has defaulted on its tax payments since 2016 and was in foreclosure process led by Putnam County. The PCIDA has stood aside to facilitate the County's litigation. Brewster Plastics did pay off the lease fee payments due the Agency. The foreclosure process was ended in October, 2024, with the court approved sale of the property and the PCIDA was removed from the property title.
- Meetings of the Agency are shown live on Facebook and recorded and posted on the website.

### **Financial/Purchasing Actions**

- The Agency issued an RFP for IT Services and ongoing Monthly Website Maintenance; a contract was signed with Brim and Brand, the sole respondent, in 2021; and it continues with good performance.
- Successful project authorizations and agreements have produced income and future projections to allow the Agency to decline the use of the 2023 County allocation and not request an allocation for 2024.
- The PCIDA moved to a larger office space in 2024.

### **Website Remediation and Enhancement**

- A team of Board members has collaborated with the Brim and Brand team to post required documents in a timely manner and implement other improvements to the website.

## **Financial Report**

Pursuant to state legislation enacted in 1990, the Agency entered into 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 2024 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.

## **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, 2023. 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 2024.

## **Payment in Lieu of Taxes**

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

# **ONGOING ACTIVITIE AND CHALLENGES**

## **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 major village redevelopment project.

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 important 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 2024 population of Putnam County is estimated at 98,409 and is the 34<sup>th</sup> least populated county in the State and only slightly ahead of Sullivan County in the Hudson Valley and New York Metropolitan Areas.
- The majority of the County's well-educated workforce that is 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 55<sup>th</sup> 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.'*