

Legislator Scuccimarra stated it is her understanding that the funding was in sub-contingency and it would be released when the IDA provided the Legislature with a business plan.

Chairwoman Addonizio believed the IDA did not have money to provide a business plan to the Legislature.

Legislator LoBue stated for two (2) years the IDA has come to the Legislature to express their financial troubles. She stated all of the IDA Members are unpaid volunteers. She stated the IDA is the incentive arm for economic development. She stated the IDA has outlined to the Legislature the State requirements, the projects they are responsible for and the projects in the making. She stated she was surprised that after all of the discussions on the IDA during the Budget process the money was put into sub-contingency. She stated during the Budget the Legislature had the power to provide the IDA with funding; now the Legislature has to request the release the funding from sub-contingency from the Executive Branch. She stated this Legislature needs the IDA's help; there are reports required by the State that need to be completed.

Legislator Nacerino stated she was taken back by the letters of resignation because they were submitted before the New Year; this did not allow the Legislature proper time to discuss how this money will be allocated. She stated the Legislature wanted to see how the money was planned to be spent. She stated she would like to see how the IDA proposes to move forward if there were to be a CEO in place. She stated she is concerned with some of the PILOT programs in place with the tax abatements, such as Brewster Plastics.

Mr. Richard Ruchala, former IDA Chairman, stated Legislator Scuccimarra was a major blocker in the IDA to receive funding. He believed Legislator Scuccimarra should resign from the Legislature because of the current situation regarding the Putnam County Tourism. He stated the numerous cancelations of the Economic Development & Energy Committee ("Committee") meetings created setbacks for the IDA. He stated at the August Committee meeting he provided the Committee Members with a letter requesting \$40,000 for emergency funding. He stated the Legislature's decision to not create a LDC was the "straw that broke the camel's back." He stated the Legislature gave up a revenue source for economic development when they decided to have a combined Putnam & Dutchess County LDC. He stated Dutchess County does not care about Putnam County's interests. He stated he conquered with Legislator Gross' comments about the Legislature becoming an extension of the Executive Branch. He stated if the IDA became a government agency, it would be very expensive to run. He believed every part of economic development in this County has been destroyed and needs to be reconstructed. He recommended that the IDA become the front runner of the economic development organizations and have the EDC as the advisory council. He stated if Putnam County had a LDC, they could have completed the PARIS ("Public Authorities Reporting Information System") reports instead of the EDC doing them; this would have created a revenue neutral outcome.

Legislator Gross stated it is his understanding that under State Law, even after IDA Members resign they are still on the IDA Board until they are replaced. He stated the IDA is critical to the County.

Mr. Ruchala stated the IDA needs a lot of assistance in terms of establishing a CEO and funds to complete the required reports.

Legislator Nacerino stated should the money be released from sub-contingency, the funds would be used for a CEO. She questioned if the \$75,000 would be enough funding for the IDA. She stated the IDA used to receive money from bonding and now that is not generating adequate funds.

Mr. Ruchala stated Governor Cuomo instated rules that are “life changing” to the IDAs. He stated \$75,000 will not be enough money for the IDA this year, but it will help with reviving the IDA.

Legislator Nacerino questioned if Mr. Ruchala had a candidate in mind for a CEO position at the IDA.

Mr. Ruchala stated he did not.

Legislator LoBue questioned if the financial and other information regarding the IDA is ready and can be easily accessed.

Mr. Ruchala stated all information is easily accessible.

Chairwoman Addonizio made a motion to move \$75,000 out of sub-contingency for the IDA; Seconded by Legislator Gross. All in favor.

Legislator LoBue stated there are sales tax abatements for the Butterfield Project; therefore if the County does not resolve the issues with the IDA, the tax abatements will affect this project. She hoped this matter can be settled quickly and unanimously.

Mr. Ruchala stated in regards to Legislator Nacerino’s concern of Brewster Plastics, this matter is based on the Patterson Town Board because they control the taxing.

Deputy County Executive Bruce Walker stated he has not seen the bonding documents. He stated it is his understanding it is not a County matter.

Legislator Albano stated in regards to funding the IDA, it has become challenging for the IDA to fund themselves from the deals they make. He stated he would like to see a business plan of how the IDA Board proposes to spend money to help generate future revenue.

Chairwoman Addonizio stated it is important to keep in mind the IDA cannot be abolished until 2048; therefore the Legislature is at a crossroads.

Mr. Ruchala stated the County can face potential lawsuits if companies do not receive their benefits.

Legislator Nacerino stated she would like to recognize all of the IDA Board Members and acknowledge all their time and work they have put into the IDA.

Mr. Bill Nulk, Former IDA Board Member, stated the IDA is a critical component to the County’s economic development.

EDC President Jill Varricchio stated IDAs and EDCs are meant to work together. She stated the IDA Board is a tool utilized by the EDC because they offer incentives to businesses. She stated there are New York State financial options, utility financial options, and banking options as well. She stated perhaps a “one stop shop” would be beneficial in creating an ease of service for the business community.

Legislator LoBue stated until the beginning of 2012 the IDA and EDC worked cooperatively together in the same building and sharing a secretary. She stated the EDC was the lead agency that brought businesses to the County and the IDA provided the incentives. She apologized to the IDA that the Legislature has not been responsive for their pleas for help.

Legislator Albano requested clarification on the tools EDC President Varricchio was speaking to. He questioned if the IDA has tools that would be beneficial to businesses in this economy.

EDC President Varricchio stated it depends on the business’ needs. She stated recently the businesses she has spoken to are not looking for IDA benefits; however because of the IDA’s current situation she is not confident in reaching out to them. She stated if the IDA becomes stable it will help encourage businesses to bringing their companies to the County.

Sharon Donaghey, Former Executive Director of the IDA, stated the notion that the IDA is supposed to be self-funding is inaccurate. She stated the EDC was supposed to be self-funding and be weaned off county funding, yet County funding has increased. She stated when the bond market was doing well the IDA was able to be self-sufficient.

EDC President Verecchio stated she is the most familiar with the Orange County model for economic development. She stated in terms of funding under their model, there are partnerships with the business community. She stated Orange County funds their EDC because they bring businesses into their county. She stated investors are taken into an account for economic development because they can speak to the issues of land use and building opportunities. She stated the investors use the IDA as a tool for funding.

Legislator LoBue stated the IDA and the EDC need to be equal. She stated the IDA has a responsibility to report to the State and with that they need to hire attorneys and accountants.

Item # 4 – Discussion/Municipal Electric & Gas Alliance (Continued)

Deputy County Executive Walker arrived at 6:50 p.m. and therefore missed the discussion on Item #4. Chairwoman Addonizio invited him to speak to this item.

Deputy County Executive Walker stated MEGA was brought to County Executive Odell’s attention at the February 2016 NYSAC Conference and she forwarded correspondence requesting that this matter to be discussed at tonight’s Committee meeting. He stated MEGA has numerous programs to offer. He stated the County broke away from MEGA in 2012 and locked in a three (3) year contract for an electric commodity price because of the low cost. He stated MEGA is a consortium of different municipalities. He stated they develop relationships with different vendors and then market those vendors to different municipalities. He stated the County took a different approach by forming a consortium with the underlying municipalities within Putnam County. He stated this approach enables the aggregation of the kilowatt charge

and then one can bid as a consortium resulting in a reduced price because the more kilowatts that are used the lower the cost will be.

Chairwoman Addonizio stated 35 counties currently use MEGA. She stated if the County decided participate for one (1) year the County is not obligated to continue using the service.

Deputy County Executive Walker stated it depends on the program the County uses. He stated the goal is to always look for the cheapest option.

Item # 6 – FYI/Putnam County Tourism Matter

Deputy County Executive Walker stated yesterday February 8, 2016, the County Executive's Office was informed by the Visitor's Bureau Inc. Director Libby Pataki that she received a letter from the State Attorney General's Office (*memo received in the Legislative Office 02.08.16*). He stated in the correspondence it lists certain materials to be delivered to the Attorney General's Office no later than March 15, 2016. He stated the Visitor's Bureau is compiling that information and scheduling a meeting as requested in the correspondence.

Chairwoman Addonizio believed it would be wise to table this item until March and have Director Pataki to speak to this matter.

Legislator Gross disapproved of the comments Mr. Ruchala made towards Legislator Scuccimarra. He stated Legislator Scuccimarra is an honorable person who has been treated unfairly in the media pertaining to this matter. He stated the public demands integrity and accountability from government. He stated the Legislature was unaware of the current situation and better oversight with the Visitor's Bureau is needed. He believes that the Visitor's Bureau is for the public and visitors and therefore, it should be easily accessed.

Legislator Albano concurred with Legislator Gross' statement regarding Legislator Scuccimarra.

Legislative Counsel Clem Van Ross stated there is a motion on the floor to table this item. He stated it is his recommendation to let the Attorney General handle this matter and then the Legislature can address this issue.

Legislator LoBue stated she would like a copy of the Visitor's Bureau plan that they submit to the State to receive the I Love New York Matching Funds Program. She requested a list of all donations received, revenue received (by vendor), and expenditures broken out by year from 2012 to present. She stated she would also like a copy of the meeting minutes from the Visitor's Bureau from 2012 to present.

Chairwoman Addonizio stated following tonight's Committee meeting she will send a letter requesting for such information.

Legislator Nacerino stated it should be noted that the Attorney General's Office sent a correspondence to the Putnam Tourism Corporation as well. She stated when Director Pataki attends the next month's Committee meeting she will be able to disclose the outcome of the meeting she had with the Attorney General's Office.

Chairwoman Addonizio made a motion to table the Putnam County Tourism matter; Seconded by Legislator Gross. All in favor.

Ms. Alexandra Ballentine, constituent, stated she previously spoke in October at the Economic Development Budget meeting regarding the Visitor's Bureau and requested for an audit to be conducted. She stated she submitted a FOIL request for information regarding the Visitor's Bureau and they have not responded.

Legislator LoBue questioned when the FOIL request was submitted.

Ms. Ballentine stated the first FOIL request was sent in early January. She stated what was stated at the Budget meeting on October 13, 2015 and then at the Budget and Finance Meeting on October 20, 2015 seemed to contradict itself. She stated she recalls Legislator LoBue mentioning that the Visitor's Bureau Website was not updated and in bad shape; meanwhile approximately \$17,000 was spent on advertising for people to go to their website. She stated roughly \$6,500 was spent on website maintenance. She stated after the Legislature was warned about the website, everyone voted to fund the Visitor's Bureau.

Legislator Gross stated some Legislators did not vote in favor of the Visitor's Bureau budget.

Item # 7– FYI/Unemployment Report-Duly Noted

Item # 8 – FYI/Foreclosure Report- Duly Noted

Item # 9 –Adjournment

There being no further business at 7:33P.M. Chairwoman Addonizio made a motion to adjourn; Seconded by Legislator Gross. All in favor.

Respectfully submitted by Administrative Assistant, Lisa Sommers.