

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

Members: Chairwoman Addonizio, Legislators Gouldman & Sullivan

Tuesday

6:00 P.M.

June 20, 2017

The meeting was called to order at 6:02 P.M. by Chairwoman Addonizio who requested that Legislator Gouldman lead the Pledge of Allegiance. Upon roll call, Legislator Gouldman, Legislator Sullivan and Chairwoman Addonizio were present.

Item #3 - Approval of Minutes – May 15, 2017

The minutes were approved as submitted.

Item #4 - Quarterly Update/Putnam County Visitors Bureau/Executive Director Bruce Conklin

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

Executive Director Bruce Conklin read the attached quarterly update.

Legislator Scuccimarra stated she had spoken with Executive Director Conklin about the media clips that will be used for advertising. She requested that he elaborate on where these will be used.

Executive Director Conklin stated new audio and visual content has been created. He stated there is a new 30 second commercial created along with seven (7) 15 second clips of things people can do when they visit Putnam County. He stated these clips include camping, kayaking, history, dining, etc. He stated they will be strategically placed. He stated they will not be used as traditional commercials, they will be targeted to digital media.

Legislator Gouldman questioned how the magazines were chosen to include advertising.

Executive Director Conklin stated due to the timing of his hiring as the new Executive Director of the Putnam County Visitors Bureau, the tourism advertising season had already started. He stated he looked at the trends inside the Tourism Economics Report to see if they were being effective. He stated going forward, there could be changes based on the numbers from this year.

Legislator Gouldman questioned if there is data on where people are visiting from.

Executive Director Conklin stated the vast majority of tourists come up from New York City (NYC), but there is some traffic from the surrounding counties.

Legislator Gouldman questioned if, other than what is already being done such as the 10 kiosks, there is anything else that he wants to do to help attract people from NYC.

Executive Director Conklin stated the digital media that is in place, along with television and some radio ads will all reach NYC. He stated the 30 second commercial will be in Brooklyn and Queens, while the 15 second clips will be in all five (5) boroughs.

Legislator Gouldman questioned where the 10 kiosks in NYC are located.

Executive Director Conklin stated he did not know them off the top of his head, but noted there is one (1) in Grand Central Station.

Legislator Sullivan noted that it was mentioned that he is developing a new website. He questioned when it will be up and running.

Executive Director Conklin stated he has an anticipated launch date of September 1st.

Legislator Sullivan questioned who is developing the website.

Executive Director Conklin stated the Visitors Bureau put out an RFP (Request for Proposal) and received six (6) replies. He stated the bid went to Sapphire which is a company dedicated to building websites. He stated because of their understanding of what the Visitors Bureau does, it allow a smaller window for development.

Legislator Sullivan questioned if they create websites for other tourism agencies.

Executive Director Conklin stated yes and listed some other organizations that Sapphire develops websites for.

Lynne Eckardt, Town of Southeast Councilwoman, questioned where the public can read the quarterly report that Executive Director Conklin read.

Executive Director Conklin stated it would be on the Visitors Bureau website.

Item #5 - Putnam County Industrial Development Agency

a. Update/Board Chairman William Nulk

Terry Waivada stated she is a consultant to the Putnam County Industrial Development Agency (IDA) for the purposes of bringing the IDA into compliance with all State regulations.

Bill Nulk, Chairman of the IDA Board, stated they are there to update the Legislature on the IDA's compliance status. He stated they hope to be in compliance by the middle of July 2017. He stated Ms. Waivada passed out a document that listed requirements.

Chairwoman Addonizio made a motion to waive the rules and accept the additional; Seconded by Legislator Sullivan. All in favor.

Chairman Nulk stated there is a lot of paperwork during the process. He stated the audit for 2015 should be done soon. He stated the same auditors are doing the 2016 audit, which should be done quickly because it was being done simultaneously with the 2015 audit. He stated once that is done, they will be in compliance as far as the audits and financial reports go.

Ms. Waivada stated it was agreed that the IDA should start from scratch. She stated new by-laws were adopted. She stated each member of the IDA has one (1) vote and the Chairman is nothing more than the Chairman of the Board. She stated in the past by-laws, the Chairman was given power beyond what is really permitted. She stated the new by-laws are very detailed and are similar to other agencies in the Region and State. She stated the Board went through every policy and every guidance requirement that the State, the ABO (Authorities Budget Office), and legislation that has been passed since 2005 requires. She stated the IDA has adopted all of those policies and they will be available on the website. She stated they are almost complete reporting projects. She stated they are ironing out what was previously reported to the State because they have found some discrepancies. She stated what they are looking at now is completing the PARIS (Public Authorities Reporting Information System) report and the 2016 audit. She stated the agency will be submitting financial reports that were due last year, which will make them up to date on those reports. She stated the IDA has created a standard application. She stated a copy of that application has been given to the Putnam County Economic Development Corporation so that they can see what is expected. She stated the IDA is working with an existing company within the County for a major expansion, which will hopefully become a major project soon.

Legislator Sullivan stated now the IDA is open for providing benefits.

Ms. Waivada stated they are allowed to “induce” until they complete the PARIS process and the audits from 2015 and 2016. She stated they cannot give benefits right now. She stated the IDA has to justify why it is providing the benefits. She stated the Board has adopted a policy whereby the locality has to approve the PILOT. She stated it is very important and protects all of the taxing entities. She stated the PILOT should be no more than what the company needs. She stated the IDA pays for a cost benefit analysis so that the IDA can give a report on what the project will do for the County and Region. She stated the cost of the analysis would be passed on to the applicant.

Legislator Sullivan questioned what a PILOT is.

Ms. Waivada stated it is a Payment in Lieu of Taxes. She stated it is a set policy wherein the first year of the improvement, taxes are abated. She stated what the IDA has found in its cost benefit analysis is that a company may need the PILOT in their early years, but they may not need it later. She stated they look at what is best for the locality and for the business.

Legislator Sullivan stated it is a balancing act.

Ms. Waivada stated it is important to understand what a business' needs will be. She stated they need to be provided mechanisms for when the economy goes south and they are affected by it. She stated by law, if a company moves the IDA is required to recapture funds.

Legislator Sullivan questioned if the mechanisms are in place for the IDA to recapture the funds if needed.

Ms. Waivada stated under the law, companies have to report employment to the State, which the IDA requests. She stated there is a visitation process where the IDA visits the companies.

Chairwoman Addonizio questioned if the IDA requests the employment reports yearly.

Ms. Waivada stated yes.

Legislator Sullivan stated Ms. Waivada is very experienced in regards to the IDA. He stated she used to run the Westchester County IDA, and Putnam County is lucky to have her helping the IDA back on track. He questioned if Ms. Waivada is comfortable with how things are going with the IDA.

Ms. Waivada stated yes. She stated one of the first things the new Board did was have a meeting on Article 18A so that it was understood. She stated then they went over all of the compliance requirements. She stated the IDA members have gone through every policy and understand them.

Legislator Sullivan stated the IDA has a good, strong Board.

Chairman Nulk stated the Board members were there to review the actions of the IDA and there should have been an experienced Executive Director organizing the IDA, but unfortunately there was not. He stated the Board came on without a background to understand the documents needed. He stated Ms. Waivada has been invaluable with clarifying that and bringing the Board up to speed.

Legislator Nacerino stated she would like to offer accolades to Ms. Waivada and the IDA Board. She stated they have made great strides in a relatively short period of time. She stated previously the IDA was a mess and it has really turned around. She stated she is very proud of all the work and all the accomplishments of Ms. Waivada and the Board. She stated she is happy to see that the by-laws have been revised and the PILOT has more oversight.

Legislator Sullivan requested clarification on the fact that the IDA can induce but cannot provide benefits.

Ms. Waivada stated the IDA can go all the way up to the execution of the documents.

Legislator Sullivan questioned when they think they can start executing.

Chairman Nulk stated they are confident they will be up and running in the next month.

Legislator Sullivan questioned when a contract can be executed.

Ms. Waivada stated they cannot give a date because they do not have an application yet.

b. Approval/Recommendation by Putnam County Industrial Development Agency Board/Removal of Member/Meagher

Chairman Nulk stated the IDA Board believes it is time for this member to be removed and the Legislature is the authorizing body. He stated the Board spot needs to be open so the Board can look into filling it.

Chairwoman Addonizio clarified that the Board would only have four (4) members and they would like to have five (5).

Chairman Nulk stated the Board is requesting to have a fifth member.

Councilwoman Eckardt noted that the Sheriff has recently admitted to wrongdoing that has cost taxpayers \$125,000, and, to her knowledge, nobody has asked for his resignation. She stated this is a big omission.

Legislator Sullivan requested clarification on what is a big omission.

Councilwoman Eckardt stated she is surprised nobody has publicly asked the Sheriff for his resignation for something that has cost taxpayer money.

Chairwoman Addonizio noted that this is not what is being discussed right now.

Legislator Nacerino stated this is not a valid comparison. She stated what is being considered

Chairman Nulk stated a concern of the Board is how the IDA is being portrayed in newspapers. He stated it reflects poorly on the Board and it would be proper that she not be a member.

Chairwoman Addonizio stated it is recommended by the Board that she be removed.

Legislator Castellano questioned if there is anything in the IDA by-laws that talks about removing a member.

Ms. Waivada stated it is in the Legislation.

Legislator Castellano stated a member can be removed if it is brought before the Legislature.

Legislator Sullivan requested clarification from Ms. Waivada.

Ms. Waivada stated the by-laws state that the IDA can remove an officer and she was Vice President. She noted that members sign an acknowledgement of fiduciary duties and responsibilities.

Legislator Sullivan stated the IDA can make recommendations to the Legislature but it is the Legislature who makes the final decisions regarding Board members.

Chairwoman Addonizio read the letter in the agenda backup from Chairman Nulk which stated "We may nominate prospective candidates but will rely on the vetting and approval of the Legislature for the appointment of Board members."

Chairwoman Addonizio made a motion to move Approval/Recommendation by Putnam County Industrial Development Agency Board/Removal of Member/Meagher to the Full Legislative Meeting; Seconded by Legislator Sullivan. All in favor.

c. Request for Funding

Chairwoman Addonizio stated the IDA is requesting \$65,000 of the \$75,000 set aside in the 2017 budget.

Legislator Sullivan stated he has looked through the provided paperwork and that the majority of the money is going towards paying the auditors \$15,000 and the attorneys \$15,000.

Chairman Nulk stated attorney's fees are usually incorporated into the total cost of a project but in this case there are issues at the Board level.

Ms. Waivada stated the attorney is counsel to the agency. She stated if a company came to the IDA and requested to be induced, a Board member cannot make that legal decision. She stated that is for counsel to decide.

Chairwoman Addonizio requested Chairman Nulk explain why the \$65,000 is being requested.

Legislator Sullivan requested clarification on where the money is going.

Chairman Nulk stated some of it is going to office staff. He stated some is going towards education and training for the Board. He stated there is money for the consultant, Ms. Waivada. He stated the independent auditors need to be paid and legal representation was hired. He stated the IDA purchased a laptop computer to store all of their records in a single place. He stated also the IDA has directors and officers insurance. He stated the IDA is in discussions with other agencies in the County to work towards a more proper Putnam County sized economic development team.

Legislator Sullivan questioned if the records are all set as far as what clients owe the IDA.

Chairman Nulk stated they are currently going through that process.

Legislator Sullivan stated the IDA collects fees that offset the assistance the IDA administers.

Ms. Waivada stated those fees are coming to an end because the PILOT periods of most of the projects will be over within two (2) years.

Chairman Nulk stated this makes getting new projects lined up more important.

Legislator Sullivan questioned where the IDA's office is.

Chairman Nulk stated they do not currently have an office.

Chairwoman Addonizio made a motion to move the Request for Funding to the Audit & Administration Meeting; Seconded by Legislator Sullivan. All in favor.

Item #6 – Discussion/Westchester Power

Legislator Scuccimarra stated Westchester Power caught her attention and when she researched it, she found that Ulster County and Philipstown also have similar programs. She stated the Philipstown organization is called Renewable Highlands. She stated this gives people a choice on what kind of energy they receive. She stated this helps create stable energy prices. She stated communities use their leverage to purchase the kind of energy that most fits their needs and goals, which is clean energy. She stated she wants to start the discussion on renewable energy and the more people in support of it, the lower the prices will be.

Chairwoman Addonizio stated in the past, consumers have had no say in what kind of energy they receive. She stated in the late 1990's the Public Service Commission approved plans to deregulate the power industry in order to lower prices. She stated competition is great.

Legislator Scuccimarra noted there is an advertisement in local papers showing people that they have a choice in how they receive their energy.

Chairwoman Addonizio stated this type of program is available in six (6) states currently.

Legislator Sullivan questioned if, by opting into the program, it would give Putnam County residents more options at no cost to the county.

Chairwoman Addonizio stated yes.

Legislator Scuccimarra stated she is unsure of how to execute the County moving forward with the program.

Legislator Sullivan stated it sounds like it should be explored further. He questioned if a representative from Westchester Power can come speak at a committee meeting.

Legislator Scuccimarra stated she would look into it.

Item #7 – FYI/Unemployment Report – Duly Noted

Item #8 – FYI/Foreclosure Report – Duly Noted

Item #9 – Adjournment

There being no further business at 6:59 P.M. Chairwoman Addonizio made a motion to adjourn;
Seconded by Legislator Sullivan. All in favor.

Respectfully submitted by Administrative Assistant Ed Gordon.

Putnam County Visitors Bureau, Inc.

40 Gleneida Avenue
Carmel, N.Y. 10512



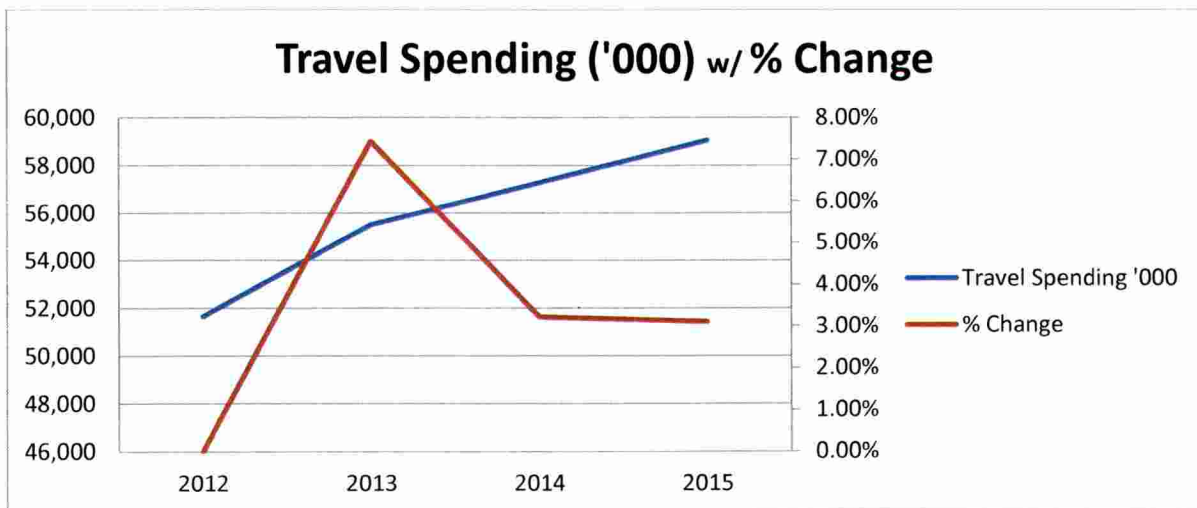
June 20, 2017
Economic Development & Energy Committee Meeting
Room 308, 6PM

The purpose of the I Love New York Matching Funds grant through Empire State Development is for planning and promotion designed to stimulate and increase the economic impact of tourism in New York State.

The goal is to achieve an effective marketing plan, consisting of print, digital, radio and television advertisements that will stimulate tourism in the Putnam County market. The program as a whole must strengthen the Putnam County brand, as well as the I Love New York brand, while furthering our collective branding strategies.

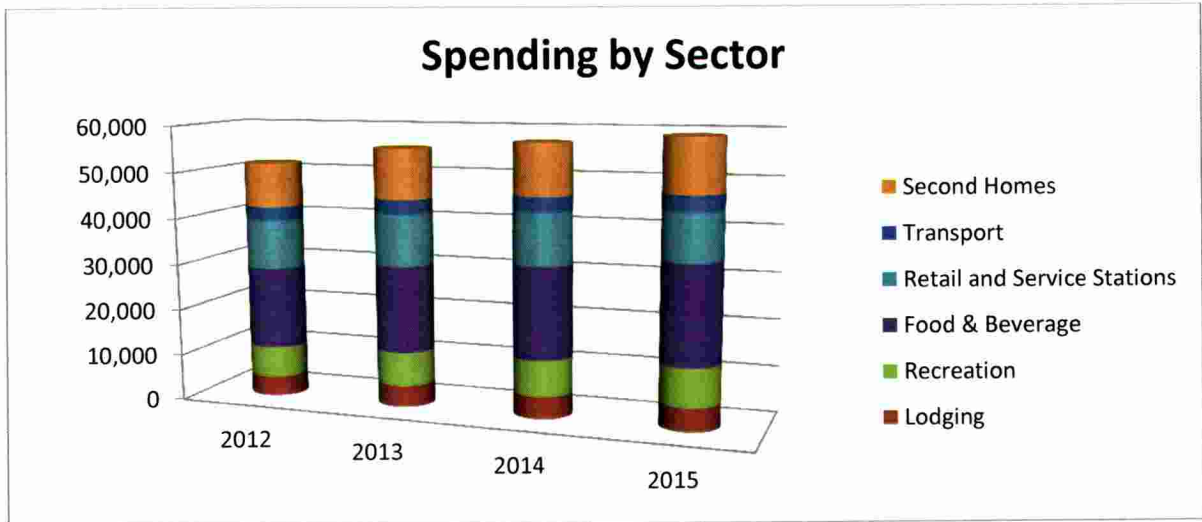
In order to be compliant with the Matching Funds program all marketing efforts will be focused outside the county. All of the Visitors Bureau's promotional spending is done utilizing the I Love NY Matching Funds program. This will allow the Visitors Bureau to leverage the legitimacy of the I Love NY branding, while also creating a consistent image that visitors will recognize. The focus of our efforts will be to maximize the effectiveness of attracting non-Putnam County residents to spend their days in our area exploring and experiencing Putnam's assets as a premier tourist destination, within the Hudson Valley.

Research: Empire State Development tasks Tourism Economics, an Oxford Economics company to issue a report on the economic impact of tourism annually. This report includes a Hudson Valley specific portion that includes Putnam County. By analyzing the report from 2012 through 2015 (the 2016 report is not yet available), traveler spending in Putnam County is on a steady, upward trend. Monitoring the data in these reports is essential to crafting a marketing plan that actively attracts visitors.



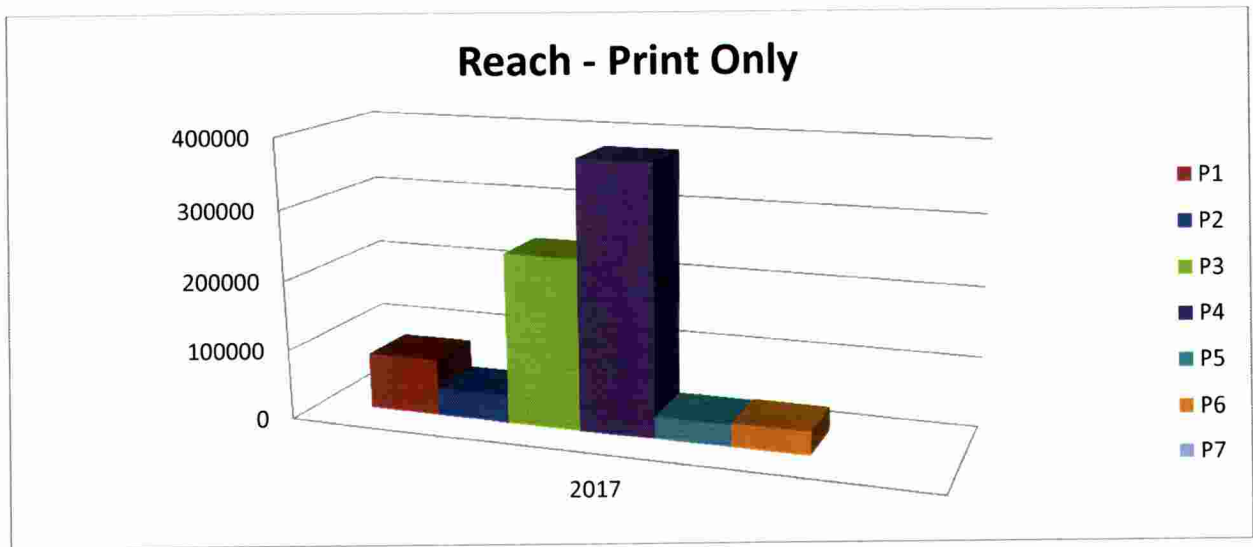
Breaking down visitor spending by sector is important in determining what activities visitors actively engage in, and what advertising platforms will most successfully attract them. The three largest sectors,

as the graph below depicts, are food/beverage, retail, and recreation. This is illustrative of the farm-to-table movement, the trend toward supporting local craftspeople, and the increased popularity of outdoor activities such as hiking, kayaking, and cycling. These areas will be a point of focus in upcoming advertisements.



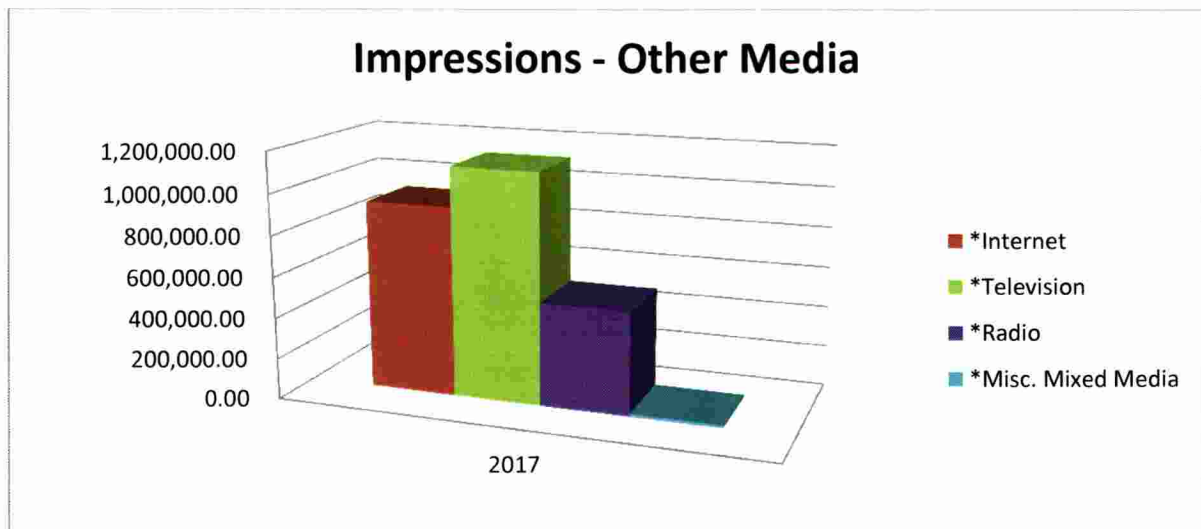
Working with current advertising representatives across various media outlets, information has been gathered to measure the reach and impressions expected from our current advertising opportunities.

Print: The following graph depicts the reach of current print advertisement. Reach is defined as total issues printed and distributed in a one-time run of the publication. The Visitors Bureau’s current print media reach is more than 810,000 people. This includes, but is not limited to, insertions into magazines such as American Road, Chronogram, Explore Hudson Valley, Hudson Valley Magazine, Hudson Valley River Ramble guide, Upstater and The Valley Table.



The call to action used in these print ads, as with most of our advertising, is to direct visitors to the Visitor Bureau's website www.visitputnam.org. The website experienced over 73% of new user activity in the past month. More diverse and trackable calls to action will be explored for the future. Additions of advertorial content and editorialized advertisements will also assist in delivering our message in a new way.

Print advertising is just one piece of the puzzle. The following graph shows impressions for the remainder of the marketing mix. Impressions are defined as a single display of a particular ad served to a consumer.



Digital Advertising: This sector currently has the least amount of allocated funds, but has had a tremendous impact. Currently the Visitors Bureau is engaged in earned banner and website based advertising, as well as an email campaign utilizing Edge Media Network who specializes in the digital environment.

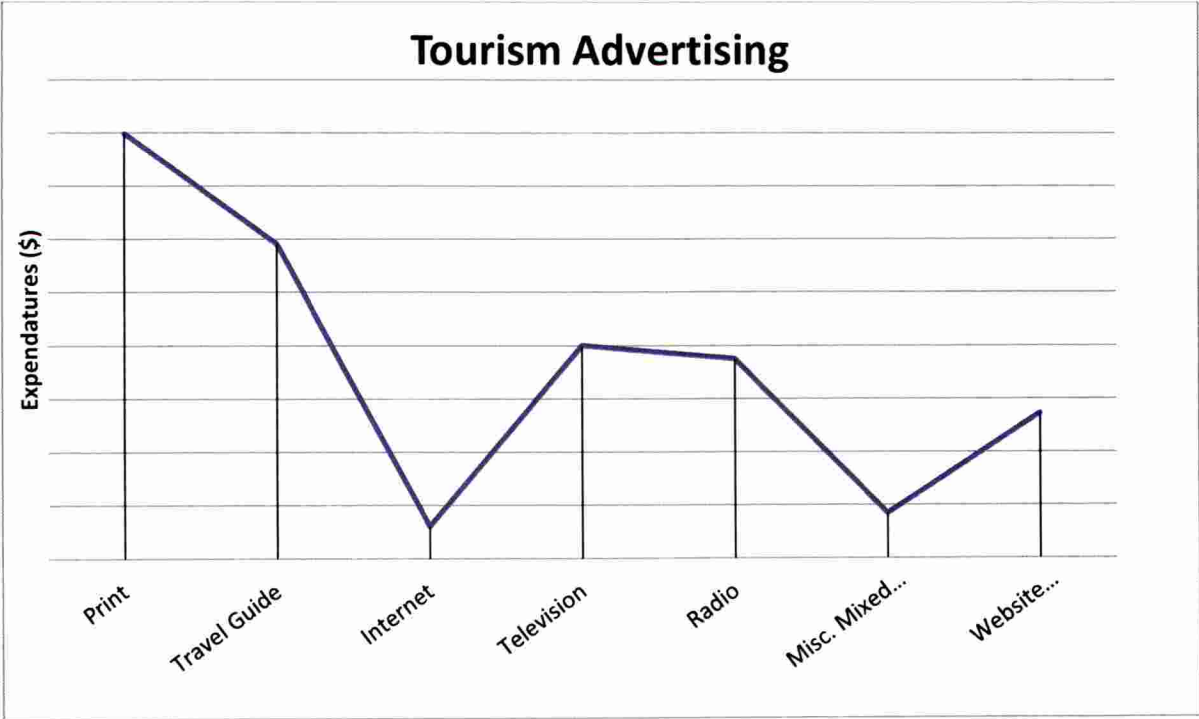
Television Advertising: the Visitors Bureau is currently working with our media partner, Ellenbogen Creative Media, to create a series of short video clips to highlight county-wide assets. This will be used in social media campaigns and other digital platforms. The 2017 placement and impact information is still in negotiations as of this report.

Radio: Radio ads with Townsquare Media and WHUD are used to assist in reinforcing the message of our print, digital and television placements. It also adds to the geographic range of message delivery. Radio is used as a method to entice and alert out-of-county residents to some of the area's larger events that have a visitor driven focus.

Miscellaneous Mixed Media: The Visitors Bureau had an excess supply of rack cards from 2016. For 2017 we engaged a distribution company, CTM Media Group, to strategically place these rack cards at ten kiosks in Manhattan. This distribution is to attract folks in Manhattan who are looking to escape the city

for a day, and can make the trip to Putnam County utilizing the MetroNorth railroad, an important asset that makes Putnam a viable tourist destination.

All of this information was used to determine the allocation of promotional funding for the current tourism season. The following is a visual of allocated expenditures.

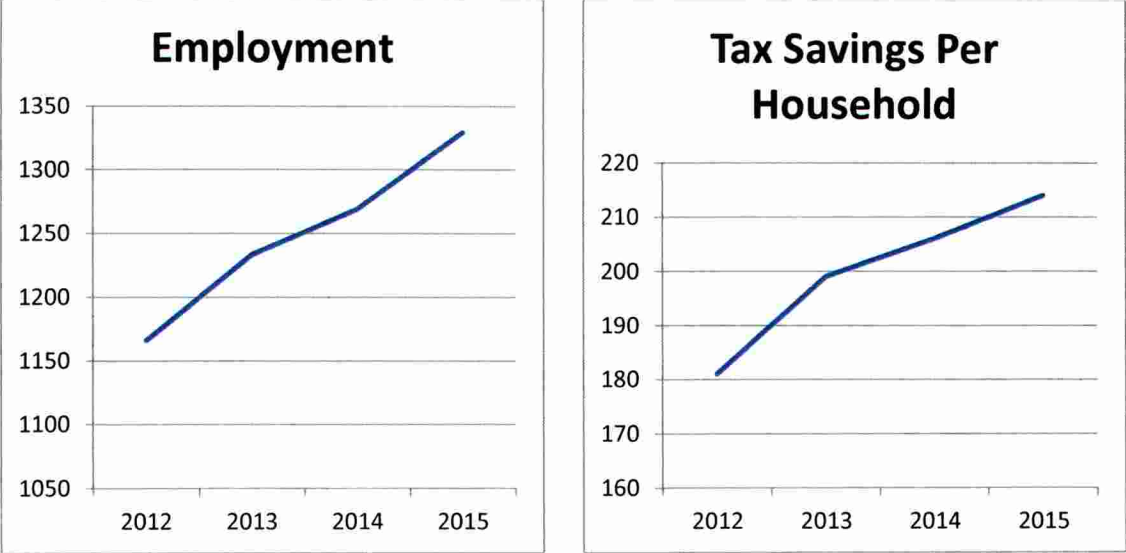


Print media offers the greatest reach and impressions of the media mix, reaching over 811,000 readers. These publications accentuate the assets of the Hudson Valley, and our placement in these publications represent Putnam as one of these assets. Extra placements offered by the publishing companies for being clients will also include advertising real-estate on their digital platforms in various forms (these figures are not included in this report).

The Visitors Bureau is embarking on two seminal projects in 2017: the creation of a visitors guide, and the creation of a completely new website. The goal of the visitors guide is to attract potential visitors, and encourage them to visit our website. The website will then offer a comprehensive overview of all there is to do in Putnam County. Once the visitors guide is in circulation, and the website is launched, call to actions will be pointed towards the website as it will serve as the main distribution hub of Putnam County visitor information. Both are expected to be completed later this year.

A challenge affecting the Visitors Bureau is a lack of owned photography. In the coming months the Visitors Bureau will be looking to create a catalogue of owned, authentic and distinctly Putnam photography. The photography will be used not only on the new website and in the travel guide, but across all advertising outlets and social media.

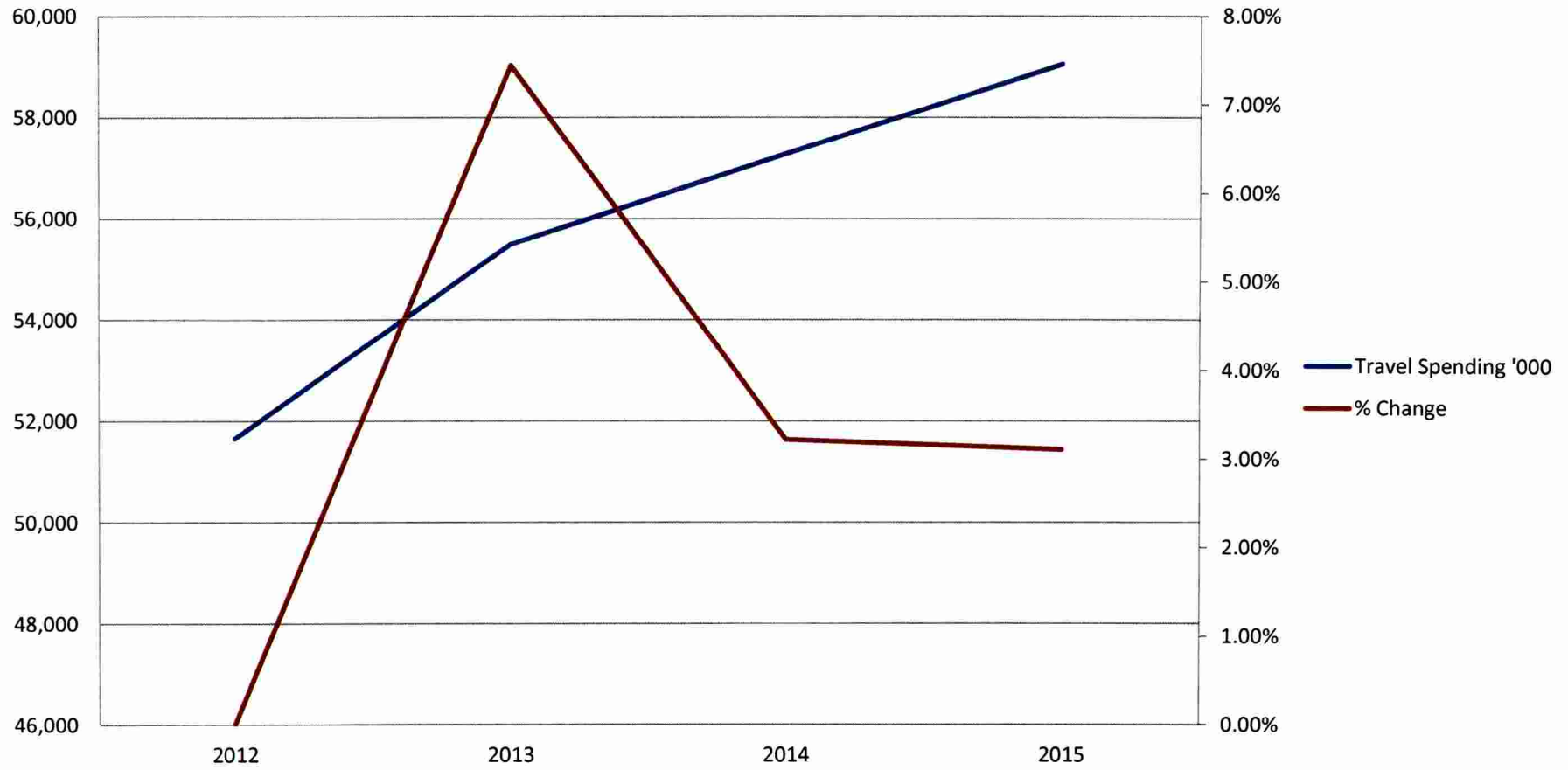
So how does all this affect the Putnam County? The local tourism industry currently supports over one-thousand tourism related jobs in Putnam and indirectly saves each Putnam County household an average of \$214 a year in taxes. Both of these figures have been on the rise since 2012 as depicted below:



By closely monitoring the Visitor Bureau’s 2017 marketing campaign and working in conjunction with our vendors, our goal is to continue to increase the reach of our messaging. By having up-to-date information available and working with the local tourism community we will be able to continue this upward trend on all fronts.

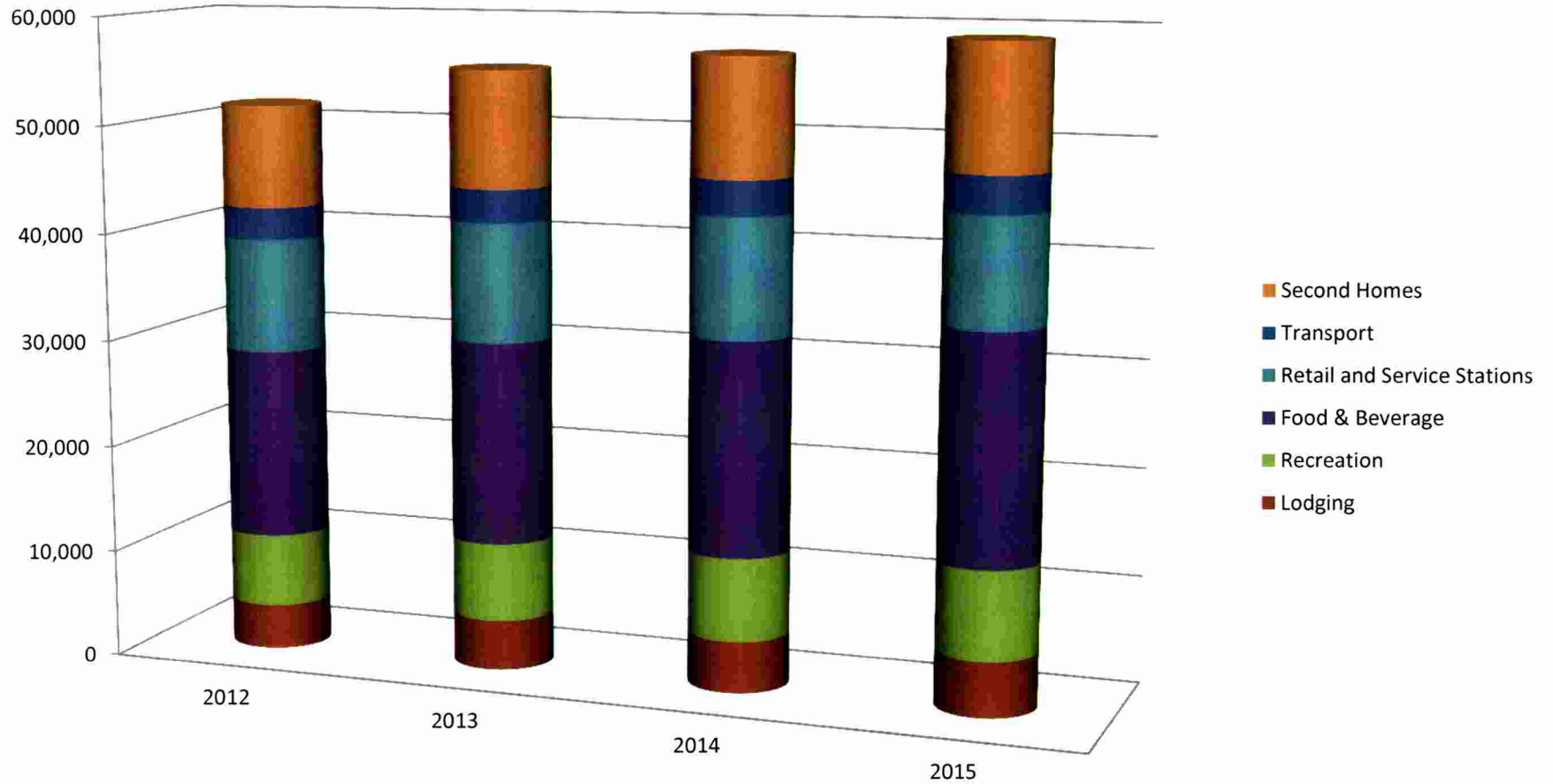
*This information does not take into account 2016’s yearend information as it was not available at the time this report was written.

Travel Spending ('000) w/ % Change



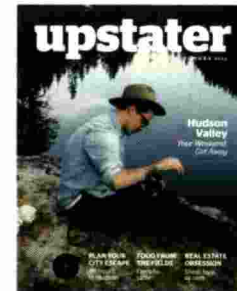
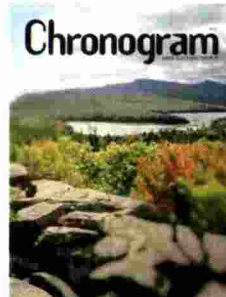
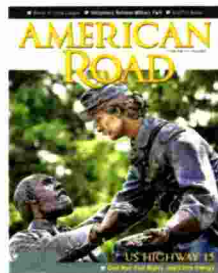
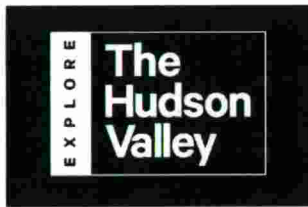
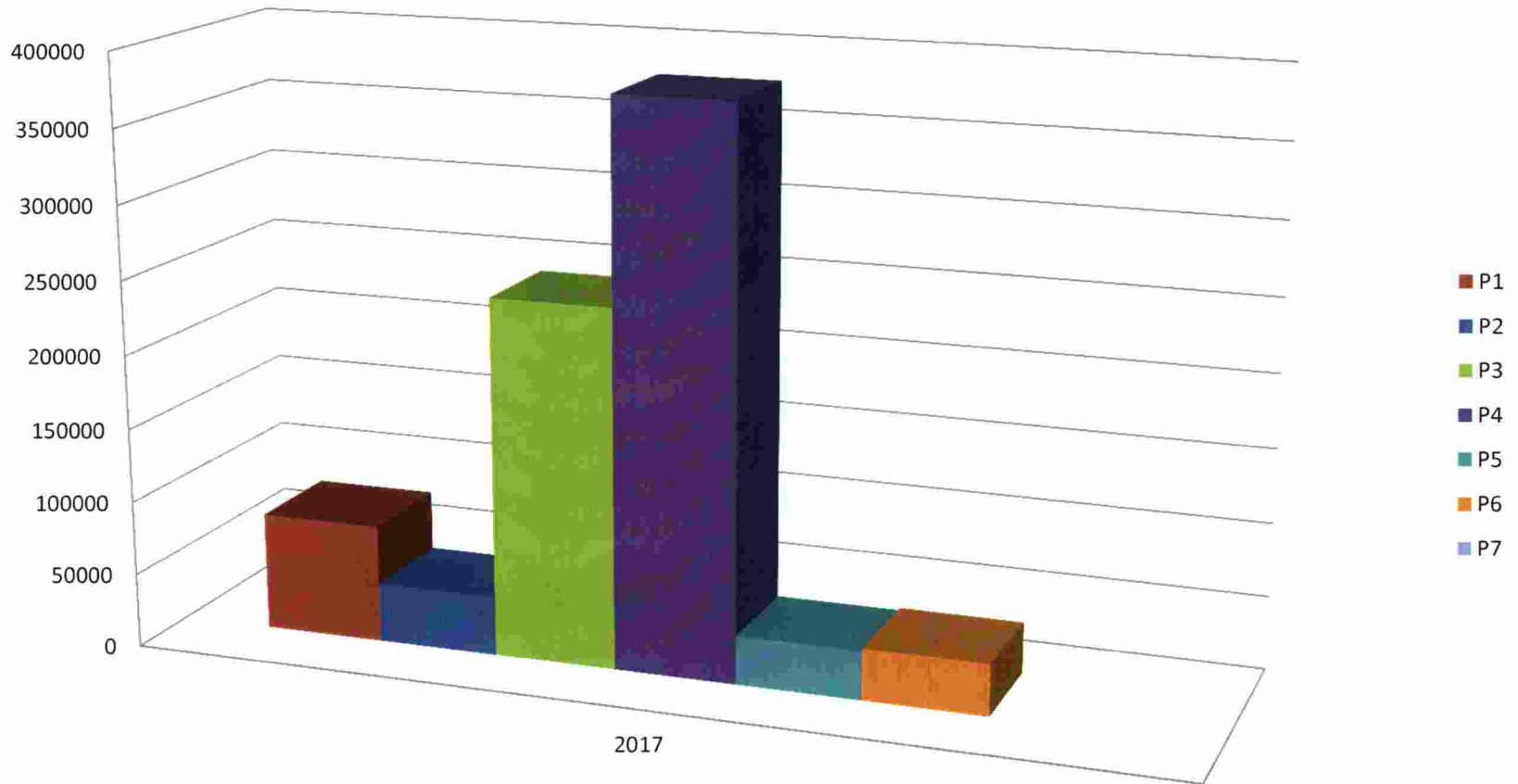
Source: Tourism Economics

Spending by Sector

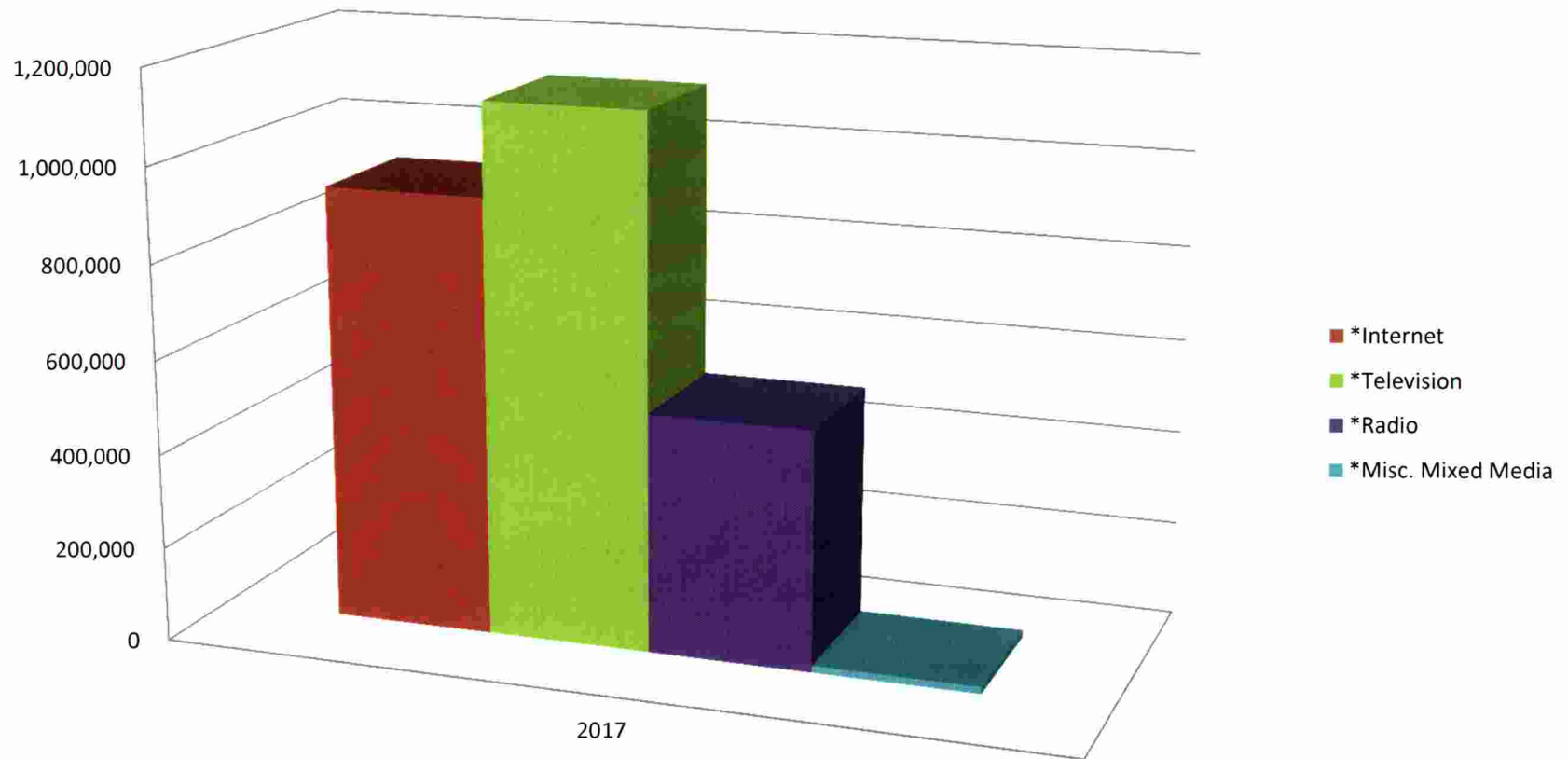


Source: Tourism Economics

Reach - Print Only



Impressions - Other Media



EDGEMEDIANETWORK

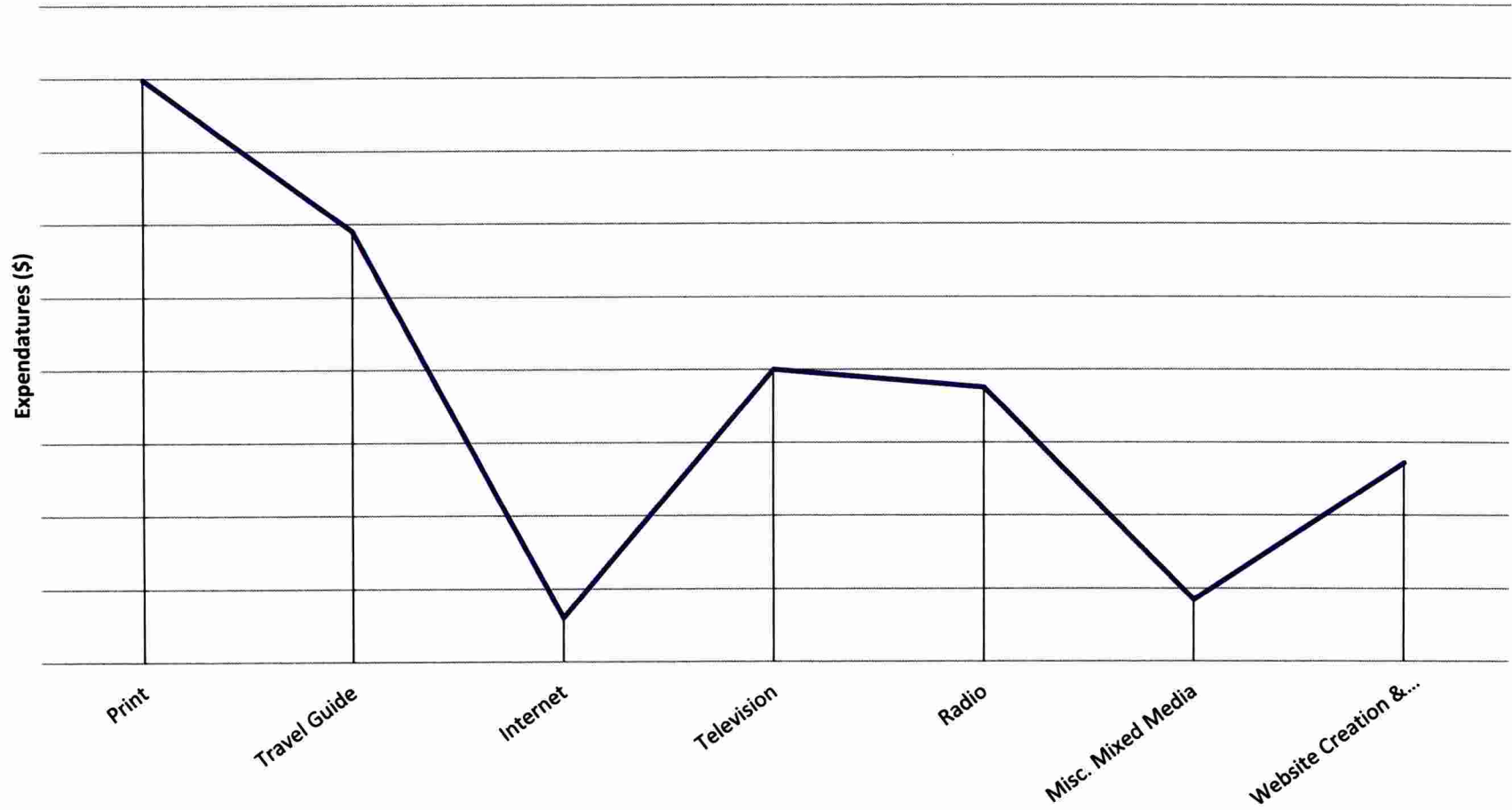
townsquare
media tyler | longview

Ellenbogen
creative media

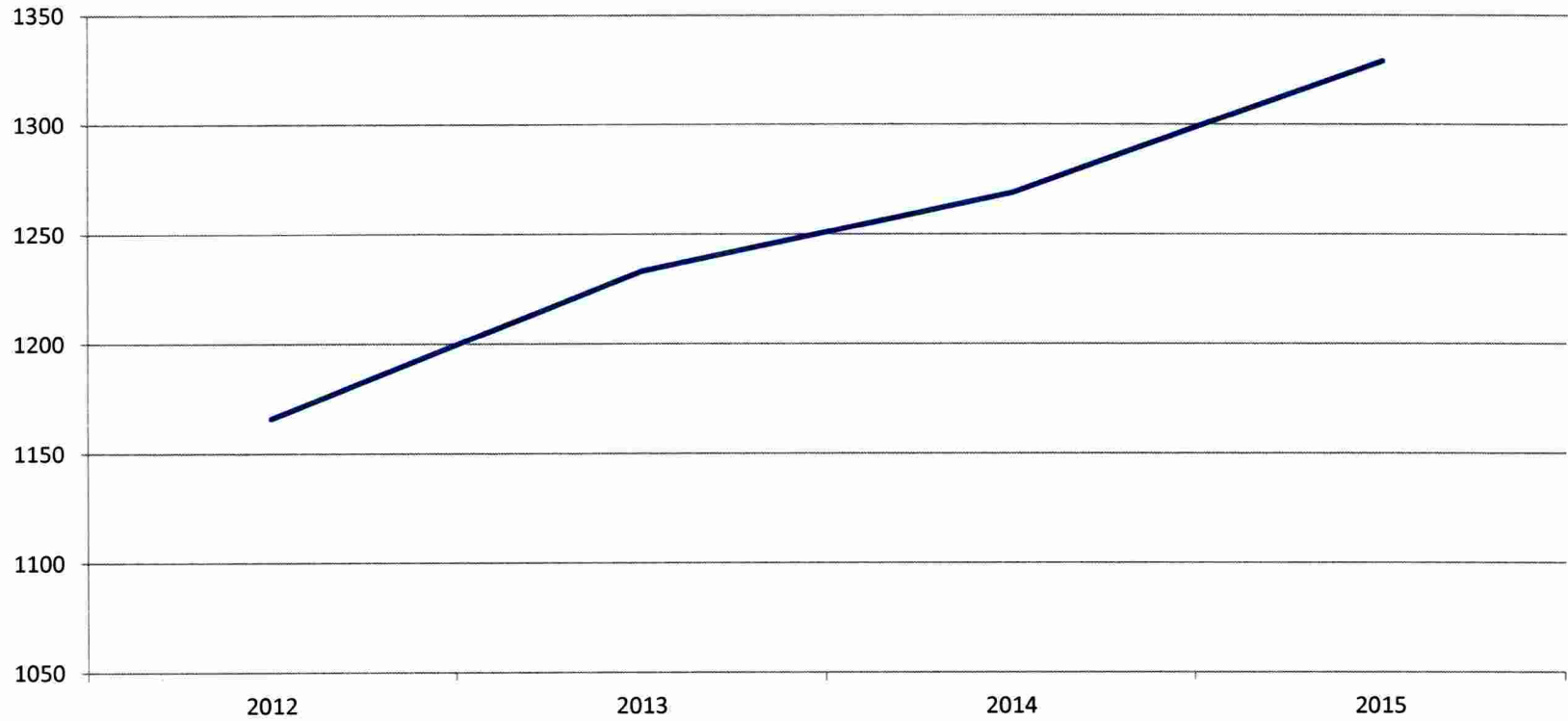
100.7
WHUD

CTM
MEDIA GROUP

Tourism Advertising



Tourism Employment



Tax Savings Per Household

