

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: AUGUST 8, 2014

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COMMITTEE MEMBERS PRESENT:

SUPERVISORS KENNY  
MERLINO  
CONOVER  
FRASIER  
SIMPSON  
STROUGH

OTHERS PRESENT:

KATE JOHNSON, DIRECTOR OF TOURISM  
MICHAEL R. SWAN, COUNTY TREASURER  
BUD YORK, SHERIFF  
SHAWN LAMOUREE, UNDERSHERIFF  
KEVIN B. GERAGHTY, CHAIRMAN OF THE BOARD  
JOAN SADY, CLERK OF THE BOARD  
JOANN MCKINSTRY, ASSISTANT TO THE COUNTY ADMINISTRATOR  
FRANK E. THOMAS, BUDGET OFFICER  
SUPERVISORS GIRARD  
MCDEVITT  
SEEBER  
TAYLOR  
VANSELOW  
WOOD  
FRED AUSTIN, FORT WILLIAM HENRY  
MICHAEL CONSUELO, LAKE GEORGE REGIONAL CHAMBER OF COMMERCE  
& CVB  
DARLENE GUNTHER, VILLAGE OF LAKE GEORGE CLERK TREASURER  
JOHN SALVADORE, JR., QUEENSBURY RESIDENT  
JOHN ALEXANDER, *THE POST STAR*  
DON LEHMAN, *THE POST STAR*  
THOM RANDALL, *ADIRONDACK JOURNAL*  
GORDON WOODWORTH, *THE CHRONICLE*  
SAMANTHA HOGAN, LEGISLATIVE OFFICE SPECIALIST

COMMITTEE MEMBER ABSENT:

SUPERVISOR DICKINSON

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Mr. Kenny called the meeting of the Occupancy Tax Coordination Committee to order at 10:00 a.m.

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

Copies of the meeting agenda were distributed to the Committee members and a copy of same is on file with the minutes.

Privilege of the floor was extended to Michael R. Swan, Treasurer, who apprised the total occupancy tax revenues collected through July 30, 2014 totaled \$904,951.70, reflecting an increase of \$20,219.42 (2.23%) compared to the same time period in 2013. He stated that the percentage increase was down from last months 4.92%, but noted that all of July's collections would not be received until September. He stated the available balance in the Occupancy Tax Reserve Fund was \$129,087.98.

Privilege of the floor was extended to Bud York, Sheriff, who addressed the Committee regarding the police protection at the Adirondack Nationals Car Show. He requested clarification in regards to the additional \$5,500 dollars in occupancy tax funding awarded to the Adirondack Nationals Car Show, noting it was his understanding that extra funding was provided to cover the cost of additional police protection during the event.

Sheriff York recalled that at a prior meeting he had questioned whether the event should be charged for the additional police protection but he believed the decision had been to wait and see whether the event organizers were willing to provide funding to defray the overtime costs; he apprised that the Sheriff's Office spent approximately \$15,000 in overtime annually for this particular event. Sheriff York advised he had received an email from Leisa Grant, Principal Account Clerk in the Tourism Department, in June indicating that the Adirondack Nationals Car Show would not be charged for additional police protection during their event and he questioned whether this was the case as discussions in other Committee meetings seemed to indicate that they would be charged.

Mr. Kenny answered that there seemed to be some confusion regarding the amount of additional funding but said it was clearly stated at a prior meeting that \$3,000 would be provided for additional police protection; however, he added, that intention was never conveyed to the event organizers until after the fact, at which time they expressed resistance to the idea. Mr. Kenny relayed a suggestion presented to him by Mr. Conover earlier that morning to take \$3,000 from the Occupancy Tax Reserve and apply that to the Sheriff's Budget to defray overtime costs. Sheriff York stated that he was not requesting additional funding and advised that his Office attempted to budget appropriately for overtime costs related to special events held each year. He said he wanted to clarify this issue because he had read comments from the event organizers printed in a recent newspaper article which seemed to indicate that the event had required an additional \$5,500 to fund more police coverage than they had in the past; Sheriff York said he was not opposed to the decision to refrain from charging for police protection during the 2014 event, but wanted to be sure that everyone understood the Adirondack Nationals Car Show had never been charged for police protection during any of their previous events. Mr. Kenny stated the reason he had decided against the charge was because he did not want to alienate the event organizers as this was a sensitive subject for them.

Mr. Conover advised he did not think the County's general budget should sustain the overtime costs related to police protection for the Adirondack Nationals event and suggested that a transfer from the Occupancy Tax Reserve to the Sheriff's budget was appropriate.

Motion was made by Mr. Conover, seconded by Mr. Simpson and carried unanimously to appropriate funds in the amount of \$3,000 from the Occupancy Tax Reserve (A.881.00) to Budget Code A.3110 120, Sheriff's Law Enforcement, Salaries-Overtime, to offset overtime costs during the Adirondack Nationals Car Show in September of 2014, and to refer same to the Finance Committee. *A copy of the request is on file with the minutes.*

Mr. Kenny said the next item on the agenda pertained to discussion on the possibility of occupancy tax funding being utilized to support the Glens Falls Civic Center. He stated that the auction for the sale of the Civic Center was coming up on August 18<sup>th</sup>, just ten days away, and he wanted to make sure that none of the Committee Members had changed their opinion on the subject. No comments were made by the other Committee Members.

Mr. Kenny relayed another suggestion to solve the Civic Center funding issue was that the municipalities might choose to forfeit the \$30,000 provided to each, or part of that total, for a certain period of time and that funding could be turned over to the City of Glens Falls to assist in sustaining the Civic Center.

Mr. Conover stated that he was reluctant to have any specific discussion on the matter, for fear that it might negatively influence the auction process. He advised the Chairman of the Board had requested that he review and consider the available resources in order to determine how they might be directed, or re-directed, on a regional basis. Mr. Conover said he had talked with many Supervisors and developed a number of interesting ideas which would be discussed at future meetings; however, he stated he felt it was premature to hold any discussion on specific activities at this time. Mr. Conover said he felt everyone agreed the Civic Center was an important regional asset, whether publicly or privately owned, but reiterated that any discussion that would potentially effect the auction process being undertaken by the City of Glens Falls would be unfortunate and he preferred not to participate in it at this time.

Mr. Strough stated that while most agreed that the Civic Center was a regional resource and that something should be done to assist, it was difficult to determine how best to help. With regard to Mr. Kenny's proposal for the individual towns to relinquish their \$30,000 share of the occupancy tax revenues, Mr. Strough indicated that everyone was waiting to see the results of the Civic Center auction before making any decisions. In the meantime, Mr. Strough said he had previously been supportive of doing something to assist the Civic Center, and he maintained this opinion.

Chairman Geraghty commented that they had been discussing this matter since late April and he noted a study was currently ongoing to determine a better regional approach to funding assets in Warren County. He said he had received a request to make a call in an effort to prevent the Civic Center auction and he stated that he did not intend to do so. Chairman Geraghty advised he had spoken with many other members of the Board of Supervisors and while most agreed the Civic Center was a regional asset, taking money from the individual towns was the wrong way to go about this; he added that he believed they needed to revisit the overall use of the occupancy tax funds and possibly find a means to redistribute them in a more conducive manner. Chairman Geraghty said that they should allow the auction to occur and await the results; meanwhile Mr. Conover would continue his review to determine whether another means for distribution of occupancy tax funds should be implemented. He concluded that the individual towns counted on their occupancy tax funds to bring tourism to their communities and this was not a good idea to discuss.

Privilege of the floor was extended to John Salvador, Jr., Town of Queensbury Resident, who indicated that he agreed the Glens Falls Civic Center should remain a Warren County resource and he believed there was a way for this to happen without having to auction the facility, by implementing County's option to create a convention and sports authority. Mr. Salvador then proceeded to read aloud a prepared statement, a copy of which is attached to the meeting minutes.

At the conclusion of this statement, Mr. Salvador commented there was no question that something had to be done and he said they did not need to raise taxes, but rather find a means to more prudently use the tax revenue already being collected; he added he could think of no better way than to move forward with the creation of an authority which could issue bonds. He noted this type of action was taken for Crandall Library and he pointed out the mechanism was already present; it just needed to be put in place.

Mr. Kenny apprised he was serving the Board of Supervisors in 2003 when the idea of a convention and sports authority was originally rejected due to the Pinnacle Study, which indicated that Warren County should not support a convention center. Mr. Kenny stated that in order to pursue the idea of creating the authority, the Board would need to petition the State. Mr. Salvatore responded that in rescinding Resolution No. 359 of 2006, *Home Rule Request for the Enactment of Senate Bill No. 7748 and Assembly Bill No. 10904 Entitled "An Act to Amend the Public Authorities Law, in Relation to Establishing the Warren County Convention and Sports Authority, and Providing for it's Powers and Duties"*, they had also rescinded the resolution to extend the occupancy tax law beyond three years, and Mr. Kenny replied he did not believe this was the case. Mr. Salvador then read aloud a section of Resolution No. 663 of 2006, *Rescinding Resolution No. 359 of 2006 Requesting the Enactment of Legislation Creating the Warren County Convention and Sports Authority*, as follows: "An Act to amend the Public Authorities Law, in relation to establishing the Warren County Convention and Sports Authority, and providing for its powers and duties be, and hereby is, rescinded". He stated that the sole purpose of the extension of the occupancy tax was this convention and sports authority and noted there was no other justification for the law. Mr. Kenny responded that he was not able to argue this point because the County Attorney was not present and he would defer to his opinion.

Mr. Strough stated that enactment by the New York State Legislature was necessary to create the sports authority, but noted that it did not have anything to do with a convention center, per se, in reference to the Pinnacle Study, and

he suggested that possibly the County Attorney should be consulted on the matter. Mr. Strough said he was sure that this was something the County Attorney would need to investigate and he requested that an opinion be provided at a future meeting.

Mr. Girard stated he did not believe the County had ever formally denied a request to provide funding for the Civic Center as a regional asset and said he believed that if the auction was a failure and the Civic Center did not sell, they would likely provide assistance through occupancy tax funding. In the event that the auction did fail, he questioned whether there was a desire to meet and confer with the other groups very interested in maintaining the Civic Center in its current carnation to map out future funding possibilities in the most appropriate way. Mr. Conover responded by reiterating he was hesitant to hold any conversation that would have a negative effect on the City's auction process. However, he noted, the County had a good track record of providing funding assistance to the City of Glens Falls for Civic Center-related purchases in the past, such as for the basketball floor and television screens, and he said he did not recall any such requests made during his tenure being refused. Mr. Conover stated that they were aware of the importance of the Civic Center as a regional asset and the financial situation of the City of Glens Falls, but indicated, once again, he did not want to be involved in any conversation that might impact the upcoming auction.

Mr. Girard commented that Warren County supported the Economic Development Corporation (EDC), who had a leader that did a litany of great things for the area, such as acquiring grants for endeavors like expanding sewer and water so that the area could grow. Comparatively, he said, when the runway extension project was introduced, the first question asked was about the economic benefits and the EDC President at that time had been amazingly silent on the subject, regardless of his requests for her input. An interesting parallel, Mr. Girard stated, was that the current EDC President had previously served as the Mayor of the City of Glens Falls when the Civic Center was inherited and he had run the facility successfully for 35 years. Yet, he said, the EDC had not commented on the impact of what could, or could not, happen in regards to the Civic Center and this was a problem attributed to both Warren County and the EDC. Mr. Girard commented that the EDC's silence on the topic spoke volumes and he found this just as upsetting as when they remained silent on the Airport issue; he concluded it was difficult to move forward when these types of groups were not involved in discussions.

As there was no further business to come before the Occupancy Tax Coordination Committee, on motion made by Mr. Strough and seconded by Mr. Simpson, Mr. Kenny adjourned the meeting at 10:25 a.m.

Respectfully submitted,  
Samantha Hogan, Legislative Office Specialist

WARREN COUNTY OCCUPANCY TAX  
COORDINATION COMMITTEE

AUGUST 8, 2014 10:00 AM.

1. ISSUE OF RAISING OCCUPANCY TAX 1% TO 5%  
THERE SHOULD NO NEED TO RAISE OCC. TAX  
a. RECALL IN 2003 THE WARREN COUNTY BOARD  
OF SUPERVISORS ADOPTED RESOLUTION No. 263  
REQUESTING THE STATE LEGISLATURE TO AMEND  
THE STATE TAX LAW SEC 1202-U IN  
RELATION TO AUTHORIZING THE COUNTY OF  
WARREN TO IMPOSE "HOTEL AND MOTEL  
TAXES."

Oct 13  
66/10

THE SECOND WHEREAS CLAUSE OF COUNTY RESOLUTION  
No 263 OF 2003 IN REFERRING TO <sup>BOTH</sup> SENATE BILL No.  
3325 AND ASSEMBLY BILL No. 7249 WOULD ALLOW  
THIS COUNTY TO ENACT A LOCAL LAW FOR THE  
PURPOSE OF QUOTE :

"IMPOSING AN OCCUPANCY TAX OF UP TO 4%  
ON OVERNITE LODGING FACILITIES DEFINED AS  
HOTEL, MOTEL, BED AND BREAKFAST, INN,  
HOUSEKEEPING COTTAGES WITH MORE THAN  
4 UNITS AND "TOURIST FACILITIES."

IN ADDITION, STATE TAX LAW SECTION 1202-U(10)  
PROVIDED THAT SUCH COUNTY LOCAL LAW BE

ENACTED FOR A PERIOD OF TIME NOT TO EXCEED 3 YEARS FROM THE DATE OF ENACTMENT.

ACCORDINGLY, 3 YEARS LATER IN 2006 THE BOARD OF SUPERVISORS ADOPTED RESOLUTION No 359 WHICH WAS A HOME RULE REQUEST FOR THE ENACTMENT OF "AN ACT TO AMEND THE PUBLIC AUTHORITIES LAW IN RELATION TO ESTABLISHING THE WARREN COUNTY CONVENTION AND SPORTS AUTHORITY"

A DISCUSSION ENDED PRIOR TO THE ROLL CALL VOTE IN FAVOR OF THE ADOPTION OF RESOLUTION No. 359 MEANT TO ESTABLISH THE AFOREMENTIONED CONVENTION AND SPORTS AUTHORITY.

APPEARING BEFORE THE BOARD OF SUPERVISORS ON MAY 12, 2006 WAS THE FORMER MAYOR OF THE CITY OF GLENUS FALLS, MR. ROY AKINS, REGARDING THE PROPOSED HOME RULE REQUEST TO AMEND THE PUBLIC AUTHORITIES LAW TO ALLOW FOR THE CREATION OF THE WARREN COUNTY CONVENTION AND SPORTS AUTHORITY.

AFTER THE ROLL CALL VOTE APPROVING RES. No 359 THE LEGISLATURE APPROVED CHAPTER 520 OF THE 2006 SESSIONS LAWS.

FIRST - IN ORDER TO DEAL WITH THE 3 YEAR SUNSET DATE, CHAPTER 520 " REPEALED THE THREE YEAR SUNSET DATE FOR LOCAL ENACTMENT OF THE OCCUPANCY TAX IN WARREN COUNTY SO AS TO PROVIDE A DEDICATED FUNDING STREAM FOR THE WARREN COUNTY CONVENTION AND SPORTS AUTHORITY "

CHAPTER 520 OF THE 2006 SESSIONS LAWS CONTAINS A PARAGRAPH TITLED "JUSTIFICATION"

JUSTIFICATION:

This legislation has been introduced at the request of the Warren County Board of Supervisors. The board would like the local law authorizing the occupancy tax to remain in effect indefinitely, unless rescinded or repealed by the Board of Supervisors. This would provide the county with more flexibility as it provides new expenditures for tourism and convention development, more specifically, the proposed Warren County Convention and Sports Authority.

GOING BACK TO THE MAY 2006 BOARD OF SUPERVISORS DISCUSSION WITH FORMER MAYOR ARINS, MR. DUSEK IS QUOTED AS SAYING " THE LEGISLATURE DID PROVIDE AUTHORITY FOR THE COUNTY BOARD TO CONTRACT WITH THE AUTHORITY TO PROVIDE FUNDS ON A CONTRACT BASIS, FOR UP TO 75% OF THE REVENUES DERIVED FROM THE OCCUPANCY TAX.

MIKE SWAN 761-6379

I HAVE HEARD THAT THERE IS VIRTUALLY NO SUPPORT IN THE LEGISLATURE FOR A 1% INCREASE IN THE COUNTY OCCUPANCY <sup>Tax</sup> ON "HOTEL AND MOTEL" ROOMS.

• HOWEVER, EXCEPT FOR RES NO 663 OF 2006, REPEALING RES 359 OF 06, THERE <sup>WOULD HAVE BEEN</sup> NO PROHIBITION ON MOVING FORWARD WITH THE ESTABLISHMENT OF THE WARREN COUNTY CONVENTION AND SPORTS AUTHORITY, WHICH, AS MR. DUSEK EXPLAINED IN 2006, WOULD BE CONTRACTUALLY FUNDED WITH UP TO 75% OF THE REVENUE COLLECTED AS COUNTY OCCUPANCY TAX. REMEMBER, THERE WAS NO JUSTIFICATION TO EXTEND THE OCCUPANCY TAX BEYOND 3 YEARS OTHER THAN TO PROVIDE NEW EXPENDITURES FOR SPECIFICALLY THE PROPOSED W.C. CON & SPORTS AUTH.

• ALSO, THERE IS NO PROHIBITION ON IMPOSING AN "OCCUPANCY TAX" ON SO CALLED "TOURIST FACILITIES". WE SIMPLY NEED TO DEFINE "TOURIST FACILITIES".

WITH A WARREN COUNTY CONVENTION AND SPORTS AUTHORITY IN PLACE AND ITS REVENUE STREAM DEFINED THE AUTHORITY COULD ISSUE 1.5MM IN BONDS AND PURCHASE THE CIVIC CENTER ON A PRE-AUCTION SALE BASIS.

3.7  
2.5

792-2981