

**ECONOMIC DEVELOPMENT & ENERGY COMMITTEE MEETING
HELD IN ROOM #318
PUTNAM COUNTY OFFICE BUILDING
CARMEL, NEW YORK 10512**

Members: Chairman Ellner, Legislators Addonizio & Crowley

Wednesday

November 15, 2023

(Immediately Followed the Protective Meeting at 6:30PM)

The meeting was called to order at 6:42PM by Chairman Ellner who led in the Pledge of Allegiance. Upon roll call Legislators Addonizio and Chairman Ellner were present. Legislator Crowley was absent. Chairman Ellner stated Legislator Sayegh would sit on the Committee in Legislator Crowley's absence.

Item #3 - Acceptance of Minutes – July 24, 2023 & August 16, 2023

The minutes were accepted as submitted.

Item #4 - Discussion/Update/Putnam County Industrial Development Agency Workforce Policy/IDA Chairman Bill Nulk

IDA Chairman Nulk stated the Brewster Industrial project is getting close to being in compliance with supplying information. He stated the IDA does not currently have the staff to go through all the information right now. He stated Brewster Industrial Owners (BIO) will need to come to the IDA with a request for a waiver because they are not fully compliant with the workers there during the construction. He stated he believes once the tenants are there and operational, he expects the workforce to align with the IDA's goals in the Workforce Policy. He stated BIO has replied to the IDA's inquiries and supplied them with some of the requested information. He stated the IDA Board has discussed making sure everyone understands what needs to happen in order to be in compliance. He stated right now there are many workers from New Jersey for the construction phase.

Chairman Ellner requested clarification on the use of the term "compliance".

IDA Chairman Nulk clarified that they have complied with the requests from the IDA but are not in compliance with the Workforce Policy.

IDA Vice-Chair Ed Cooke provided a recap of the events leading up to this point. He stated the IDA is a board of volunteers and IDA Chairman Nulk has done a great job. He stated the IDA put together a comprehensive Workforce Policy based on surrounding counties' policies, and it puts Putnam County first. He stated the IDA board believes that if a project is receiving taxpayer benefits, then taxpayers should be working on the project and the developer should make their best effort to make that happen. He noted that Ace Endico has provided them with payrolls and proof of where the workforce lives.

Chairman Ellner questioned if it is a requirement to have drivers licenses of the workers on file for review.

IDA Vice-Chair Cooke stated yes, they are supposed to keep the I9 verification forms on site for periodic review. He stated the goal of the IDA is to not be too aggressive with the Workforce Policy that it keeps developers away.

Legislator Addonizio questioned what percentage of the project is completed at this time.

IDA Vice-Chair Cooke stated the two (2) major structures are up and they are working on the interior, so he would estimate approximately 60-65%. He noted once there is a tenant, they will do additional outfitting.

IDA Chairman Nulk stated a lot depends on who the tenant winds up being.

Legislator Addonizio noted they are approximately 60% completed but are not in compliance with the Workforce Policy.

IDA Vice-Chair Cooke noted the Workforce Policy is not just for the construction phase, but also when the projects are operational. He stated the IDA will have to refine the policy and figure out exactly what types of jobs it wants to attract.

Legislator Sayegh questioned if there is an expected timeline for compliance.

IDA Vice-Chair Cooke stated the IDA is working aggressively with counsel to get the required documentation.

Chairman Ellner questioned why there has been so many written requests to the developer for these records.

IDA Vice-Chair Cooke stated the developer can only respond as quickly as the general contractor provides them with the information. He stated the developer has indicated they are actively trying to get the information.

Legislator Nacerino questioned how difficult it is to get these documents.

IDA Vice-Chair Cooke stated it could be that it just was not done or that they did not know it was necessary.

Legislator Nacerino stated it does not appear to be a big ask.

IDA Vice-Chair Cooke agreed. He stated the IDA Board would like to see compliance. He noted he is familiar with other IDA's, and the Putnam County IDA Board is excellent in its fiduciary responsibility.

Legislator Nacerino questioned if the tenant will be Amazon, as there are rumors of that.

IDA Chairman Nulk stated the developer has indicated it will not be Amazon.

Legislator Jonke questioned if the IDA is aware of any tenants yet.

IDA Chairman Nulk stated the IDA is not aware of any.

Legislator Jonke requested the name of the general contractor and where they are based out of.

IDA Vice-Chair Cooke stated ARCO is the general contractor and has multiple locations. He noted that the landscaping, electricians, and plumbers have complied. He noted that other IDA's hire outside firms to do compliance audits.

IDA Chairman Nulk noted that the IDA spoke with the County's Consumer Affairs Department about them potentially doing the compliance audits, but it did not work out.

Legislator Jonke questioned if the IDA has received any quotes from consultants who do that kind of work.

IDA Chairman Nulk stated no.

IDA Vice-Chair Cooke noted there are IDA Board Members who are willing to volunteer their time to go, with someone from the County, to do these audits of compliance.

Legislator Jonke stated he is happy to volunteer to go assist with the audits.

Legislator Nacerino questioned if this PILOT (Payment In Lieu Of Taxes) was approved prematurely and now have little recourse.

IDA Vice-Chair Cooke stated absolutely not, this project "met the math". He stated the IDA voted and approved it.

Legislator Nacerino questioned if it unusual to approve a PILOT without a tenant in place.

IDA Chairman Nulk stated it is not unusual but it not something the Putnam County IDA normally does. He stated the IDA will be more cautious in the future.

Legislator Nacerino stated in retrospect she has concerns about it being approved prematurely.

IDA Vice-Chair Cooke reiterated his belief that it was not premature. He noted that even though he voted against the project on the IDA Board, the Board felt that this space could attract tenants and other businesses, spurring economy in the region.

IDA Chairman Nulk stated the developers have a strong track record of success in many other places.

Legislator Addonizio questioned what projects the developer has been successful with.

IDA Chairman Nulk stated they have projects in Rockland and northern New Jersey.

Legislator Addonizio questioned specifically what the projects are.

IDA Vice-Chair Cooke stated some of them are Amazon and some are warehousing.

Legislator Addonizio stated she understands that they have had seven (7) successful Amazon projects.

Legislator Sayegh facilitated further discussion regarding the compliance with the Workforce Policy.

Chairman Ellner questioned who would grant the waiver for the lack of compliance.

IDA Vice-Chair Cooke stated it would be up to the IDA Board.

Chairman Ellner questioned if there will be a change to the PILOT.

IDA Chairman Nulk stated the original PILOT had a two (2) year buffer in the beginning for a total of a 12-year PILOT, but now after assessing with the Town of Southeast, they are looking to adjust it to the usual 10-year PILOT, which is what the Town approved.

Chairman Ellner questioned if the Brewster School District approved the PILOT.

IDA Chairman Nulk stated the school district is waiting to see if it approved by the Town and County.

Legislator Jonke disagreed with the notion that it was a mistake to approve the PILOT without a tenant in place. He facilitated discussion on other IDA projects.

IDA-Vice Chair Cooke noted that the IDA is looking for board members, specifically from Philipstown to geographically balance the board.

Item #5 - FYI/Unemployment Report – Duly Noted

Item #6 - Other Business - None

Item #7 - Adjournment

There being no further business at 7:03 pm Chairman Ellner made a motion to adjourn;
Seconded by Legislator Addonizio. All in favor.

Respectfully submitted by Administrative Assistant Ed Gordon.