

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

Members: Chairwoman Scuccimarra, Legislators Gross & Wright

Monday

5:30PM

June 23, 2014

The meeting was called to order at 6:31 P.M. by Chairwoman Scuccimarra who asked Legislator Oliverio to lead in the Pledge of Allegiance. Upon roll call, Legislators Gross, Wright and Chairwoman Scuccimarra were present.

Item # 3 – Approval of Minutes-April 28, 2014

Legislator Wright made a motion to approve the minutes as submitted; seconded by Legislator Gross. All in favor.

Item # 4 – Putnam County Visitor's Bureau, Inc. /Update on 3rd Annual Putnam Cycling Classic/Director Libby Pataki

Putnam County Visitor's Bureau Director Libby Pataki stated the original date for the 3rd Annual Putnam Cycling Classic ("Cycling Classic") was May 10th. She stated on the Thursday before the Cycling Classic the weather predicted threatening thunderstorms. She stated within 24 hours she decided to postpone the race to the following Sunday. She stated there was a huge issue with postponing due to the is the new date of the race being the the same day as the Gran Fondo, which is the biggest professional cycling event in New York. Therefore, due to conflicting events, the professional cyclists that were registered for the Cycling Classic could not attend and requested refunds. She stated the Putnam County Visitor's Bureau ("Visitor's Bureau") had to refund approximately \$3,000. She stated as Director she would rather refund every rider than to have one child get hurt by a falling branch. She stated she just did not want to take a chance having people get injured or worse. She stated this year she wanted to get sponsorships solely from Putnam County. She stated she aimed towards more small sponsorships opposed big sponsorships. She stated last year the Visitor's Bureau received a big sponsorship from Ridgehill, a shopping complex in Westchester County, but the Visitor's Bureau in return had to help with events there every weekend for months. She stated there was tremendous cooperation from the Town of Southeast and the Village of Brewster. She stated both municipalities also participated in making the decision to postpone the Cycling Classic. She stated the total of sponsorships was approximately \$50,000. She stated the total project revenue was approximately \$2,000.

Legislator LoBue questioned approximately how many cyclists participated in the Cycling Classic.

Director Pataki stated approximately 67 cyclist participated. She stated another matter about the Cycling Classic is originally there were four (4) types of races and after the postponement it was

changed to two (2). She stated she broke down all the expenses such as advertising. She stated the Visitor's Bureau did in-house advertising, outside advertising, radio advertising and newspaper advertising. She stated hiring the Event Producer Ray Fusco cost approximately \$20,000. She stated there was a small dinner to assist with getting small sponsorships and to involve the Town of Cold Spring. She stated the expenses also included porta-potties, insurance, signage, sport supplies, a pasta picnic, tents and the wristbands. She stated the total expenses of the Cycling Classic came to roughly \$43,000 with an additional \$54.22 for posters. She stated the Visitor's Bureau, after the Cycling Classic, was short about \$8,000. She stated overall all it worked out very well.

Chairwoman Scuccimarra stated any event outside like the Cycling Classic one takes a chance with the weather.

Director Pataki stated she apologizes to Legislator Oliverio for delaying the response to the financial breakdown of the Cycling Classic. She stated she was waiting for all of the refunds to be processed.

Legislator LoBue stated she believed no one was allowed to spend money advertising within the County.

Director Pataki stated one can advertise outside of the County with matching funds and advertisements in the County is paid for with the Visitor Bureau's Operating Fund.

Legislator LoBue stated that is not how it was done in the past. She stated she wanted clarification on the sponsor Ridgehill.

Director Pataki stated Ridgehill is located in Westchester County and was a big sponsor last year for the Cycling Classic. She stated Ridgehill gave the Visitor's Bureau \$50,000. She stated the Visitor's Bureau had to do a lot in collaboration with them in return.

Legislator LoBue questioned if the \$50,000 sponsorship money was deposited to the Visitor's Bureau.

Director Pataki stated yes. She stated last year the Visitor's Bureau was able to profit from the Cycling Classic.

Legislator LoBue stated she understands the issue of weather for an event such as the Cycling Classic. However, there were only approximately 70 riders in comparison to approximate 800 riders in the past Cycling Classics. She stated in the past an outside Event Producer was not used to organize the Cycling Classic and was always done in-house. She stated \$20,000 for an Event Producer is a lot of money.

Director Pataki stated the event was being conducted on a high professional level base.

Legislator LoBue stated the County always does everything on a high professional level. She stated spending approximately \$44,000 to only yield approximately 70 riders is a lot of money.

Director Pataki stated it is important to get a lot of sponsorships because she does not want the County to pay for the Cycling Classic.

Legislator Albano stated changing the date of an event makes a big impact. He stated for the Visitor's Bureau to be able to pull off the event after changing the date is an accomplishment.

Director Pataki stated when the weather projects perfect weather people in the cycling world wait last minute.

Legislator LoBue questioned why the Visitor's Bureau did not wait an extra week if they were aware of the schedule conflict.

Director Pataki stated the tents and porta- potties were already rented. She stated the food was also ordered. She stated with those factors to consider it was important to have the Cycling Classic within a week.

Legislator Gross questioned if the approximate \$8,800 cost comes out of the Visitor's Bureau's budget.

Director Pataki stated yes, it comes out of the Visitor's Bureau's Operating Fund.

Legislator Gross questioned if the Visitor's Bureau was still in the "black".

Director Pataki stated yes. She stated the year she started, the Cycling Classic cost about \$14,000 out of the budget. She stated when staging the event the ideal situation is to make money.

Legislator Gross stated the main thing is the Cycling Classic is covered and the Visitor's Bureau is still in the "black".

Legislator LoBue stated she understands the Visitor's Bureau secured a \$75,000 grant from Senator Ball's Office. She questioned if the Visitor's Bureau received that money.

Director Pataki stated no, the Visitor's Bureau is going through the process to receive the grant money.

Legislator Albano stated he is aware that it takes a long time to receive the grants from Senator Ball's Office.

Director Pataki stated she will let the Legislature know when the grant comes into the Visitor's Bureau.

Item # 5 – Putnam County Chamber of Commerce/Update on Business Expo/President Bill Nulk

Chairwoman Scuccimarra stated she attended the Putnam County Business Expo (“Expo”) and stated the weather was perfect. She stated a lot of people attended they received good information.

Putnam County Chamber of Commerce President Bill Nulk stated the Expo was a County wide effort. He stated an event such as the Expo takes a great deal of work and time. He stated the event turned out great and there is always room for improvement for the following year.

Mahopac Chamber of Commerce Chairman Vince D’Ambroso stated the Expo occurred June 7th at the Putnam Hospital. He stated the Expo is the result of many individuals working hard and dedicating their time. He stated the event is a testament to show individuals and organizations in Putnam County can work together. He stated he thanks the County Executive and the Legislature for the June Small Business Month Proclamation. He stated 107 businesses participated at the Expo this year. He stated approximately 3,500 people attended. He stated last year at the Expo around 4,500 people attended. He stated perfect weather is a factor and impacted the attendance of the Expo this year.

President Nulk stated the people who attended the Expo this year learned a lot about the business in Putnam County. He stated the quality of the people who went to the Expo has improved.

Chairman D’Ambroso stated 75% of the people who attended the Expo had previously attended an Expo. He stated 25% of the people who attended the Expo were new participants. He stated the new businesses that attended for the first time were willing to participate in future Expos. He stated 66% of the participants rated the Expo as “good/excellent”.

Chairwoman Scuccimarra stated there was a diverse range of business that attended the Expo.

Chairman D’Ambroso stated that is correct, there were non-profit businesses, there were service based businesses and many others.

Legislator Oliverio stated he thought the Expo was outstanding. He stated his main recommendation is that many individuals who went to the Expo were unaware of vendors being located inside as well as outside.

Chairman D’Ambroso stated every year there is a survey to improve on the prior year. For instance, there was the improvement of foot traffic where the participants could easily pass by all of the vendors.

Legislator Oliverio stated another recommendation is to have more food vendors attend the Expo.

Chairman D’Ambroso stated it was challenging to work with the food vendors.

Legislator LoBue stated she believed the variety of vendors that attended this Expo was much better. She stated logistically the Putnam Hospital Center works; the parking was easier, and the

layout was nicer. She stated her suggestion is to have signs that lead up to the hospital to attract more people.

Chairman D'Ambroso stated this year there was an improvement of parking and traffic. He stated for next year the Putnam County Chamber of Commerce is aware that the location of the entertainment needs to change. He stated overall he believes the Expo was great for the Putnam County businesses and the community.

Legislator Gross stated he applauds President Nulk and Chairman D'Ambroso regarding the Expo. He stated the Expo was well organized, structured and the diversity was great.

Item # 6 – Putnam County Economic Development Corporation/President Meghan Taylor
a. Project Update
b. CFA Applications

Economic Development Corporation (“EDC”) President Meghan Taylor stated a lot has happened since the last Economic Development and Energy Committee Meeting. She stated the Consolidated Funding Application (“CFA”) encompasses 30 different programs across 12 different agencies in New York State. She stated the CFA deadline was June 16th at 4pm. She stated there were over 15 CFA applications submitted from Putnam County and of those there were three (3) priority project applications. She stated within New York State there were 389 CFA Applications that were submitted and there were 111 priority project applications.

Chairwoman Scuccimarra stated she is surprised that more people do not take advantage of the CFA.

President Taylor stated the CFA Applications are not easy to fill out. She stated there are different things that need to be in order before applying. She stated there are 389 CFA Applications; however New York State is still going through the process of seeing if the applications are eligible. She stated the Mid-Hudson Region, which Putnam County is grouped in, is competing to be a top competitor. She stated the Mid-Hudson Region is competing with four (4) other regions; New York City, Central New York, Finger Lakes, and Western New York for the top positions to win approximately \$25 million in grants. She stated it is important to be one of the top five (5) within New York State. She stated the next public meeting will be held July 8th from 11:00am to 12:00pm at the Putnam County Golf Course. She stated on July 15th and 16th the priority projects applicants are going to be interviewed by the Mid-Hudson Regional EDC Council. She stated July 25th all of the CFA Scores are due to the Empire State Development. She stated on August 6th the priority public announcement will be made. She stated in the early fall the CFA Awards will be announced. She stated Putnam County put forth a variety of CFA Applications. She stated the opportunity area last year was the Village of Brewster. She stated this year the Town of Peekskill and the Village of Brewster are both opportunity areas. She stated the EDC is focused on getting the two (2) municipalities as much money as possible because they have made a lot of progress within the last year. She stated next year other areas will be added to the opportunity area.

c. Business of the Month/JRS Pharma

President Taylor stated the Business of the Month for June is JRS Pharma and is located in Patterson, New York. She stated one (1) reason they were elected for Business of the Month is because they have over 15,000 square feet of prime lab space within their building. She stated they are one of the biotech manufactures in the County. She stated the EDC is trying to fill in the space available.

Chairwoman Scuccimarra stated she has never heard of JRS Pharma.

Legislator Gross stated JRS Pharma is located on Route 22.

President Taylor stated JRS Pharma is a leader in their industry. She stated it is clean laboratory space. She stated there are a few leads in filling the space; however the logistics need to be looked into deeper.

President Taylor stated on September 26th there will be an EDC Breakfast at the Putnam County Golf Course.

Constituent Ann Fannizi stated there is an applicant applying for an annexation from the Town of Southeast. She questioned if that applicant has come before the EDC.

President Taylor stated yes, BOS Land Development, Inc. (“BOS Development”) has come before the EDC.

Ms. Fannizi questioned if the EDC has encouraged BOS Development to annex from the Town of Southeast.

President Taylor stated she has not encouraged or commented on the annexation. She stated she has talked to BOS Development about the medical office space they are inquiring about. She stated the medical office space is needed in the County.

Ms. Fannizi stated there have been several concerns in regards to the annexation. She questioned what would the benefits be to BOS Development if they annexed from the Town of Southeast.

President Taylor stated the benefits to BOS Development would be they can create an environment for a medical office facility with municipal water and sewer.

Ms. Fannizi questioned how the Town of Southeast would benefit from the annexation.

President Taylor stated the benefits would be that the Town of Southeast encompasses the Village of Brewster and therefore the Town of Southeast would benefit from a development within the Village of Brewster. She stated there was a public meeting regarding this matter and the majority of the people that attended the meeting were in support of the annexation.

Ms. Fannizi questioned why the Garden Street School building has not been considered as a location.

President Taylor stated Garden Street School has over \$1 million dollars of asbestos remediation. She stated a developer would not want to select a location such as Garden Street School. She stated the building is also very close to a residential area, which deters business from making that building a commercial building. She stated the community stated there is a historic aspect of the Garden Street School. She stated the community wants the Garden Street School to turn into housing or a community center. She stated to inform the Economic Development and Energy Committee and the audience, Ms. Fanizzi is concerned with a proposed development on an approximate 64 square feet building that would be a four (4) floor medical office or general office building. She stated the developer is proposing to annex the building from the Town of Southeast and become a part of the Village of Brewster to take advantage of municipal water and sewage. She stated a local family has owned the building for over 20 years and they want to take advantage of assisting the redevelopment of the Village of Brewster.

Legislator Gross stated the only major concern that he is aware of is the capacity of the Village of Brewster's water and sewage system. He stated a majority are for the proposed development.

Chairwoman Scuccimarra stated the decision to annex the property is between the Town of Southeast and the Village of Brewster.

President Taylor stated if annexed there will be the creation of a 64 square feet Class A medical building that the County needs. She stated this would bring in high quality jobs to the County. She stated in terms of the Village of Brewster's capacity of water and sewer treatment plans; there is the opportunity to expand the plan. She stated to expand the plan DEC and DEP have to approve of the expansion, however she does not believe the two (2) agencies would disapprove of the expansion.

Chairwoman Scuccimarra stated this matter is not a County issue.

Ms. Fannizi questioned if the developers have reached out to the EDC.

President Taylor stated any developer in the County would want to reach out to the EDC to see the needs of the County. She stated the healthcare industry is the leading industry and the only industry that is growing in the Hudson Valley area.

Legislator Oliverio questioned where the location of the building is.

President Taylor stated it is off Allview Avenue and Route 22.

Item # 7 – Putnam County Industrial Development Agency

a. Update on Annual Financial Reports-Chairman Richard Ruchala

Chairwoman Scuccimarra questioned the status of the financial reports.

Industrial Development Agency (“IDA”) Chairman Richard Ruchala stated the reports are almost completed and will be completed by Thursday.

Chairwoman Scuccimarra asked if the Legislature can receive a copy of the reports when they are completed.

IDA Chairman Ruchala stated he has a copy of the financial report with him and stated the Legislature can review it.

Chairwoman Scuccimarra made a motion to waive the rules and accept the additional; seconded by Legislator Gross. All in favor.

Chairwoman Scuccimarra stated she is happy the IDA is functioning well. She stated she would like an update on the projects.

IDA Chairman Ruchala stated as of now there is a cosmetic company that is looking for bonding.

Legislator Albano questioned if all the reports are completed and submitted.

IDA Chairman Ruchala stated he asked the Chief Financial Officer (“CFO”) to not submit the reports because he wanted to review the financial reports again. He stated when the reports are completed and certified, the financial reports go to New York State. He stated all of the financial reports will be listed on the website.

Chairwoman Scuccimarra stated she would like for the Legislature to have a hard copy of all the reports.

IDA Chairman Ruchala stated all of the reports will be on the website for everyone to view on Thursday June 26, 2014. He stated it would save money to view the reports on the website versus printing the reports because the IDA is low on funds. He stated he is hoping the IDA can receive funds from the Legislature for the next quarter.

c. Discussion/Industrial Development Agency Alternates/First Deputy County Attorney Andrew Negro

Chairwoman Scuccimarra stated there has been some confusion about the IDA Alternates. She stated she assumed the Legislature was following the Putnam County IDA By-Laws, which states the Legislature can elect IDA Alternates. She stated having the Legislature elect IDA Alternates is not listed in the New York State General Municipal Law (“General Municipal Law”).

First Deputy County Attorney Andrew Negro stated since he is conveying legal advice it may be prudent to discuss this matter in executive session.

Legislator Oliverio stated he does not believe it is necessary to go into executive session to discuss this matter.

Legislator Wright stated the Legislature already appointed IDA Alternates. He stated this matter does not need to be discussed in executive session. He questioned if First Deputy County Attorney Negro agreed with Legislative Counsel Clem Van Ross' legal opinion.

First Deputy County Attorney Negro stated two (2) IDA Alternates were appointed by the Legislature in May 2014. He stated Legislative Counsel Van Ross has reviewed the matter and raised an issue in regards to Section 856 in the General Municipal Law. He stated Section 856 of the General Municipal Law is silent in terms of appointing IDA Alternates because it does not specifically address the appointment of IDA Alternate members. He stated Legislative Counsel Van Ross' concern is if the IDA Alternates are used to form a quorum the decision made could be challenged. He stated based on the research he conducted there is no Case Law precedent or a State Comptroller opinion on this matter.

Legislator Wright stated he suggests having the IDA Alternates not act until the Legislature receives an opinion from the State Comptroller.

Legislator Albano stated he believes having IDA Alternates is not an issue. He stated he agreed with Legislator Wright's idea to write to the State Comptroller.

Chairwoman Scuccimarra stated she believes Legislative Counsel Van Ross' concern could potentially happen if an IDA Alternate was voting on a big project. She questioned if First Deputy County Attorney Negro questioned other IDA Boards in the area.

First Deputy County Attorney Negro stated he did an informal search with the surrounding IDA Boards. He stated he did not locate any surrounding IDA Boards that have provisions for IDA Alternate members. He stated Section 856 of the General Municipal Law is a general "home rule". He stated appointing IDA Alternates is not inconsistent because there would still be a seven (7) member board with the use of IDA Alternates.

Chairwoman Scuccimarra stated the Legislature was aware that the IDA Board was low on members and the challenge there was to form a quorum.

First Deputy County Attorney Negro stated to quell any challenges it would be prudent to request an opinion from the State Comptroller.

Chairwoman Scuccimarra stated she is concerned that if the Putnam County By-Laws of the IDA do not correspond with the General Municipal Law.

First Deputy County Attorney Negro stated there should be a review of the By-Laws. He stated he suggests having the State Comptroller look at the By-Laws.

Chairwoman Scuccimarra stated she agreed with First Deputy County Attorney Negro's suggestion.

IDA Chairman Ruchala stated the Legislature already made the decision to have IDA Alternates. He stated he is concerned that the IDA Alternates are not going to attend all of the meetings. Therefore, when the IDA Alternates come to vote they will not be well informed about the matter. He stated the IDA Board requires an individual to know a lot of information and to be trained. He stated the training is not cheap for instance; for the IDA CEO to be trained cost approximately \$600.

Legislator Wright questioned if the IDA Board wants to amend the By-Laws to eliminate IDA Alternates.

IDA Chairman Ruchala stated having IDA Alternates was already in the By-Laws.

Legislator Wright stated this is a good opportunity for the IDA and the Legislature to have good dialogue about the By-Laws and if any By-Laws need to be changed.

IDA Chairman Ruchala stated he is neutral towards having the IDA Alternates.

Legislator LoBue stated the Legislature has gone over this matter for months and neglected the IDA Board's recommendations. She stated now after rushing this matter, the Legislature made a mistake. She questioned what Legislative Counsel Van Ross' recommendation to remedy the situation of the IDA Alternates is.

Legislative Counsel Van Ross stated he recommends having the County Attorney write to the State Comptroller and get their opinion on issue of IDA Alternates and the issue of term limits.

First Deputy County Attorney Negro stated he does not believe a mistake was made. He stated the General Municipal Law is silent on the IDA Alternates. He stated it was the recommendation of Legislative Counsel Van Ross to look into this matter further.

Legislator Albano stated he agrees with First Deputy County Attorney Negro in how he does not believe a mistake was made. He stated the Legislature is just affirming with the State Comptroller that IDA Alternates can be utilized. He stated the idea of the IDA Alternates is to be assistants to the regular IDA members and help create a quorum. He stated the IDA Alternates would become regular IDA members in the future. He stated if IDA Alternates are not needed later on then it is something that can be changed.

Legislator Tartaro stated in the Town of Kent Zoning and Planning Board (Zoning and Planning Board") sometimes there was not enough members. He stated the Zoning and Planning Board voted on having alternate board members and made it mandatory for the alternate board members attend all of the meetings to stay informed of the topics being discussed. He stated he assumed the IDA Alternates would be attending most of the meetings and would be familiar with the projects so if called upon they would be familiar with the information.

IDA Chairman Ruchala stated he is also on the Zoning and Planning Board and the difference is there is a five (5) member board instead of seven (7) member board.

Legislator Tartaro stated he understands it is not the same situation. He stated he gave the example to illustrate that if the IDA Alternates attended all the meetings they would be knowledgeable of the issues when called upon to vote.

Chairwoman Scuccimarra stated the IDA Alternates aid in the IDA running efficiently.

IDA Chairman Ruchala stated he would like the Corrective Action Plan to be additional information for the Economic Development and Energy Committee.

Chairwoman Scuccimarra made a motion to waive the rules and accept the additional; seconded by Legislator Gross. All in favor.

b. Correspondence/Legislator Wright's E-mail

Chairwoman Scuccimarra questioned if there was anything CEO Sullivan would like to discuss.

CEO Sullivan stated he can discuss the formal report on visitations.

IDA Chairman Ruchala stated it is policy that only the IDA Chairman speaks on the behalf of the IDA. He stated he does not mind discussing the matter of visitation. He stated CEO Sullivan still has not presented the written report on visitation the IDA Board and therefore he would like to discuss the matter next Economic Development and Energy Committee meeting.

Legislator Wright stated he would like to table this matter.

Chairwoman Scuccimarra made a motion to table the matter of the visitation; seconded by Legislator Gross. All in favor.

Item # 8 – Putnam County Commission for Fiscal Vision and Accountability/Discussion

Chairwoman Scuccimarra questioned if the Legislators had comments regarding the Putnam County Commission for Fiscal Vision and Accountability (“Fiscal Vision”).

Legislator LoBue questioned if Chairwoman Scuccimarra can read off the names of the individuals who will be on the Fiscal Vision Board.

Chairwoman Scuccimarra stated she will be on the Fiscal Vision Board along with Legislator Nacerino. She stated there was a concern with the County Executive being on the Fiscal Vision Board. She stated she has no problem with the County Executive being on Fiscal Vision and questioned if any of the Legislators had an issue with her being on Fiscal Vision Board.

Legislator LoBue and Legislator Oliverio stated they had an issue with the County Executive being on the Fiscal Vision.

Legislator LoBue stated the County Executive has never been on Fiscal Vision Board in the past.

Chairwoman Scuccimarra stated the Fiscal Vision Board can have her attend a meeting for consultations if needed. She stated the rest of the names on the Fiscal Vision Board; Maureen Fleming, Denise Comilloni, Jeffery Kellogg, Charlie Melchner, and Neal Sullivan.

Legislative Counsel Van Ross stated there are still vacancies for the Fiscal Vision Board.

Chairwoman Scuccimara questioned if any of the Legislators had recommendations of individuals to fill the vacancies.

Legislator LoBue stated she has some recommendations to fill the vacancies.

Chairwoman Scuccimarra questioned how many more people are needed to fill the vacancies.

Legislative Counsel Van Ross stated it is an 11 member board. Therefore, four (4) more people are needed to fill in the vacancies.

Chairwoman Scuccimarra stated if any of the Legislators have recommendations she would be happy look into the recommended individuals to fill the vacancies.

Chairwoman Scuccimarra made a motion to move Putnam County Commission for Fiscal Vision and Accountability recommended members to the Full; seconded by Legislator Gross. All in favor.

Item # 9 – Foreclosure Report-FYI- Dully Noted

Item # 10 – Unemployment Report-FYI- Dully Noted

Item # 11 – Other Business – None

Item # 12 – Adjournment

There being no further business at 6:41P.M. Legislator Gross made a motion to adjourn; Seconded by Chairwoman Scuccimarra. All in favor.

Respectfully submitted by Administrative Assistant, Lisa Sommers.