

# Molinaro Moves Economic Development Strategy Forward

**Poughkeepsie...** The Dutchess County Economic Development Corporation (EDC) voted this morning, during its Annual Meeting at Locust Grove in Poughkeepsie, to support and pursue Dutchess County Executive Marcus Molinaro's proposal to dissolve the EDC.

Molinaro proposed transferring the assets, staff and functions of the EDC into the Dutchess County Industrial Development Agency (IDA), making the IDA the sole public authority responsible for business retention, expansion and attraction. The consolidation is designed to cut costs and allow economic development staff to focus on job and business retention and attraction, instead of administration and government reporting and compliance.

County Executive Molinaro said, "In 2012, we laid out a vision for reorganizing the county's economic development apparatus by bringing stakeholders together to work as a team under one economic development strategy. This consolidation advances that vision."

IDA Board Chairman Charles Daniels said, "The IDA is the only economic development organization in the Dutchess County that has the statutory authority to offer a number of performance based local financial incentives. It makes sense to consolidate operations and bring direct control over the IDA mission in-house. The consolidation will not only save money, but increase accountability."

Founding EDC board member, former IDA chairman, and former president of Dutchess Community College, Dr. John Connolly said, "In 1978 I chaired a committee, which recommended the County Legislature create the EDC to be used as a tool to foster economic growth. Today, government reporting and compliance, combined with traditional administrative requirements and expenses, have shifted resources and attention away from the corporation's mission. The County Executive's proposed model refocuses the County's economic development efforts and increases its value and effectiveness."

As an Assemblyman in 2009, Molinaro sponsored the "Government Consolidation and Citizen Empowerment Act," which was subsequently enacted to reduce local government inefficiencies. As County Executive, Molinaro continues to advance consolidation efforts, with consolidation of multiple county departments, the creation of the Municipal Consolidation and Shared Services Grant program, and now with the consolidation of local public authorities contracted to deliver economic development services.

For decades, the EDC has received funding from, and contracted with, both Dutchess County and the Dutchess County Industrial Development Agency (IDA), which is self funded. The IDA will continue to operate in the same manner, but

will directly employ economic development specialists, and help fund the implementation of the County's economic development strategy.

Following EDC President and CEO, and IDA Executive Director, Cathy Maloney's resignation on April 3rd, Dutchess County Deputy Commissioner of Strategic Planning and Economic Development Ronald Hicks will oversee the dissolution, and reorganization, and serve as interim executive director of the IDA during the process. Current EDC board members will be appointed to serve as members of the Dutchess County Economic Development Advisory Council (EDAC), previously referred to as the "Alliance."

EDC Board Chairman Ed Kellogg, who will lead the EDAC, said, "Our top priority is to create a vibrant economic environment by creating jobs through attraction of new businesses and retaining existing employers, but unfortunately we have had to spend a great deal of time on administration and compliance. The County Executive's plan will give us the opportunity to really strategize and market ourselves and keep the County's economic development strategy most effective and relevant.

As previously announced, the EDAC will include representation by Dutchess County Government (DC), Dutchess County Regional Chamber of Commerce, Dutchess Tourism, the Dutchess County Workforce Investment Board (WIB), and the IDA in place of EDC. Together, the organizations will work as a team, and carry out the County's economic development strategy (view organization chart [HERE](#)).

Dutchess County Regional Chamber of Commerce (DCRCOC) President and CEO Frank Castella Jr. said, "The County has been a great partner over the last few years, and has made economic development a priority and advanced a strategic plan to move our economy forward. I look forward to working side by side with the County, IDA, Dutchess Tourism and the WIB to collaborate and implement the County's plan."

Michael McCormack, Chairman of the WIB, and EDC board member said, "The County Executive's proposal is transformational for the delivery of services to our business community. I'm excited about our county's future."

Following today's vote endorsing the County Executive's proposal, the DCEDC Governance Committee will meet to review details and make final recommendation to the Board. The DCEDC Board will then hold a special meeting to formally vote on the recommendation.

Dissolution of a local development corporation like EDC can take six to nine months in New York State. In the interim, the business retention, expansion and attraction efforts will continue uninterrupted, and be expanded thanks to a commitment of \$250,000 this year by the County to target market vacant commercial and industrial space. Leaders of each of the five organizations under the EDAC will begin weekly meetings in April, and the EDAC will hold its first of four annual meetings in June.

In the coming months, an administration and space needs plan for four of the organizations (IDA, DCRCO, WIB, DC) will be updated to reflect the latest changes as the organizations consider options for collocation and the sharing of services.

County Executive Molinaro concluded, "Creating an environment for private sector job growth demands we continually evaluate and improve the tools we have and strategy we employ. This new structure will make us more agile and enable each partner along with our business leaders to more aggressively engage in growing our economy. Dutchess County is moving forward and we are improving our economic development infrastructure to better confront current and future economic challenges."

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The consolidation of the Dutchess County Economic Development Corporation and the Dutchess County Industrial Agency for greater efficiency and effectiveness is the next step in the County's Economic Development Strategy efforts, which have included:

#### **Internal Reform**

- Consolidated and Expedited Permitting and Review
- Professional Certification Pilot
- Legal review/guidance on zoning and land use issues
- Referral Reform
- Proactive planning

#### **Infrastructure Planning and Investment**

- Partnership for Manageable Growth Grant Program recapitalized with \$1million/year

#### **Downtown Redevelopment**

- Business Improvement District (BID) Planning and Implementation Assistance Program
- \$1 Million Main Street Program through Central Hudson
- Poughkeepsie Waterfront Redevelopment Strategy
- Walkway Gateway District Rezoning

#### **Dutchess County Airport**

- Comprehensive Audit
- Operational Analysis
- RFP for fixed based operator
- \$2.9 million water line for Airport Drive and Airport

#### **2015 Budget**

- Maintained DCEDC Funding Level
- \$300,000 additional funding for tourism promotion
- \$250,000 for Targeted Business Attraction Campaign