

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: MAY 27, 2010

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COMMITTEE MEMBERS PRESENT:

SUPERVISORS KENNY  
MERLINO  
BENTLEY  
CHAMPAGNE  
GOODSPEED  
MCCOY  
CONOVER

OTHERS PRESENT:

ROB LYNCH, DEPUTY TREASURER  
KRISTEN SHAW, JUNIOR ACCOUNTANT  
REPRESENTING THE TOURISM DEPARTMENT:  
KATE JOHNSON, DIRECTOR  
LEISA GRANT, PRINCIPAL ACCOUNT CLERK  
TANYA BRAND, GROUP TOUR PROMOTER  
MICHAEL CONSUELO, SPECIAL EVENTS COORDINATOR  
JOAN SADY, CLERK OF THE BOARD  
KEVIN GERAGHTY, BUDGET OFFICER  
SUPERVISORS LOEB  
MCDEVITT  
TAYLOR  
THOMAS  
STRAINER  
FRED AUSTIN, THE FORT WILLIAM HENRY  
PAM MORIN, FIRST WILDERNESS EVENT COORDINATOR  
DON LEHMAN, *THE POST STAR*  
THOM RANDALL, *THE ADIRONDACK JOURNAL*  
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST

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Mr. Kenny called the meeting of the Occupancy Tax Coordination Committee to order 10:45 a.m.

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

Copies of the meeting agenda were distributed to the Committee members, a copy of which is also on file with the minutes.

Commencing the agenda review with Item 2, privilege of the floor was extended to Kristen Shaw, Junior Accountant, to provide the Report on Revenues for the Treasurer's Office. Referencing the two reports included in the agenda, Mrs. Shaw noted there had been a 5.35% increase in the occupancy tax revenues received through April of 2010 as compared to the prior year's figures; however, she advised, the 2010 figure was approximately \$30,000 less than the figures reported for 2008. Mrs. Shaw pointed out that the information provided accounted for only the first quarter of 2010, which consisted of winter months. She added that the reporting period for the second quarter would conclude on June 20<sup>th</sup> and they hoped to have a better indication of occupancy tax collections in comparison to prior years at that time.

Mr. Kenny stated that his recent reviews of the Smith Travel Reports indicated wild fluctuations, with the trends being predominantly positive.

Continuing to Agenda Item 3, privilege of the floor was extended to Michael Consuelo, Sales/Special Events Convention Coordinator, to provide his report on activities for the month of May. Mr. Consuelo proceeded to review the report which included highlights on confirmed reservations for the New York State County Finance

Officers Association and the United States Marine Tankers Association, as well as leads being pursued to promote the area as the site for upcoming conventions for PF Changs China Bistro and the National Association of Motor Vehicles. The report also briefly outlined the upcoming "Have a Seat in Glens Falls" project and touched upon the coordination efforts for the Empire State Society of Association Executives annual meeting which was being held at the Saratoga City Center during which Warren County would be represented by a number of area facilities, such as The Sagamore and Georgian resorts, as well as the Great Escape Lodge. The report concluded with a chart reflecting group reservation statistics including locations, attendee and room night figures and the total economic impact to the area. *A full copy of Mr. Consuelo's report is on file with the minutes.*

Mr. Kenny announced that Agenda Item 4 pertained to the occupancy tax funding previously awarded to the Lake George Forum III, Inc. for their Summer Concert Series. He reminded the Committee that the initial application submitted by the Forum had requested funding for six or seven concerts; however, he said, that number had subsequently been reduced, leading the Committee to agree upon an award of \$7,000 in occupancy tax funding. Mr. Kenny apprised that during the prior week, the Lake George Forum had advised they were unable to finalize plans for the Summer Concert Series which had led to the imposition of a deadline to provide final determinations on the anticipated events. He added that as of earlier that week, the Forum had confirmed three events but it was questionable as to how effective these events would be for increasing occupancy tax revenues in the area. Mr. Kenny stated the Committee would need to make a determination as to whether the occupancy tax funding awarded should be maintained, or withdrawn for re-distribution to another applicant.

Mr. Champagne opined the majority of the patrons for the concerts would already be in the area for other events and he did not see this as a considerable attraction. He then proposed that the occupancy tax funding previously awarded be withdrawn and held for re-distribution to a future event.

Mr. Merlino questioned whether any information pertaining to prospective attendees for the concert series had been provided and Mr. Kenny replied in the negative, explaining that the event organizers had not submitted the form requesting this information with their application. Mr. Champagne noted that the anticipated attendee information was required as part of the application process in order to make a proper evaluation of the impact the event would have on the area. He added that without this information he felt the Committee had no other alternative but to withdraw funding.

Motion was made by Mr. Champagne, seconded by Mr. Merlino and carried by majority vote, with Mr. McCoy voting in opposition, to withdraw the \$7,000 in occupancy tax funding previously awarded to the Lake George Forum III, LLC and amend Resolution No. 187 of 2010 to reflect same and the necessary resolution was authorized for the June 18<sup>th</sup> Board meeting.

Mr. Kenny announced that the returning of funds raised the total amount of occupancy tax funding available to \$10,971; he added that there were three applications for funding pending which were as follows:

1. The Foundation for the Advancement of Developmentally Disabled Persons, Inc. requesting \$10,000 for a 4 on 4 beach volleyball tournament to be held at the Million Dollar Beach in Lake George on August 7<sup>th</sup> and 8<sup>th</sup>, 2010;
2. Adirondack Hot Air Balloon Festival, Inc. requesting \$25,000 for the Adirondack Balloon Festival to be held at Crandall Park and the Warren County Airport on September 23-26, 2010; and
3. Warren County Historical Society requesting \$5,000 to seek out local artist designs for a graphic logo to be used on promotional materials for the Warren County Bicentennial Celebration which would occur in 2013.

*Copies of all three applications are included in the agenda packet.*

Mr. Kenny noted that historically, funding for the Balloon Festival was provided through the Public Works budget; however, he said, during the 2009 budget process it was determined that using occupancy tax funding to support the event was preferable. In response to Mr. Merlino's inquiry, Mr. Kenny apprised that \$20,000 was provided for the 2009 Balloon Festival.

Mr. Champagne stated his opinion that the Beach Volleyball Tournament was not a realistic venture and he felt the application submitted by the Foundation for the Advancement of Developmentally Disabled Persons, Inc. should be disregarded. Mr. Bentley pointed out that the application indicated a fee of \$1,200 for use of the Million Dollar Beach parking lot owned by NYSDEC (NY State Department of Environmental Conservation) and he questioned how this was justified when a much higher fee was being charged to the Americade organizers for use of the same parking lot.

Motion was made by Mr. Champagne, seconded by Mr. Merlino and carried unanimously to decline the application for occupancy tax funding which was submitted by the Foundation for the Advancement of Developmentally Disabled Persons, Inc.

Mr. Merlino suggested awarding \$8,000 to the Adirondack Balloon Festival and the remaining \$2,971 to the Warren County Bicentennial Committee. He said that although they were unable to provide the full amount requested to either applicant due to a lack of funds, this would provide both organizations with some funding. Mr. Merlino noted that because the Warren County Bicentennial Committee's event would not actually occur until 2013, they could apply for additional funding in future years. Mr. Champagne stated he would prefer to disregard all applications and retain the funding in the event that it might be needed later in the year for an event with the potential to bring more revenue to the area.

Subsequent to further discussion on the matter, motion was made by Mr. Merlino, seconded by Mr. Conover and carried unanimously to award \$3,000 in occupancy tax funding to the Warren County Historical Society and to table the application submitted by the Adirondack Hot Air Balloon Festival, Inc. application pending further discussion at a future Committee meeting in order to include dialogue with the event coordinators.

Resuming the agenda review with Item 6, Leisa Grant, Principal Account Clerk, noted that a resolution was necessary to amend the chart outlining occupancy tax distributions which was included in Resolution No. 187 of 2010 to reflect the changes made by the Committee during the current meeting, as well as to indicate that the \$1,000 previously awarded to the West Glens Falls Emergency Squad, Inc. would not be utilized.

Motion was made by Mr. Merlino, seconded by Mr. Conover and carried unanimously to approve the request to amend Resolution No. 187 of 2010 to remove \$7,000 in occupancy tax funding awarded to the Lake George Forum III, LLC and \$1,000 awarded to the West Glens Falls Emergency Squad Inc., as well as to reflect the award of \$3,000 to the Warren County Historical Society, and the necessary resolution was authorized for the June 18<sup>th</sup> Board meeting. *A copy of the request is on file with the minutes.*

Mr. Kenny announced that there was a final item to discuss relative to the use of occupancy tax funding by the Town of Lake George to fund their local library and he asked Paul Dusek, County Attorney/Commissioner of Administrative & Fiscal Services, to address the issue.

Mr. Dusek noted that the first report of such occupancy tax funding use had been filed with his Office in March of

2010 and noted that occupancy tax funds in the amount of \$3,500 were being expended for the Hillview Library, and \$10,500 for the Caldwell Library. He said the report had been filed pursuant to a standard form contract that every town held with the County, which included guidelines indicating that the occupancy tax funds could only be used for tourism promotion or tourism and convention development and further provided the Committee with the ability to review whether expenditures were eligible according to the specified rules. Mr. Dusek said that in the event a Municipality was found to have used funds for unauthorized expenditures, they could perform a re-allocation of funds with the Committee's permission, or they could re-pay those funds. He stressed the fact that no determination had been made as to the nature of the expenditures and noted that he was not in a position to make any such judgement until the facts were provided by the Town of Lake George. Mr. Dusek added that although one would not typically classify the funding of a town library as a tourism related venture, he felt the Committee should reserve judgement on the matter until Mr. McCoy was able to provide an explanation.

In response to Mr. Kenny's inquiry, Mr. McCoy stated that he would prefer not to discuss the matter presently. As there was no objection from the Committee, it was determined that the issue would be tabled for further discussion at the next meeting.

As there was no further business to come before the Committee, on motion made by Mr. Bentley and seconded by Mr. Merlino, Mr. Kenny adjourned the meeting at 11:19 a.m.

Respectfully submitted,  
Amanda Allen, Sr. Legislative Office Specialist