

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

**Chairman Gouldman, Legislators Addonizio & Sayegh**

**Thursday**

**May 24, 2018**

The meeting was called to order at 6:34 P.M. by Chairman Gouldman who led in the Pledge of Allegiance. Upon roll call, Legislators Addonizio, Sayegh and Chairman Gouldman were present.

**Item #3 - Approval of Minutes – March 14, 2018 & April 11, 2018**

The minutes were approved as submitted.

**Item #4 - Discussion/Putnam County SCORE/Director George Joiner**

Chairman Gouldman made a motion to waive the rules and accept the additional; Seconded by Legislator Sayegh. All in favor.

Putnam County SCORE (Service Corps of Retired Executives) Director George Joiner stated SCORE is a national non-profit organization that was created in 1964. He stated there are approximately 10,000 volunteers nationally, working out of approximately 320 locations. He stated the mission of SCORE is to provide a vibrant, growing small business community across the country. He stated this is done through mentoring and education. He stated SCORE was founded by the SBA (Small Business Association) who provides about 2/3's of SCORE's funding, with the rest of the funding coming from donations and partnerships. He stated SCORE provides free and confidential one on one mentoring. He stated there are also workshops and seminars that are offered which are generally free, but sometimes there is a charge depending on the service provided. He stated SCORE's website ([www.score.org](http://www.score.org)) has around 2,000 pages of graduate level business school material as well as webinars. He stated nationally, in 2017, SCORE mentors helped over 54,000 new businesses and those new businesses created approximately 61,000 new jobs. He stated SCORE uses three (3) basic statistics to measure their success. He stated the first is a survey of their clients, the second is a survey of the mentors, and the third are the actual statistics of what was done. He stated the local branch of SCORE has 19 mentors and supports the greater Putnam area. He stated their annual budget is \$1,800, largely from the SBA (Small Business Association). He stated sometimes donors help out, though SCORE does not do major fundraising. He noted Sal Gambino, Treasurer of Putnam County SCORE and Ed Bryan, Co-Chairman Elect of Putnam County SCORE were in attendance. He stated the mentors at SCORE have broad backgrounds. He stated SCORE tries to match a mentor's skills to a client's needs. He stated all mentors go through training. He stated they use a methodology called SLATE (Suspend judgement, Listen, Assess and Analyze, Test the idea, and Encourage the dream). He stated in 2017 Putnam County SCORE had 187 mentoring sessions with 75 unique clients. He stated they helped open 31 new businesses and created approximately 35 non-owner jobs. He stated clients are surveyed on a scale of one (1) to ten (10) and approximately 80% responses are in the nine (9) to ten (10) range. He stated they

look for trends in the responses. He stated 2017 was more successful than 2016 because in 2016 only four (4) new businesses were created.

Legislator Castellano requested clarification on what a non-owner job is.

Director Joiner stated they are employees hired by the owner. He stated in 2017 60% of SCORE's clients were women. He stated SCORE is trying to stay current and bring in mentors who are familiar with the digital world. He stated they are having an inaugural Putnam Women's Conference.

Legislator Addonizio questioned if there more opportunities for grants for women who are interested in opening a business.

Director Joiner stated there are very few. He stated there is an organization that help women-owned businesses receive preferential treatment in government bidding. He stated there are very few grants for anyone. He stated the Women's Conference was well received. He thanked the Legislature for their support.

Chairman Gouldman stated SCORE is a great organization. He noted they mentor both for profit and non-profit organizations.

Legislator Castellano questioned if an established business is looking for help, could they go to SCORE.

Director Joiner stated about 45% of their clients are already in business.

Legislator Albano stated thanked SCORE for their volunteer service.

Legislator Sullivan requested that the Legislature be kept up to date on the seminars that SCORE holds.

Director Joiner stated he would do that.

#### **Item #5 - Discussion/Putnam County Industrial Development Agency/Fox Ridge Project**

Chairman Gouldman made a motion to waive the rules and accept the additional; Seconded by Legislator Sayegh. All in favor.

Bill Nulk, Chairman of the IDA Board, stated the IDA requires itself to get approval from each taxing entity before moving forward with a PILOT (Payment In Lieu of Taxes) program. He stated the Town of Southeast has already approved the PILOT. He stated a PILOT is a tax break on the increase in the assessed value during a set period of time.

Legislator Sullivan questioned if the tax abatement is on the value the property currently has or on the value in the future.

Legislator Jonke stated it would be on the improvement.

Legislator Albano stated so it would not be a large number.

Legislator Sullivan stated that is an important fact, because there are people who believe it is a tax abatement on the entire assessed value.

Legislator Albano stated additionally the potential new owners will make commitments that the County will monitor.

IDA Chairman Nulk stated yes, specifically job creation.

Chairman Gouldman requested clarification on the project, for those who do not know.

IDA Chairman Nulk stated potential new owners of a property with a stalled hotel project are looking to receive the same tax benefits as the current owners, to complete the project.

Legislator Sullivan questioned if the PILOT is approved, when the potential closing date on the deal for the property would be and when the hotel would open.

IDA Chairman Nulk stated they originally wanted the closing date to be the end of June, but due to the process that will not happen. He stated there also needs to be a public hearing. He stated he believes the hope is to be done with the project by the end of the year.

Legislator Jonke questioned if the Town of Southeast Assessor has been brought in to give an estimate on what the assessment would be, because that is something the potential owner should know.

IDA Chairman Nulk stated that is being done by the potential owner's attorney.

Legislator Jonke questioned who their attorney is.

IDA Chairman Nulk stated it is Michael Ligouri. He added that the project is approximately 80% complete, but has stagnated.

Legislator Albano stated he is in favor of the PILOT.

Legislator Jonke stated there was recently a letter to the editor in a newspaper with an estimate of how much money would be lost through the PILOT. He stated more money would be lost if the land stayed vacant. He questioned if IDA Chairman Nulk knew where the estimated dollar amount came from.

IDA Chairman Nulk stated he did not know.

Legislator Sullivan stated what is missing from that argument is how the hotel would help local businesses. He stated the people who stay in the hotel would be patrons at the nearby restaurants and gas stations.

Legislator Gouldman stated this PILOT was already approved in the past and the only reason it needs to be approved again is because it will now be under a new owner.

IDA Chairman Nulk stated the IDA has been given the power to grant PILOT programs. He stated the IDA has chosen to come before the various taxing entities for approval.

Legislator Sayegh questioned how often the IDA grants PILOT programs.

IDA Chairman Nulk stated the last PILOT was for ACE Endico and before that it was over two (2) and a half years ago.

Legislator Castellano stated this is a fantastic project that needs to get done. He stated he has heard complaints that the hotel would not create many jobs. He stated it is about bringing people into Putnam County.

Legislator Sullivan stated the Paladin Center estimates it would fill 4,000 rooms in the hotel per year.

Legislator Sayegh noted that the County would benefit from the sales tax.

Legislator Sullivan stated he supports this project.

Legislator Gouldman made a motion to approve Fox Ridge Project / Payment in Lieu of Taxes (PILOT) Agreement / Industrial Development Agency; Seconded by Legislator Sayegh. All in favor.

**Item #7 - FYI/Foreclosure Report – Duly Noted.**

**Item #6 - FYI/Unemployment Report – Duly Noted.**

**Item #8 - Other Business - None**

**Item #9 – Adjournment**

There being no further business at 7:33pm Chairman Gouldman made a motion to adjourn; Seconded by Legislator Addonizio. All in favor.

**7:34pm** – Chairman Gouldman made a motion to reopen the meeting; Seconded by Legislator Addonizio. All in favor.

**Item #5 - Continued**

Liz Armstrong, Reporter, questioned if there are any studies that show that people will stay at this hotel, instead of going to the hotel in Danbury.

Legislator Sullivan stated the current owner had to provide that kind of information to the bank to prove the hotel was viable in order to get the initial loan. He stated conservative estimates had the hotel at 60-70% occupancy.

Legislator Albano stated he has spoken with the owners of Villa Barone and they are in favor of having a hotel in the area.

Legislator Sayegh stated she heard Villa Barone uses approximately 30,000 hotel rooms a year, but they are all in Danbury, Connecticut. She noted that Best Western would not grant a franchise to a location that is not viable.

IDA Board Chairman Nulk stated the potential new owner has a good track record in many locations.

Ms. Armstrong, Reporter, questioned if this hotel could potentially be tied in with events at Tilly Foster Farm. She questioned if Tilly Foster Farm and the hotel are in the same area.

Legislator Jonke stated they are one (1) exit away from each other on Interstate 84.

Legislator Albano stated he is sure that if there is a big event at Tilly Foster that people would use the hotel.

Legislator Castellano stated people would like to use a hotel that is closer than Danbury.

Chairman Gouldman stated he had a family function in the past and nobody stayed in the County because there is no hotel.

IDA Chairman Nulk stated the hotel is on a four (4) lane road, so it will not cause any traffic issues.

Legislator Castellano stated the hotel is in a great location.

### **Item #9 – Adjournment**

There being no further business at 7:38pm Chairman Gouldman made a motion to adjourn; Seconded by Legislator Addonizio. All in favor.

Respectfully submitted by Administrative Assistant Ed Gordon.