

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: DECEMBER 3, 2008

COMMITTEE MEMBERS PRESENT:

SUPERVISORS KENNY
TESSIER
MERLINO
CHAMPAGNE
SIMMES

OTHERS PRESENT:

FREDERICK MONROE, CHAIRMAN OF THE BOARD
PAUL DUSEK, COUNTY ATTORNEY
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISORS BELDEN
GERAGHTY
SHEEHAN

COMMITTEE MEMBER ABSENT:

SUPERVISOR GOODSPEED

VACANT: TOWN OF THURMAN

LEISA GRANT, PRINCIPAL ACCOUNT CLERK - TOURISM DEPARTMENT
FRANK O'KEEFE, COUNTY TREASURER
KRISTEN SHAW, COUNTY TREASURER'S OFFICE
ALYSON MARTIN, THE POST STAR
TOM RANDALL, THE ADIRONDACK JOURNAL
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST
Please see the sign-in sheet on file with the minutes for additional meeting attendees.

Mr. Kenny called the meeting of the Occupancy Tax Coordination Committee to order at 10:15 a.m.

Motion was made by Mr. Champagne, seconded by Mr. Tessier and carried unanimously to approve the minutes from the July 2, 2008 Committee meeting, subject to correction by the Clerk of the Board.

Copies of the meeting agenda and the applications for occupancy tax funding were distributed to the Committee members, and are on file with the minutes.

As Agenda Item 1 consisted of a request to approve the minutes from the prior Committee meeting, which had already been addressed, Mr. Kenny began the agenda review with Item 2 which included a report of information on occupancy tax revenues and he asked Frank O'Keefe, County Treasurer, to address this item.

Mr. O'Keefe apprised that through December 2, 2008, \$2,844,644.35 had been collected in occupancy tax revenues, which was 1.5% more than had been collected for the same period in 2007. He said that the fourth quarter ended on December 20, 2008 and a full report of the total revenues received would be provided after that date. Copies of the revenue summary for occupancy tax revenues received were distributed and a copy is also on file with the minutes.

Mr. Kenny stated that the primary purpose of the meeting was to make determinations as to which events occupancy tax funding would be granted to for the year 2009. He noted that although the majority of the decision making process would be done in a workshop setting during which the public would be unable to comment, they would allow any individuals present who were seeking occupancy tax funding to address the Committee before entering the workshop portion of the meeting. Mr. Kenny asked that the presentations be kept under five minutes each in order to allow anyone wishing to speak an opportunity to do so. He advised that the Occupancy Tax Coordination Committee had become very competitive in determining whom grant funding would be allotted and he noted that typically, the events that brought the most people to the area and generated the most occupancy tax revenue would be the ones chosen to receive funding. Mr. Kenny announced that 37 applications totaling \$651,000 had been

received for funding and all would be reviewed thoroughly prior to making any determinations; he added that \$347,802 in occupancy tax funding was available, of which \$25,000 was to be appropriated for use in advertising special events, leaving a total of \$322,802 to be distributed amongst those applying for funding.

Beginning the public comment portion of the meeting, privilege of the floor was extended to Greg Beckler, President of the North Warren Chamber of Commerce. Mr. Beckler advised that he was in attendance to speak on the funding application submitted for the Pug Parade which had been held as a one-day event for the past 9 years in Town of Chester. He explained that during the event, participants dressed up their pugs to receive prizes awarded for many various categories, followed by the actual Pug Parade. Mr. Beckler stated that the event had been very successful, growing from 21 participating pugs in 2000 to 177 pugs in 2007; he added that the event had grown too large for the private organizers to handle alone and they had subsequently contacted the North Warren Chamber of Commerce for their assistance in planning the 2008 event. Mr. Beckler stated that the Chamber of Commerce had assisted in expanding the event to include the Town of Horicon and had received \$6,000 in funding from the Town of Chester and \$2,500 from the Town of Horicon.

Mr. Beckler advised that in their efforts to expand the event, the Chamber of Commerce had hired Pam Morin, former employee of the Warren County Tourism Department, to work as an Event Coordinator and to develop a listing of things that had to be done to change the Pug Parade from a one-day event to an entire weekend. He said the event was held in October, which was a perfect time to increase events in the northern portion of Warren County as it was a time during which no other events were being held, leading to minimal business opportunity for local businesses. Mr. Beckler added that surrounding businesses, such as the Natural Stone Bridge and Caves, might consider remaining open further into the season than they would typically to benefit from increased visitors to the area if they were able to expand the Pug Parade to encompass an entire weekend. He apprised that they intended to eventually expand the Pug Parade into a week-long event which would help to stimulate economic growth in the area. Mr. Beckler announced that there had been 600 visitors to the 2008 Pug Parade and they hoped to increase the participation figures further by extending the length of the event. He added that approximately 85% of people that attended the event were from outside of the immediate area and had traveled from as far away as Florida, Connecticut, New Jersey and Canada.

Mr. Beckler distributed pictures from previous Pug Parade events and he advised that their goal had been to attract 200 pugs to the 2008 Pug Parade and they had realized 199, which they felt was exceptional. He noted that Mrs. Morin's efforts to grow the event had included sending post cards announcing the event to all prior registrants, as well as to veterinarian offices and other pet friendly organizations. Mr. Beckler added that within the local area, they had begun soliciting businesses in an attempt to develop package deals that would attract people for the event. A calendar of pugs posed in front of local businesses and including dates for other local events was also being developed to increase awareness for the event, he advised. Mr. Beckler concluded his presentation by explaining that the application submitted for funding included a copy of the Pug Parade's budget which reflected the events annual expenses as opposed to those that were considered start-up and one time costs. He then thanked the Committee for allowing him the opportunity to speak on the matter.

Mrs. Morin addressed the Committee, speaking as a representative for the Adirondack Stampede Charity Rodeo, announcing that the event had finished its 18th year in 2008 and were approaching a considerable anniversary. She noted that in her personal life she had many ties to the Rodeo and had been involved through the participation of her family members for some time. Mrs. Morin explained that the event donated proceeds to various charities as was reflected in their funding application, and had done so since its inception. She said that they were trying to develop a week-long western themed event within the City of Glens Falls to increase attraction to the Rodeo and subsequent to meetings between event organizers and representatives of the City of Glens Falls it had been

determined that all parties were receptive to the idea. Mrs. Morin apprised that enhancements in press releases and advertisements would be made in connection with this effort to spread news of the event beyond the realm of those who would day-trip to the event, hopefully to increase admissions for both nights of the event. Mrs. Morin said that they also intended to include a youth education program which might also help to attract overnight visitors to the area.

Alice Grether, representative of the City of Glens Falls, apprised that although she had no personal ties to the Rodeo, she felt that the event presented a considerable opportunity for a growth in tourism to the area as the event had always been very successful and this was a perfect theme to get merchants located in the City of Glens Falls involved with tourism events. She advised that their vision would include initially expanding the event to three days, then to four and possibly to an entire week in the upcoming years. Ms. Grether apprised that she had already contacted many downtown Glens Falls merchants with respect to the matter and had found that the majority were very supportive of the idea. She asserted that marketing dollars were necessary to advertise the event in an effort to attract visitors from outside the region, leading to their submission of an application.

Jim Barber, Committee Chairman for the 2009 Hudson Valley Volunteer Firefighter Association Convention, stated that his group was comprised solely of volunteer firefighters who were seeking funding for their 2009 event. He said that during the event, which was normally held during the third week of June, a Legislative Organization meeting for Hudson Valley would be held from Wednesday through Friday, followed by their parade on Saturday which was one of the largest attended in the State. Mr. Barber said that typically, attendees of the parade would travel to the area on the day before the parade and left thereafter. Although the parade was one of the largest attended, he said it was also their greatest expense and their application for funding was focused on this. Mr. Barber thanked the Committee and said that he hoped the Committee would look favorably upon the application submitted.

Ida Williams, of Ki Ho Unlimited, stated that the purpose of their application for funding was to bring ten master sand sculptors to the area during the month of July, specifically during the weekend after the fourth of July which historically reflected a decrease in occupancy. She explained that there were 250 master sand sculptors world wide and there was actually a sand sculpting school located in Belgium. Ms. Williams said that she was working with Greg Grady, who was a master sand sculptor and an organizer for the Hampton Beach Sand Sculpting Competition, now in its eighth successful year, as well as an organizer for the sand sculpting competition at Fort Meyers Beach. She said that Mr. Grady had come to the area during the prior year searching for a spot for a sand sculpting event and determined that Lake George would be a wonderful location. Ms. Williams said that they sought to include the SPCA (Society for the Prevention of Cruelty of Animals) in the event for the benefits of volunteers and for national marketing opportunities with large pet chains such as PetSmart, PetCo, Eukenuba and other pet product suppliers. She apprised that they were hoping to hold the event at the Festival Space on the Gaslight Village Property and had a backup site in mind if that location was unavailable. Subsequent to the completion of the sculptures, which normally ranted up to 10 ft in height, Ms. Williams said they were sprayed with a combination of water and Elmer's Glue to help them hold their form, allowing them to last through the end of the summer season if desired. She stated that when the sculptures were removed, the event organizers could truck the sand away themselves or it could be used either for other events or to sand the roads during the winter season. Ms. Williams apprised that a special type of very clean sand was required for the sculptures and would be brought in for the event. Based on attendance figures from the recent Hampton Beach Sand Sculpting Competition, she said that she expected 5,000 attendees and additional 1,600 room nights during the weekend of the event. Ms. Willilams concluded her presentation by thanking the Committee for allowing her the opportunity to speak on the event.

Dave King, President of the Adirondack Theater Festival, was the next to address the Committee on the application submitted for occupancy tax funding. He advised that the Adirondack Theater Festival concluded its most

successful season ever in 2008 with an increase of almost 10% in attendance during their six week season which began mid-June and concluded at the end of July. Mr. King stated it was important to note that two-thirds of productions were held on week nights, rather than on weekends, which allowed them to support the local tourism infrastructure with guests that arrived in the region mid-week who would be seeking other attractions and events during their stay.

Mr. King apprised that the occupancy tax funding received for 2008 had allowed the Adirondack Theater Festival to employ more marketing and advertising than what would have been done without the funding, and without question had assisted in having their most successful season in 2008. He noted that half of their income was received from ticket sales while the other half was contributed by donations from the community and other grants. Mr. King said that while they did receive some support from other local government funds and grants, most came from the support of people and businesses in the area who recognized the importance of growing the cultural product offered by the Adirondack Theater Festival. He advised that they worked with a number of wonderful partners in the industry to help make theirs a product that could draw the white collar travelers that the Warren County Tourism Department sought to attract as per their prior research efforts.

As they approached their 15th anniversary season, Mr. King said that the Adirondack Theater Festival was poised to target group sales in a special way. He said that it had taken 15 years of effort and a conservative fiscal stance to grow slowly and securely over that time through the assistance received from local grants and funding. Mr. King added that they endeavored to continue this slow steady growth with a targeted approach to group sales which would also increase the number visitors to the area.

Mr. King thanked the Committee once again for their continued support over the years and he noted that if the Adirondack Theater Festival had not received the occupancy tax funding request four years ago, it was likely that they would not have been able to survive. He added that although he thought it was important to fund new projects, it was just as important to protect prior investments by continuing to support projects previously funded to ensure their growth and stability.

Tenee Rehm Casaccio, speaking on behalf of Board of Trustees for The Hyde Collection, stated that she was thrilled to speak amongst so many other worthy organizations and she hoped to convince the Committee that The Hyde Collection was worthy of special consideration in receiving occupancy tax funding. She noted that she was joined by her fellow trustees, hotel partners and Hyde staff, making up more than half of the public visitors present, emphasizing the importance of the application to their organization, as well as their enthusiasm for the Season of Degas, the exhibit they intended to promote with any occupancy tax funding received.

As she had grown up in the Town of Bolton, Ms. Casaccio said that she was aware of the effort to attract tourists to areas other than Lake George and the mountains through cultural tourism as voiced by Mr. King, because cultural tourists stayed longer and spent more than traditional tourists. She stated that the Season of Degas exhibit would be the first to explore the influence of music on the world renowned artist Edgar Degas and combined with supporting performances and events they expected to attract 60,000 visitors to Warren County, increasing the number of nightly stays in the area by a minimum of 10,000. Ms. Casaccio apprised that the figures related were very conservative estimates given the broad appeal of this one of a kind event. She added that the Season of Degas exhibit would touch all of the County's communities, hotels, bed and breakfasts and restaurants and would be a shining light in the midst of a suffering economy and would remind people that the art brought happiness to the region. Ms. Casaccio closed by stating that those involved with The Hyde Collection were very excited about the Degas exhibit and they hoped that the Committee would look favorably upon their application for occupancy tax

funding as the monies received would have a great impact on their ability to properly market the upcoming events.

David Setford, Executive Director of The Hyde Collection, addressed the Committee noting that in 2003 when the Hyde did not have an exhibition of this magnitude, they'd still had a regional impact totaling \$1.56 million and had supported 50 full-time employment positions. He apprised that alongside Claude Monet, Edgar Degas was one of marquis the French Impressionists and would bring visitors from miles away to view the exhibit. Mr. Setford said that as this was the first time that the influence of music had ever been examined on an artist, a world's first event was happening in Warren County. He said that visitors would come from not just around the Country but from around the world to view the showing because it was highly important to the art world. Mr. Setford stated that the Season of Degas would be a 98-day event that would attract additional visitors as people talked about it and the impulse to visit continued to grow. He said that they were partnering with 20 other cultural organizations throughout the County that would be taking part in the exhibit and that nearly \$70,000 was to be spent on advertising for the Season of Degas, which was more than the Hyde had ever spent on any specific exhibition. He noted that advertising for the event would be placed in key cities such as Boston, Philadelphia, New York City and Montreal, as well as other regions, and in addition to billboard advertisements, postcards had been developed and forwarded to over 2,000 contacts including bus companies and other museums that would bring groups to view the exhibition. He closed by stating that they felt the Season of Degas was an excellent exhibit that would definitely draw cultural tourists to the area and he thanked the Committee for allowing him the opportunity to speak on the matter.

Bill Dutcher, Americade organizer, apprised the Committee that because 2009 was foreseen to be a challenging year financially for the Americade event, he and his son had begun a campaign to visit many of the major motorcycle industry builders in search of funding and support for their events. He thanked Warren County for the assistance given in the past because it had enabled them to be more aggressive in organizing events for 2008, as well as for 2009. Mr. Dutcher apprised that the promotion of the Americade event included a website that received approximately 20 million visits per year, an informational 90-minute DVD, as well as publications such as the Americade Times and the Americade event program. He said that direct mailings were sent to the households of approximately 110,000 people who had visited the Americade event over the past decade. Regular email updates and advertising in 12 motorcycle publications were also used to promote the event, Mr. Dutcher stated. He said that all of these efforts together made up their most aggressive marketing approach.

Mr. Dutcher apprised that Americade currently employed 10 full-time employees and had 240 volunteers. He noted that over the past 27 years, they had drawn visitors to the area like no other convention had in the community had been able to. Mr. Dutcher stated that the Americade event was internationally famous and had proven their results through a SUNY (State University of NY) study which showed that Americade was worth about \$46 million per year to Warren County. He advised that with their application for occupancy tax funding, they had included a listing of the visitors to the event which reflected that two-thirds of the event's attendees were from outside New York State, and 98% from outside of Warren County which ensured that most would stay for the night and spend money in the area.

Mr. Dutcher advised that Americade had decided to reintroduce an event that had not been done since 2001, which was the Fall Foliage Festival. He said that they intended to hold the event on September 18 - 20, 2009 and he was confident that it could be marketed and would be a success; he added that the event had been discontinued previously as Americade had a minimal staff of only four people at that time. Mr. Dutcher stated that he hoped the Committee would look favorably upon their request for funding of the Fall Foliage Festival as he felt it could be a very successful event for the area, although it would not be as large as the Americade event. Referring to the sand

sculpture event proposed by Ms. Williams, Mr. Dutcher apprised of his feeling that it would bring visitors to the area and he noted that Americaid organizers had previously entertained the idea of bringing such an event to the area during Americade, although it had never materialized.

For the Committee's benefit, Mr. Kenny clarified that Americade had submitted two occupancy tax funding applications, one for the Americade event in June and the other for the Fall Foliage event in September.

Luisa Craige-Sherman, of the Lake George Chamber of Commerce, announced that two requests for funding had been submitted by the Chamber of Commerce, both of which were events repeated from the previous year that the Committee had chosen to fund and she thanked the Committee for this, as both continued to grow in strength. The first event, she said, was the Canadian Promotion which was a six-month promotion that began with an event in May and continued through the month of October. She said that for 2009 they intended to begin creating package promotions with the local business community. Based on 2008 statistics, Ms. Sherman stated that through the use of the occupancy tax funding granted, they had been able to implement 8,000 advertising impressions in the metro-Montreal area and were working with 50 businesses in that region and the promotion had netted a minimum of 1,584 direct room rentals in the Lake George area.

The second event Ms. Sherman apprised, was Restaurant Week, an event which was now in its third year and coincidentally would occur during the Americade Fall Festival Event in 2009, which Mr. Dutcher felt was a wonderful addition to his event. She advised that their 2008 statistical information reflected that the Restaurant Week event had grown considerably, netting 785 room rentals and over 3,340 orders from the special restaurant week menu; Ms. Sherman noted that this did not include statistical information for others in the party that may have ordered from the regular restaurant menus. Further statistical information reflected that 42% of the attendees that ordered from the Restaurant Week menu were from 50 or more miles away while 30% were from 150 or more miles away which ensured that overnight stays were made.

Ms. Sherman stated that she was also in attendance as a representative for the United Church of God who wished to hold their Feast of Tabernacles event in the area and were seeking occupancy tax funding. She explained that this was an eight day convention for which they had determined only either the Glens Falls Civic Center or the Dome would be able to accommodate the 1,000 plus people who would attend. Ms. Sherman said that the group was interested in either location and she noted that all attendees would remain in the area for the full eight days of the event, leading to an economic impact to the County of over \$1 million and would net an estimated 3,200 room rentals. She noted that the application for this event included a schedule of programs held during the convention which reflected that the families attending would have a lot of free time that they could spend in the area and that no meals were provided; therefore, she said, area restaurants and attractions would receive a lot of business during the event. Ms. Sherman said that although the convention location moved around the Country, they typically preferred to visit the same location for three consecutive years before moving on to a new location. She stated that she hoped the Committee would determine the event worthy of occupancy tax funding as it would have a considerable impact on the local economy as well as the occupancy tax raised.

As there was no further public comment to be made, Mr. Kenny thanked each of the applicants for applying for funding and he noted that the Committee was very excited to bring new events to Warren County while retaining those that had become important to the area.

The Committee entered into a workshop setting at 11:01 a.m.

Paul Dusek, County Attorney, entered the meeting at 1:30 p.m.

Committee reconvened at 1:33 p.m.

Mr. Kenny announced that a second Committee meeting would be required to continue consideration of occupancy tax funding applications, and would be held on December 10, 2008 at 9:30 a.m.

With respect to the question of whether or not the County could legally grant occupancy tax funding to the United Church of God, Mr. Dusek apprised that since the funding was not a gift, he did not foresee any issue with respect to the separation of church and State. However, he stated, he preferred to research the matter further before advising the Committee in their decision.

As there was no further business to come before the Occupancy Tax Coordination Committee, on motion made by Mr. Tessier and seconded by Mr. Merlino, Mr. Kenny adjourned the meeting at 1:33 p.m.

Respectfully submitted,
Amanda Allen, Sr. Legislative Office Specialist