



## COUNTY OF DUTCHESS

William F.X. O'Neil  
County Executive

October 20, 2023

Ms. Robin Lois  
Dutchess County Comptroller  
22 Market Street  
Poughkeepsie, NY 12569

Re: Heritage Financial Park Audit

Dear Comptroller Lois,

Although Commissioner Balkind has provided a response to your audit of Heritage Financial Park (FKA Dutchess Stadium), as County Executive, with nearly 20 years of experience with the stadium's operations, I am also compelled to respond to the opinions you expressed in the audit.

Your audit correctly notes that stadium costs have increased but you fail to provide the context of costs universally skyrocketing during and since the pandemic. The costs have been almost exclusively due to needed maintenance to the facility, which is 30 years old, and the funds were spent to maintain and enhance its value and functional use.

You are certainly entitled to your opinion, but that opinion should be based on facts, and this audit ignores many facts. You documented the revenue and expense, but then make a claim that revenues need to equal or surpass expenses. That is not correct. There is no requirement for the stadium to show a profit, or even break-even – in fact, across the country, local government support is the critical component in making stadium and other recreational facility partnerships possible.

The financial arrangements of the current lease, which result in more favorable outcomes for the County, were fully explained and defined to the County Legislature. They approved the lease terms with bipartisan support, and a super majority vote because it was a solid agreement for the long-term viability of the facility and provided residents with recreational and entertainment value enhancing our quality of life.

It is very short-sighted not to recognize the value of having a long-term lease with a Minor League Baseball (MiLB) team – a New York Yankees affiliate – to play in our stadium and provide low-cost entertainment for families.

Your audit makes no mention that during the lease negotiations, there was a contraction of MiLB teams from 160 to 120 teams nationwide. Many communities in and around New York lost their major league affiliated clubs entirely. Our lease agreement not only ensured MiLB baseball continued in Dutchess County, but by agreeing to meet MiLB requirements, the Renegades were able to upgrade from a short season lower-level Class A to a full season high Class A – extending the season from April to September. This was a major coup for our community. We evaluated many other baseball agreements from across the country as we negotiated, and I can tell you with certainty that had we blindly adhered to your opinion about an “equitable” lease agreement, the result would have been an empty stadium.

The partnership established with Diamond Baseball Holdings, Inc. is solid. They have invested significant capital into the stadium because they want to see our agreement and their ball club succeed. They are a sincere and fair partner. With this agreement, Dutchess County is ensured a reasonable revenue stream with opportunity for additional variable revenues through shared terms. And we have a great product in Yankees farm club baseball, a huge draw for both residents and visitors. The community has been clear that they support the Hudson Valley Renegades and keeping them in Dutchess County is important.

Not only is the stadium home to the Renegades, it is also home to high school and college baseball, recreational leagues, youth summer camps, graduation celebrations and so much more. It is a County-owned asset, a part of our County park system, and you are correct that it is different than our other County parks: it provides more County revenue than our seven other parks combined and makes significant contribution to the local economy – generating sales tax revenue and employment opportunities, all while providing access to high-quality, professional baseball affordable for families.

These are all facts that have previously been discussed and acknowledged. Yet, you have chosen to leave them out in favor of publishing a politically charged opinion, which makes the timing of your audit suspect and adds to concern about the political nature of the audit.

I have always respected your efforts to direct your audit goals to improving the business and effective operation of County Government. It is disappointing to see you veer from that approach with this audit.

Sincerely,



William F. X. O'Neil  
Dutchess County Executive

C: Robert Balkind, Commissioner DPW  
Gregg Pulver, Chairman of the Legislature