

**WARREN COUNTY BOARD OF SUPERVISORS**

**COMMITTEE: TOURISM**

**DATE: APRIL 29, 2009**

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**COMMITTEE MEMBERS PRESENT:**

SUPERVISORS TESSIER  
BELDEN  
KENNY  
SHEEHAN  
MERLINO  
SIMMES  
STRAINER

**OTHERS PRESENT:**

REPRESENTING THE TOURISM DEPARTMENT:  
KATE JOHNSON, DIRECTOR  
TANYA BRAND, GROUP TOUR PROMOTER  
PETER GIRARD, CREATIVE DIRECTOR  
SUSAN STRATTON, STRATTON PARTNERS ADVERTISING  
PAUL DUSEK, COUNTY ATTORNEY  
AMY BARTLETT, FIRST ASSISTANT COUNTY ATTORNEY  
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL SERVICES  
JOAN SADY, CLERK OF THE BOARD  
SUPERVISOR VANNESS  
FRED AUSTIN, FORT WILLIAM HENRY  
KATHY BARRIE, HA-PE-DE, INC.  
DAVE KENNY, WARREN COUNTY RESIDENT  
THOM RANDALL, *THE ADIRONDACK JOURNAL*  
SARAH MCLENITHAN, LEGISLATIVE OFFICE SPECIALIST

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Mr. Tessier called the meeting of the Tourism Committee to order at 9:30 a.m.

Motion was made by Mr. Strainer seconded by Mr. Kenny and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Kate Johnson, Tourism Director, who distributed copies of the agenda to the Committee members; *a copy of the Agenda is on file with the minutes.*

Ms. Johnson advised that Paul Dusek, County Attorney, had requested that Kathy Barrie, of HA-PE-DE, Inc. who managed the Interstate 87 (I-87) Rest Area and Information Center, be in attendance to answer questions regarding her agreement with the New York State Department of Transportation (NYSDOT). Mr. Dusek apprised that he had received communication from the legal counsel representing New York State regarding the I-87 Rest Area, which indicated that the State believed the County would like to terminate their portion of the lease. He explained that at one point the Committee had discussed the possibility of terminating the lease early; however, he noted, the discussion had been tabled.

Ms. Johnson interjected that one of the issues with the I-87 Rest Area had been that the County was obligated to pay the utilities and maintain the building. She advised that Senator Little negotiated a deal with the NYSDOT to have them take over the utility expenses for the building. Mr. Strainer questioned what the County's obligation had been for the Rest Area and Mr. Dusek responded that the County was obligated to pay \$5,000 towards the heating and electrical expenses, as well as the costs of up-keep or repair required for any of the fixtures in the building. He explained that if the contract was not renewed, the County would no longer have any financial obligation to the building.

Mr. Belden voiced his opinion that it would be a mistake to close the building or let the State take over its operation. Mr. Strainer pointed out that the HA-PE-DE, Inc. would continue to manage the building; however, he stated, the County would no longer have any financial liability.

Mrs. Barrie mentioned that her company, HA-PE-DE, Inc., were in the process of renovating the building and would schedule an open house when the renovations were complete.

Mr. Tessier questioned whether a motion was necessary to terminate the County's lease and Mr. Dusek responded affirmatively.

Motion was made by Mr. Strainer and seconded by Mr. Kenny to refrain from renewing the County's lease option in connection with the I-87 Rest Area.

Mr. Merlino advised of his concern that if the County did not renew the lease, the State would not continue to advertise Warren County at the Rest Area. He then raised the subject of purchasing the Basketville Building for tourism purposes and Mr. Tessier advised that the issue would be discussed later in the meeting.

Mr. Tessier stated that HA-PE-DE, Inc. maintained several rest areas on I-87 and he did not believe that the State would allow it to close. Mr. Dusek asked Mrs. Barrie if she was arranging for a lease with the NYSDOT and Mrs. Barrie replied affirmatively.

Mr. Tessier called the question and the motion was carried unanimously to refrain from renewing the County's lease with HA-PE-DE, Inc. for the I-87 Exit 17 Welcome Center/Rest Area.

Mr. Dusek explained that because the lease was not being renewed, it was not necessary for the request to be presented to the full Board of Supervisors.

Proceeding, Ms. Johnson advised that it was necessary to revisit and discuss the relocation of the Tourism Office and whether Occupancy Tax funds could be used for purchasing and/or leasing a building for this purpose. Mr. Dusek advised that in response to a request, he had researched whether the Basketville Building could be purchased using occupancy tax funds. He apprised that he had determined occupancy tax funds could be used to secure the building if it was reasonably indicated that the primary purpose for the building would be to promote and increase tourism within Warren County.

Mr. Dusek pointed out that if another Department was moved to the building, the purchase could not be made using only occupancy tax funding and a portion of the purchase price would have to be appropriated from the general fund. He explained that in order to move ahead with the purchase, approval from the Tourism, Occupancy Tax and Finance Committees would be required as the purchase of the building would have to be bonded. He said that a State Environmental Quality Review Act (SEQRA) would be necessary and approval from the Bond Counsel, as well. He stated that he had relied on a few County statutes to make his determination and he noted that the Attorney for Bond Counsel would have to concur with his determination in order to bond the purchase of the building. He added that an appraisal of the building would be necessary as the County was required to ensure that the sale price for the building was within fair market value; however, he noted, an Eminent Domain Procedure could be used to purchase the building if it was priced above the fair market value, although he said he hoped this would not be necessary.

Mr. Belden suggested that the building inspections and appraisals be performed prior to pursuing the purchase. Mr. Dusek recommended that an agreement be made with the seller and the bond resolution approved prior to expending funds for any studies.

Mr. Tessier stated that due to the amount of time required to get the process started, he would suggest making some sort of commitment to the owner of the Basketville Building to prevent them from selling it to another individual. Mr. Dusek responded that he recommended receiving authorization from both Committees, as well as a Board resolution, prior to making an offer.

Mr. Merlino suggested that a plan be developed outlining their proposal to purchase the building using occupancy tax funding prior to presenting the request to the Occupancy Tax and Finance Committees to avoid any unnecessary delays. He pointed out that although other outside entities could not be provided office space in the building, it could be leased to other Departments such as Planning and Community Development, which would make more space available for the Courts.

Mr. Dusek interjected that part of the criteria for bonding the purchase of the building required that it be for County usage and could not be leased to private businesses until the bond was repaid. He noted that the building uses did not have to be used for Tourism purposes only; however, he said, an expenditure from the general fund would

be required.

Mr. Kenny questioned whether the building could be purchased using occupancy tax funds and subsequently lease space to the Planning and Community Development Department. Mr. Dusek explained that a General Obligations Bond would need to be issued, which meant that the bond in the first instance was payable from County general funds and then by resolution of the Board, occupancy tax funds would be used as payment of the bond. As an example, he stated, if the entire building was to be used for tourism and the value was assessed at \$125,000, then the entire building could be funded using occupancy tax, however, he stated, if the portion of the building that was used by Planning had an assigned value of \$25,000, then \$100,000 of occupancy tax funds, as well as \$25,000 from the general fund would be used to purchase the building. He apprised that a lease was not necessary, as the shift of the funds would be explained in a resolution.

In response to an inquiry by Mr. Kenny, Mr. Dusek stated that within the Tourism portion of the building promotional displays could be sold for places such as Gore Mountain; however, he added, it could effect whether or not the bonds were tax exempt. Mr. Kenny pointed out that the Basketville Building's location was ideal for the Tourism Department, as it was located on the main route to Vermont and had exposure to Gore Mountain, as well as the northern portion of the County, and would be an ideal place for Gore Mountain to advertise. Mr. Dusek advised that there was no issue with the legality of selling space for promotional displays; however, he reiterated that it may effect the bond status.

Mr. Kenny voiced that he would not be in favor of the purchase if there was any reduction to the Tourism budget. He commented that the building could be used to house the Tourism, Planning and Community Development and the Board of Elections Departments, as well as the voting machines that required storage, which would prevent having further discussion on where to store the machines. Mr. Tessier pointed out that if these departments were moved to the Basketville Building, the courts would have enough room to expand.

Mr. Tessier stated that he did not think the building should be used for Tourism purposes only, as there was plenty of space to house other departments. He added that some monies should come from the general fund to purchase the building so that the Tourism budget would not have to be reduced. Mr. Merlino mentioned that he felt that as long as only a small portion of the funds used to purchase the building were from the general fund, he would be in favor of purchasing the building.

Mr. Kenny interjected that the cost of maintenance and additional help would need to be considered, as the public would want the Tourism portion of the building to be open every day of the week during the summer months.

Hal Payne, Commissioner of Administrative and Fiscal Services, advised that if the Committee desired he would contact the building owner and request to view the building.

Mr. Belden advised that funds would be saved when the Human Services Building (HSB) was completed and office space would no longer have to be leased in the CNA building. He stated that he was not in favor of buying a building right now; however, he stated, if there was no strain on the budget he would be in favor of the purchase.

Motion was made by Mr. Strainer and seconded by Mr. Kenny to refer to the Occupancy Tax Coordination Committee to determine whether they were in favor of using occupancy tax funds to purchase the Basketville Building.

Mr. Dusek suggested that the Committee request that Mike Swan, Director of the Real Property Tax Services Department, perform a brief appraisal on the Basketville Building, as well as discussing with the Building Codes Department whether the building was up to code and offered proper handicapped access. He advised that when a decision was made on how much the building should be purchased for, the Committee should request that the Treasurer's Office research how much the bond payments would be.

Mr. Kenny pointed out that the owner of the Basketville Building had recently had an appraisal performed on the building. Mr. Dusek advised that if a recent appraisal was available, then it would not be necessary for another one

to be done; however, he noted, the steps he had recommended would be free, as they would be performed by County staff.

Mr. Strainer asked whether the County could obtain a loan for the building rather than apply for a bond and Mr. Dusek replied in the negative. He advised that bonding was the only way the County could finance projects; however, he stated, it was possible to get a bond that could be pre-paid, and could be discussed at a later date. Mr. Tessier suggested using a Bond Anticipation Note (BAN) and in the future converting it into a bond.

Mr. Kenny suggested contacting the building owner to inquire as to whether the building could be leased with an option to buy until the HSB was complete and it was no longer necessary to lease space in the CNA building.

Mr. Tessier called the question and the motion was carried unanimously to refer the issue to the Occupancy Tax Coordination Committee to determine whether they were in favor of using occupancy tax funds to purchase the Basketville Building.

Mr. Payne questioned when the Committee would like to tour the building and Mr. Merlino advised that he would not be available until Monday. The tour of the building was scheduled for Monday, May 4, 2009 at 10:00 a.m.

Mr. Dusek exited the meeting at 10:01 a.m.

Ms. Johnson outlined the late winter, spring and summer tourism campaign, which promoted affordable family vacations for individuals seeking vacations within their budgets. She advised that this was the second year the mid-week savings program was being offered and 24 properties had taken advantage of the program, all of which were prominently displayed on the Warren County Tourism website, as well as in an online press opportunity and a mass emailing.

She apprised that she had requested that area businesses participate in the coupon program, at a cost of \$150. She pointed out that last year 41,500 coupons were printed and distributed, while 3,000 had been downloaded from the internet. She added that at the close of the season they contacted the participants of the coupon and mid-week get-away bargain programs to determine whether the programs were a success. She noted that both programs had seen an increase in participants from the prior year.

Ms. Johnson mentioned that there was a new feature on the website which changed seasonally and outlined 13 different categories with free activities available in Warren County. She added that this had been included as part of the mass email and press release also.

Ms. Johnson advised that the Rates and Dates Brochure and the placemats were distributed at the April 17, 2009 Board meeting. She stated that the placemats had been printed in black and white due to budget constraints, which she felt would have a negative impact. She added that this may be the last year for the placemats, as there was no money in the budget to continue printing them.

Ms. Johnson outlined the Winter 2007-2008 Conversion Survey for people who entered the online Winter Contest, which was included in the Agenda packet. She commented that the Tourism Department had received a call from an individual from Virginia stating that they planned on visiting Lake George as it was the first place that they had contacted for tourism information where a live person answered the phone.

Mr. VanNess entered the meeting at 10:13 a.m.

Mrs. Simmes suggested that the Tourism Department should advertise for dog boarding, as there were many tourists who traveled with their pets and sought these services. Ms. Johnson advised that pet friendly hotels were included in the travel brochure, and they could expand their advertising to include pet boarding facilities, as well.

Mrs. Simmes apprised that there was now kayak and canoe launching access to Lake George at Veterans Park in Bolton Landing and this should be noted in tourism promotional material also.

Tanya Brand, Group Tour Promoter, advised that she had participated in four tourism conventions during the months of February and March, two of which had been held locally while the other two were held in Pennsylvania. She stated that she had printed six advertisements, which were included in the Agenda, as well as an editorial. She reviewed the promotional efforts for group tourism that had been completed in February and March, copies of which were included in the Agenda packet.

Ms. Brand pointed out that there was an opportunity to generate more tourism from the Golden Goal soccer camp in Fort Ann as families were not allowed to stay on the grounds with their children and instead secured lodging in other area facilities. She noted that the Tourism Department would be offering bags filled with promotional materials for the incoming coaches to distribute to the families. She added that a sports and venues link had been included on the Tourism website so families traveling to the area could search for sports related activities.

Ms. Brand mentioned that the Tiki Resort was having a special event in September and would only be offering one meal for the three day event. She apprised that the Tourism Department would be providing bags for the visitors with information on local restaurants and attractions they could patronize while they were in the area.

Susan Stratton, representing Stratton Partners Advertising, outlined the Warren County Tourism Spring/Summer television campaign. She apprised that they were using video on demand (VOD), which was offered on digital cable to promote tourism in Warren County. She explained when a person watched the VOD, their names and addresses were collected and the following day a packet of coupons was mailed. She commented that Peter Girard, Creative Director, had done a nice job of incorporating some of the material used last year with some new shots for the VOD.

Ms. Stratton advised that the total gross cost for the television advertising would have been \$403,000; however, she stated, the cost had been less because she only received 5% of the typical 15% commission, allowing the County to retain the other 10%. Ms. Johnson noted that the Fall and Winter television campaign would have to be scaled back due to budget constraints.

Mr. Girard apprised that there had been an increase in activity from the mass email. He said that some of the new features included a whitewater email contest, a refer-a-friend feature which had generated 59 referrals and an email that noted that skiing was still available in the area. Other mass emails that were sent out, he stated, pertained to the mid-week specials and a camping email. He said that he had been working with the Information Technology (IT) Department to implement free offers, such as coupons.

Ms. Johnson noted that one of the issues the Tourism Department was dealing with was invalid email addresses. She said that she thought people may have been using their work email addresses which might now be invalid if they were no longer employed.

Along the lines of new business, Ms. Johnson asked whether anyone had comments about the Council of Chambers meeting. Mr. Strainer stated that the dinner and the presentation on the upcoming Elvis Festival had been excellent. He said that he had spoken to an individual from the Town of Hadley with regard to the Maple Festival and they had informed him it had been a success.

As there was no further business to come before the Tourism Committee, on motion made by Mr. Kenny and seconded by Mr. Strainer, Mr. Tessier adjourned the meeting at 10:36 a.m.

Respectfully submitted,

Sarah McLenithan, Legislative Office Specialist