

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: GASLIGHT VILLAGE AD HOC

DATE: SEPTEMBER 3, 2010

COMMITTEE MEMBERS PRESENT:

SUPERVISORS KENNY  
MONROE  
THOMAS  
MERLINO  
BELDEN  
MCCOY  
CONOVER

OTHERS PRESENT:

PAUL DUSEK, COUNTY ATTORNEY/ADMINISTRATOR  
JOAN SADY, CLERK OF THE BOARD  
KEVIN GERAGHTY, BUDGET OFFICER  
SUPERVISORS BENTLEY  
CHAMPAGNE  
MCDEVITT  
STRAINER  
TAYLOR

REPRESENTING CONSULTECON, INC.:

THOMAS MARTIN, PRESIDENT  
ELENA KAZLAS, PRINCIPAL  
DAVE DECKER, DIRECTOR, LAKE GEORGE WATERSHED COALITION  
KATE JOHNSON, DIRECTOR, TOURISM DEPARTMENT  
TANYA BRAND, GROUP TOUR PROMOTER  
JEFFERY TENNYSON, SUPERINTENDENT OF PUBLIC WORKS  
ROBERT BLAIS, MAYOR, VILLAGE OF LAKE GEORGE  
LEN FOSBROOK, PRESIDENT, ECONOMIC DEVELOPMENT CORP.  
TONY HALL, *THE LAKE GEORGE MIRROR*  
DON LEHMAN, *THE POST STAR*  
THOM RANDALL, *THE ADIRONDACK JOURNAL*  
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST  
*Please see sign in sheet for additional meeting attendees.*

Mr. Kenny called the meeting of the Gaslight Village Ad Hoc Committee to order at 9:30 a.m.

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

Commencing the agenda review with Item IIIA, Mr. Kenny announced that representatives of ConsultEcon, Inc., Thomas Martin, President, and Elena Kazlas, Principal, were in attendance to review the report they had prepared relative to the tourism market in Warren County. Mr. Martin then proceeded to provide a powerpoint presentation outlining the results of their report, a copy of which is on file with the minutes. *A copy of the full ConsultEcon, Inc. report is also on file with the minutes.* The presentation touched upon the Gaslight Village Property and outlined the pros and cons of retaining the Cavalcade of Cars Building, as related to ConsultEcon, Inc. by the residents and business owners interviewed. It also indicated tourism issues and challenges, such as lack of strategic planning, visitor tracking and data collection efforts, as well as organization and coordination for tourism development. In summary, Mr. Martin stated that Warren County had significant tourism strengths and addressing the issues raised in the report would lead to a stronger local tourism economy. He added that as an outside consultant, ConsultEcon, Inc. was not prepared to give an opinion as to whether the Cavalcade of Cars Building should be retained or rehabilitated and were only able to provide the information compiled in their study.

Mr. Kenny thanked Mr. Martin for his report. He advised that comments from both the Committee and members of the public were welcomed, but he asked that the statements be kept brief and limited to discussion on the ConsultEcon, Inc. report. Mr. Kenny advised that a separate Committee meeting had been scheduled for September

10<sup>th</sup> at 9:30 a.m. which would be devoted solely to discussion and decision making on the County's position for the future of the Cavalcade of Cars Building. He added that since the report was primarily related to the tourism economy, it would be discussed in greater detail at an upcoming Tourism Committee meeting.

Mr. Merlino said he had read the report in its entirety and wondered who ConsultEcon, Inc. had interviewed to obtain the information included therein. Mr. Martin replied that an initial contact list had been obtained from the client who had initiated the report, the Economic Development Corporation (EDC), and they had subsequently been referred to additional interviewees by many people on the contact list. He added there were a number of contacts that did not respond to inquiries made, but this was expected because information was being sought during the busy tourism season. Mr. Merlino questioned if the listing of contacts solicited was available for Committee review, and Mr. Martin responded that it would be the discretion of the EDC as to whether the information was released. Mr. Merlino then stated his concern that some of the information included in the report may have been received from a business owner who had recently moved to another County and was now competing with Warren County for tourism business. Mr. Martin advised that they had been unaware of this situation when the interview was scheduled. He said the interviewee had advised of the change of location at the start of their meeting and they had decided to continue because they felt the data received would be informative, regardless of the fact the person was relocating to another County.

Referring to the flow chart reflecting the path of tourism related information to visitors, Mr. Conover questioned whether they had come to any conclusions as to how the process could be revised to address complexities and potential issues. Mr. Martin replied they were great believers in working within the existing context and said their first step for revising the issue would be to bring together the public and private sectors to trade advice and develop a strategic plan to work more effectively within the existing structure.

Mr. Bentley asked Kate Johnson, Tourism Director, if she was currently working with area business owners in the manner suggested by Mr. Martin and Ms. Johnson replied affirmatively, noting that the Tourism Department was in contact with local business owners on a monthly basis.

Mr. Champagne said it was his understanding that the report indicated the system in place for tourism promotion was working, but the potential existed to achieve greater or improved interaction which would strengthen the tourism economy. He added he was always interested in the opinions of the private sector and felt an open session allowing for business owners, residents and Supervisors to interact and make suggestions would prove advantageous.

George McGowen, Lake George resident, noted that although the ConsultEcon, Inc. report refrained from stating an opinion as to whether competing business from governmental entities was appropriate, he felt this was always a bad idea because the situation exempted the governmental entity from following its own regulations, allowed them to pay no taxes and basically have no bottom line operating budget which made it a perpetual burden requiring subsidization. In conclusion, he stated that the Gaslight Village Project was likely a situation which would ensnare the County and it probably would have been best if they had not become involved.

Dave Kenny, Lake George resident, advised that he had met with ConsultEcon, Inc. representatives to provide information for the report which he felt included a lot of good information. He said he was a part of the group in favor of retaining the Cavalcade of Cars Building for the betterment of the tourism industry in Warren County. Mr. D. Kenny said there were a number of local business owners interested in assisting with the preservation of the Cavalcade Building and possibly donating money towards the effort; however, he added, many questioned the fact that there seemed to be no business plan in place for the Gaslight Village property as a whole, nor had an operating budget been identified for the parkland portion of the project which would indicate

that the park would kept up and assist in drawing business to the renovated Cavalcade Building. Mr. D. Kenny suggested the possibility of releasing a request for proposal (RFP) relative to the Cavalcade Building to see what offers might be made for renovation and maintenance by a private entity. Additionally, he noted that the ConsultEcon, Inc. report was incorrect in indicating there was "already enough conference/event space in the County in the 10,000 sq. ft. range". Mr. D. Kenny stated the only conference space of this size was located at the Sagamore Hotel, which was closed during the winter season and could not be used for smaller functions. He advised the next largest conference space available was at the Roaring Brook Ranch at a total of approximately 7,500 sq. ft. Mr. D. Kenny provided copies of a petition signed by a number of residents and business owners in favor of retaining the Cavalcade of Cars Building, a copy of which is on file with the minutes.

Mr. Champagne questioned whether they were legally able to release an RFP seeking a private entity to manage and operate the Cavalcade of Cars Building and Paul Dusek, County Attorney/Administrator, replied there were restrictions on the property due to the way in which it was purchased. Mr. Dusek advised he would have to meet with attorneys from the Village and Town of Lake George to determine how far they could proceed in terms of leasing buildings on the property. He added that he did have some reservations with respect to the legality of this suggestion.

Luisa Craige-Sherman, Lake George Chamber of Commerce, commended ConsultEcon, Inc. on their report and said she appreciated the emphasis placed on bringing the public and private sector together in some type of regular meeting forum to express their ideas and concerns in order to better the tourism industry in Warren County. She said she hoped this was an idea that would be considered further to bring more focused sessions together where they could talk and explore planning ideas. Ms. Craige-Sherman noted that although her organization was named a number of times in the report, they had not had the time to review the details as a group because they were in the midst of a very busy tourism season. Respective to the lack of response received by ConsultEcon, Inc. for inquiries made to local business owners, she said she felt the situation was unconscionable and that the business community had a responsibility to respond and provide the information requested, as well as to develop a better understanding of why this information was important.

Fred Austin, Fort William Henry, said he had been involved with the Tourism Promotion Citizens Advisory Committee which was later dissolved because the comments and suggestions of the business community were not well received or taken into consideration. Respective to Mr. D. Kenny's suggestion on the advertisement of an RFP to determine options available in connection with the Cavalcade Building, Mr. Austin said he felt this was simply another delay and that sufficient studies and public hearings had been held to make a determination on the future of the Building.

Joanne Gavin, Lake George Citizens Group, addressed the Committee and read a prepared statement which stated her appreciation for the ConsultEcon, Inc. report and spoke in favor of the advancement of the environmental portion of the Gaslight Village Project. *A copy of Ms. Gavin's statement is on file with the minutes.*

John Carr, Lake George resident and business owner, advised that although he had been very eager to review the ConsultEcon, Inc. report in anticipation of a definite answer on the retention of the Cavalcade of Cars Building, he had found that it did not provide this information and was more tourism based. He said there was a difficult decision to be made on the future of the Cavalcade Building which was compounded by new information indicating that one of the largest facilities in Lake George, Roaring Brook Ranch, might be closing permanently in the fall of 2010, as well as the fact that the Sagamore Resort, which offered the largest amount of convention space, was closed during the winter season. Mr. Carr asked the Committee to look at the Cavalcade Building as a small part of Warren County, but a large part of the Lake George community. He stated that if the

County enjoyed the considerable revenues and job market created by the area's tourism industry, voting against any small part that could make these benefits better was a bad thing. Mr. Carr said he felt Mr. McCoy was so passionate about retaining the Building because he foresaw the positive impact it could create.

Mr. Merlino pointed out that the ConsultEcon, Inc. report did not highlight any of Warren County's winter attractions which consisted primarily of skiing and snowmobiling; he added that if they were not so dependent on snowy weather, Warren County would likely be considered #1 in the State of New York for their extensive snowmobile trail system. He said he was in favor of retaining the Cavalcade Building because it could easily be used to hold events for snowmobile, dirt bike and ATV (all terrain vehicle) expositions allowing visitors to test drive machinery with relatively little effort for clean up due to the cement floors located within. Mr. Martin replied that they had received some information on winter activities and had included a small portion of this information in their report. Due to the nature of the area business and their desire to minimize the length of the report, they had focused on the areas primary tourism season, which consisted of the summer months. He said it was their feeling that Warren County was of a more four-season area than they realized because there was a lot of activity occurring during the shoulder seasons; it just did not bring in as much occupancy tax revenue as the summer season because many participants traveled to the area for day trips.

Mr. Kenny stated that while he appreciated the amount of time and effort spent to develop the report, he was disappointed with it on a few levels, most of which he would address at the next Tourism Committee meeting. He said he was disappointed with the Gaslight Village portion as he felt there would be far more information provided, other than the background information which was included. Mr. Kenny said he was aware that part of the development process was to interview residents and business owners, but unfortunately it was unknown who those people were. He added that it appeared some of the people interviewed had underlying motives and hidden agendas which were reflected in the report. Mr. Kenny concluded that the report would serve as a tool to improve tourism efforts, exactly as it was designed to be used.

Resuming the agenda review, Mr. Kenny skipped ahead to Item IIID, announcing that Dave Decker, Project Manager/Director of the Lake George Watershed Coalition, was in attendance to address the status of the TEP (Transportation Enhancement Program) grant. Mr. Decker distributed copies of a chart reflecting activity on the West Brook Conservation Initiative over the following 60-day period, which he proceeded to review for the Committee's benefit. *A copy of the document is on file with the minutes.*

In connection with the West Brook schedule, Mr. Kenny advised the Board of Supervisors was expected to make a final decision on which buildings would be demolished at the September 17<sup>th</sup> Board meeting and Mr. Decker replied this would fit perfectly into their schedule as it would be known prior to the Board meeting exactly what the demolition and construction bids would be, as well as the total amount of grant funding available. In response to Mr. Belden's questioning as to which grant the demolition costs would be funded by, Mr. Decker replied that there were actually two grants available to cover the costs, the \$1.2 million TEP grant and the \$600,000 NYSDOT (New York State Department of Transportation) grant. He explained that a portion of the demolition costs would be funded by the TEP grant; he added that whether or not all of the demolition costs would come from the TEP grant depended upon whether NYSDOT gave their approval on the demolition bids received on September 16<sup>th</sup>. He said that at this point NYSDOT was anticipating the bids would be approved, but if not, the total amount would need to come from the TEP grant.

Mr. Conover said it seemed the West Brook Conservation Initiative schedule and the decision making process for building demolition schedule seemed to be very close. He suggested delaying a decision on which buildings

should be demolished until more accurate information was available as to the grant funding and approvals. Mr. Kenny responded with his opinion that the matter had gone on far too long and it was time to make a decision on the issue. He said there were alternate proposals to consider, such as allowing the Town of Lake George to renovate the Cavalcade Building at their own cost with no contribution from the County or Village of Lake George, which would be discussed at the September 10<sup>th</sup> Committee meeting.

Mr. Merlino questioned whether an estimate had been provided for maintenance costs associated with the Gaslight Village Property once the West Brook Initiative was complete and Mr. Kenny replied in the negative, noting that they had only determined the revenues received for parking would be used to fund those costs. Mr. Merlino questioned whether the figures previously provided by Dave Wick, Soil & Water Conservation Director, included maintenance expenses and Mr. Thomas advised they were only for maintenance of the sediment ponds and did not include costs for mowing and upkeep. He added that maintenance of the West Brook portion of the Gaslight Village property was supposed to be the responsibility of the 3E's (Environmental Groups - *The Fund for Lake George, The Lake George Association and The Lake George Land Conservancy*).

Robert Blais, Mayor of the Village of Lake George, said he agreed with Mr. Conover's statements that the construction/demolition schedules and the decision making process were very close together. He noted the purpose of the festival space was to generate sufficient funds to cover the maintenance costs associated with the property so that they would not become a burden to the taxpayer. Before making decisions on the future of the Cavalcade of Cars Building, Mayor Blais suggested that further information be received to determine whether more income would be received with or without the Building, as well as how the Building would be used and who would make decisions on its management, maintenance and marketing. He said they should also consider how much revenue would be received to lessen the costs of the amount bonded by the County and how much would be retained for the maintenance of the property. Mayor Blais stated there were a number of factors to consider extensively before making a decision and the current time frame did not seem to allow for this.

Discussion ensued.

Mr. Kenny noted that if two of the 3M's (Municipalities - *Warren County, Town of Lake George and Village of Lake George*) agreed to either save or demolish the Cavalcade Building, it was his assumption that the third party would need to seek an injunction to stop the action. Mr. Dusek agreed with Mr. Kenny's statement, explaining that because the property was owned as tenants-in-common, each party had a right to fully use the parcel. He said that if one party was adverse to plans for the property or, in this case demolition of buildings, that party would have to seek an injunction to stop the action and wait for a Court to decide on the future ownership and usage terms of the property.

Speaking as the Budget Officer, Mr. Geraghty advised that the County was not in a position to dedicate any funding for demolition costs if they were to bypass the grant funding available, nor any other costs for that matter, based on the current budget status. Mr. Belden agreed, noting that Departmental Budgets were being drastically reduced to avoid employee layoffs and he did not feel it was appropriate to commit money to any portion of the Gaslight Village Project given the circumstances. He said that although he felt the Gaslight Village Project was a positive effort, he did not feel the property would ever generate enough revenue to support the associated maintenance costs.

Following further discussion, Mr. Kenny reiterated that the September 10<sup>th</sup> Committee meeting would be dedicated solely to discussion regarding whether or not to demolish the Cavalcade of Cars Building.

Returning to the agenda review, Mr. Kenny addressed Item IIIB which pertained to Resolution No. 518 of 2010, Amending Resolution No. 410 of 2010 to Increase the Reimbursement Amount of Parking Attendants for Events Held at the Former Gaslight Village Property, which failed at the August 20<sup>th</sup> Board meeting. He noted that Mayor Blais had an alternate proposal for the parking services. Mayor Blais apprised the Village was willing to take over the parking responsibilities for the remainder of 2010 as they had staff willing to work at the approved \$8.50 per hour rate. Mr. Kenny questioned how many events were left for the year and Mayor Blais replied there was the car show, which was a large event, and the Moon Glow which occurred during the Adirondack Balloon Festival. Mayor Blais advised they would need to rent one or two portable lighting fixtures because all of the electricity had been turned off at the Gaslight Village property; he added they anticipated an additional cost of approximately \$100 for the lighting rental, unless the County DPW had units available for use during the event.

It was consensus of the Committee to authorize the Village of Lake George to assume parking responsibilities for the Gaslight Village Property for the remainder of 2010 at the previously approved reimbursement amount of \$8.50 per hour.

Mayor Blais announced he had received a written request from the Adirondack Triathlon Club (ATC) seeking use of the parking lot near the Charley's Saloon Building along West Brook Road during the 5<sup>th</sup> Annual Lake George Triathlon on September 18<sup>th</sup>. He said that in return for use of the parking lot, the ATC would make a \$500 donation to the West Brook Project. *A copy of the letter from the ATC is on file with the minutes.*

It was the consensus of the Committee to authorize the Adirondack Triathlon Club to use the parking lot located near the Charley's Saloon Building as outlined above.

Concluding the agenda review, Mr. Kenny addressed Agenda Item IIIC which referred to the request from the Town of Lake George for reimbursement of maintenance fees for work done on the Gaslight Village property. He advised that a request seeking reimbursement had been presented at the previous Gaslight Village Ad Hoc Committee meeting; however, it had not been prepared for the August 20<sup>th</sup> Board meeting and the matter was referred back to Committee for further discussion. Mr. Kenny said that an updated bill reflecting more precise information on maintenance costs had been delivered to Mr. Dusek earlier that morning, but there had not been sufficient time to review it. Mr. Dusek advised that he would email both the original invoice and the revised version to each of the Committee members for their review and suggested that discussion on the matter be delayed until the next Committee meeting. As the Committee was in agreement, the matter was tabled for further review at the September 10<sup>th</sup> meeting.

As there was no further business to come before the Gaslight Village Ad Hoc Committee, on motion made by Mr. McCoy and seconded by Mr. Belden, Mr. Kenny adjourned the meeting at 11:32 a.m.

Respectfully submitted,  
Amanda Allen, Sr. Legislative Office Specialist