

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Annual Report of the Industrial Development Agency's Activities for the Year 2014

In 2014, the Putnam County Industrial Development Agency ("IDA") completed a very time consuming New York State Audit. The IDA held a total of 15 Board Meetings (14 Regular Meetings and 1 Annual Meeting) where we identified the issues the NYS Office of the State Comptroller ("OSC") wanted us to correct and followed up with a very detailed Corrective Action Plan that was completed by December 31, 2014. A new and improved website has been paid for and completed. If we had to pay for all the work this Volunteer Board did, with the help of our Executive Director and CFO, it would have cost well over a hundred thousand dollars. Our funds are low and continue to be so. The Chairman of the IDA requested a loan in the amount of \$75,000 from Putnam County and the request was put into the County budget. We are waiting for the promissory note that would accompany said loan.

In April, the IDA Board recommended three new Board appointments to the Putnam County Legislature and received Legislative approval for the appointments. In December, two current Board Members were approved by the County Legislature to a new three-year term. The IDA Board is currently seeking a replacement from the Town of Carmel for a board member who is not seeking reappointment. We do need a CEO but money makes this unaffordable at this time.

Projects the IDA has worked on:

- Fryer Machine refunded their Public Offering to a direct purchase bond in 2014.
- Fox Ridge Hotel Suites (a Best Western affiliate) – was approved by the Town of Southeast. This project is expected to create 16-20 full time jobs and cost \$4 million. We are awaiting a new construction start date. Construction should start before summer, 2015.
- Metal and Glass Solutions, Inc. has extended their inducement until December 31, 2015. It is expected that construction will start prior to 2016.
- Unicorn Contracting has met with us regarding the Butterfield project and is considering possible tax abatements and/or bonds for this project. No formal application has been submitted.

The following two potential applicants met with the IDA:

- Project Alpha, which is currently a New York State based company, is looking for tax abatements. This applicant is waiting for a response to an offer made on a property in Putnam County that fits their purpose.
- Project Delta is a Connecticut based company who has 400 jobs that wants to locate in Southeast. They have inquired about tax abatements.

Other potential applicants called; responses and follow-up calls were made to no avail.

The induced applicants that can create real growth are:

- Stateline Retail Complex – Route 6 & 202, Danbury Road, Southeast (210K sq. ft. on a 45 acre site)
- Patterson Crossing – Route 311 & I-84, Patterson/Kent (405K sq. ft. on a 90 acre site)
- Union Place – Route 6, Mahopac (575K sq. ft. of retail & 350K sq. ft. of residential space plus a 90-room hotel on a 300 acre site)
- Metal & Glass Solutions, Inc. – Independence Way, Southeast (15K sq. ft. production plant on a 4 acre site)

*Stateline Retail Complex and Patterson Crossing have both had public hearings that are now closed.

The State has been more aggressive as it relates to giving tax abatements for tourism, while manufacturing is still at the top of the list. The Empire Zone benefits are no longer available to the County but New York State now has “Startup NY”. This is similar to the Empire Zone program but benefits are now driven by the State, not the County. Putnam County has no colleges so, therefore, cannot benefit from Startup NY at this time.