

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: OCTOBER 25, 2007

COMMITTEE MEMBERS PRESENT:

SUPERVISORS CAIMANO
KENNY
TESSIER
GABRIELS
MERLINO

OTHERS PRESENT:

KATE JOHNSON, DIRECTOR OF TOURISM
VONDA BEATTIE, PRINCIPAL ACCOUNT CLERK, TOURISM
WILLIAM THOMAS, CHAIRMAN
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE &
FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISORS VANNESS
O'CONNOR
GERAGHTY

COMMITTEE MEMBERS ABSENT:

SUPERVISORS HASKELL
MONROE

FRED AUSTIN, BUILDING PROJECTS COORDINATOR
TOM LABELLE, NEW YORK STATE ASSOCIATION OF FIRE
CHIEFS'
LUISA SHERMAN, WARREN COUNTY COUNCIL OF
CHAMBERS
LYNN SMITH, WARRENSBURG CHAMBER OF COMMERCE
BILL DUTCHER, AMERICADE, INC.
CHARLENE DIRESTA, LEGISLATIVE OFFICE SPECIALIST

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

Motion was made by Mr. Merlino, seconded by Mr. Kenny and carried unanimously to approve the minutes of the October 3, 2007 Committee meeting, subject to correction by the Clerk of the Board.

Mr. Caimano noted that Frank O' Keefe, County Treasurer, was not present, therefore, there would not be a report from the County Treasurer at this meeting; however, he added a report had been given at the October 3, 2007 meeting.

Privilege of the floor was extended to Tom LaBelle, New York State Association of Fire Chiefs' (NYS AFC), who said he had come to the Committee to clarify the Associations' need for Occupancy Tax funding.

For the benefit of those who had not been present at the last Committee meeting, Mr. Kenny apprised that the Committee had approved \$150,000 in Occupancy Tax

funding contingent upon the submission of applications for Occupancy Tax funding to the Towns of Bolton, Queensbury and Lake George, as well as the Village of Lake George, to reduce the amount that would be needed from the County. He added that specific dollar amounts to be requested from those Towns had not been discussed. He noted that one of the Committee members had not been aware that the Association would profit from the Conference if they received \$150,000 in Occupancy Tax funding from Warren County. He added that Mr. Gabriels had not been present at the last Committee meeting and therefore, had not been prepared to comment on the issue at the October 19, 2007 Board meeting.

Mr. Tessier apprised that it was his understanding that the Association would be able to hold the Conference with \$100,000 contributed from the County and \$50,000 would be contributed from the Towns. Mr. Caimano questioned if the Town of Lake George would be able to contribute a portion of the \$50,000 and Mr. Tessier replied affirmatively.

Mr. Kenny said that Mr. Haskell had suggested at the last Committee meeting that the additional \$100,000 be transferred from the General Fund. He added that it had been determined that this could not legally be done. He noted that if the Association was allotted \$150,000, there would be approximately \$150,000 remaining in the Special Events fund for 2008. He stated that Americade was the largest tourist attraction for Warren County and they were allotted the maximum of \$50,000. Mr. Caimano noted that the rule was that a maximum amount of \$50,000 could be approved for each event. Mr. Kenny said that the Board of Supervisors had made an exception to that rule for the Fire Chiefs Association for the past two years.

Mr. Gabriels apprised that the October 19, 2007 Board meeting had been the first time he had heard of the request for the Towns of Bolton, Queensbury, Lake George and the Village of Lake George to contribute funding to this event. He added that he had presented the concept to the Bolton Town Board and the Town of Bolton Occupancy Tax Committee. He said that the members had suggested various amounts of funding that had ranged from no contribution to \$20,000, with the average suggestion being \$5,000. He stated that he had asked the owner of The Sagamore how the Conference had affected the hotel's business and had been told that approximately 200 rooms had been occupied that weekend. He said that he had questioned the General Manager about the suggested amount of Occupancy Tax funding for the Conference and had received an answer of \$10,000.

Mr. Kenny noted that the Association had been investigating the possibility of

holding the Conference at Adirondack Community College (ACC) and he asked if there was any new information. Mr. LaBelle responded that he had conversations with officials from ACC and had determined that there would be no problems with the use of classrooms for educational programs during the Conference. He added that he had discovered that there would be a major construction project in the parking lot of ACC at the same time as the Conference. Mr. Kenny questioned if the Association needed \$150,000 in funding in order to return to Warren County in 2008. Mr. LaBelle replied affirmatively and added that the goal was to achieve a level where the Association would not require as much funding in order to hold the Conference. He stated that for the last two years the Association had contracted with Warren County for Occupancy Tax funding and added this was the first year that they were requesting funding through the application process. He added that they were not familiar with the process since this was their first year. Mr. Caimano said that it was a fairly simple process and the Committee would assist as needed.

Mr. Caimano stated that the Committee was sympathetic to the Association's need for \$150,000. He added that the Committee had committed to \$50,000 and needed to find a way to fund the additional \$100,000. Mr. Gabriels questioned why certain Towns were requested to contribute when the Conference benefitted all of Warren County. Mr. Kenny replied that the idea had come from the floor at the last Committee meeting.

In answer to a question from Mr. Kenny, Mr. LaBelle replied that the Association would be willing to admit Warren County firefighters to the Conference free of charge.

Discussion ensued.

Mr. Kenny stated that the Association needed an answer right away and the Committee would be unable to give a definite answer until the next Board meeting. Mr. Caimano said that the issue could be discussed at the November 2, 2007 Adjourned Board meeting. It was the consensus of the Committee that the issue be brought before the full Board on November 2, 2007.

Mr. Caimano clarified that the suggestion was that the Committee approve \$150,000 in Occupancy Tax funding for the NYSAFC Conference, with \$50,000 from Occupancy Tax funding and \$100,000 to come from a combination of contributions from the Towns and the Special Events fund. Mr. Kenny said that each of the Towns within the County should be solicited for a contribution. He added that a letter should be sent to each of the Town Supervisors so that they would be prepared to discuss the issue on November 2, 2007.

Mr. LaBelle questioned if the Association should solicit the Towns for contributions or if the Committee would be responsible. Mr. Caimano replied that the Committee would send a letter to the Town Supervisors requesting the contributions. Mr. Merlino suggested that the fairest way to determine the amount of contribution from each Town would be to base it on the percentage of Occupancy Tax collections received. Mr. Caimano noted that the Towns were originally allotted \$30,000 each. Joan Sady, Clerk of the Board, said that the balance of Occupancy Tax funds were then distributed based on the percentage of collections. Chairman Thomas questioned if the Towns would have the option to opt out of their contribution and Mr. Caimano replied affirmatively.

In answer to a question about un-tabling the resolution from the last Board meeting, Mrs. Sady stated that the tabled resolution had specifically mentioned the Towns of Bolton, Queensbury, Lake George and the Village of Lake George. Mr. O'Connor questioned if the County would award all of the funding and then be reimbursed by the Towns and Mr. Caimano replied affirmatively. Chairman Thomas said that the Association would then know that the funding was guaranteed.

Discussion ensued regarding the verbiage to be used for the resolution.

Mr. Kenny questioned where the balance of the funding would come from if any of the Towns decided not to contribute. Mr. Caimano responded that any balance would come from the Special Events Fund. Mr. O'Connor suggested leaving the previous resolution tabled and developing a new resolution for the November 2, 2007 Board meeting.

Mr. Tessier questioned when the Association would no longer request the additional \$100,000 in funding from Warren County. Mr. LaBelle responded that the Association had incurred a loss of \$50,000 last year and he hoped that in two to three years they would be able to hold the Conference with a request for only \$50,000 from the County. Mr. Gabriels questioned if the Association would be asking for \$150,000 for the following year as well and Mr. LaBelle responded that the Association hoped to decrease the amount of their request by 1/3 each year. He added that since the Gaslight Village Property would not be available for 2008, the Association had the additional expense of finding another suitable location.

Mr. Caimano apprised that the resolution would state that the Occupancy Tax Coordination Committee would endorse the additional \$100,000 in funding support to be paid by a combination of pro-rata contributions from the Towns and any balance to be paid from the Special Events Fund. Chairman Thomas asked if a Town that had collected more in Occupancy Tax funds would be requested to

contribute more than a smaller Town which had collected less and Mr. Caimano replied affirmatively. Mr. Kenny apprised that the County could use the same formula that was used for the final disbursement of Occupancy Tax to the Towns. Mr. Caimano stated that the Committee would ask the Clerk of the Board to immediately send a letter to each Town requesting a contribution of Occupancy Tax funding for the NYSAFC Conference.

Mr. Gabriels suggested that the percentage of contribution be determined based on the percentage of sales tax and not Occupancy Tax. Mr. Kenny noted that the closer a Town was to the location in which the event was held, the more that Town would be affected by increased Occupancy Tax and sales tax collections.

Mr. Tessier asked Mr. LaBelle if the Association sold advertising in a book for the Conference. Mr. LaBelle responded that the Association had produced a book of local businesses last year but had received minimal participation. Mr. Tessier asked if it was legal for the local businesses to contribute towards the additional \$100,000 and Mr. Caimano responded that he was unsure.

Discussion ensued.

Mr. Gabriels noted that the Conference was beneficial to all of New York State; however, he questioned why the Town of Bolton or any of the Towns would want to be a major contributor to the NYSAFC Conference. Mr. LaBelle responded that the County had originally sponsored the NYSAFC Conference with a contribution of \$300,000 and he added that last year the Association was able to reduce that amount to \$150,000. Chairman Thomas said that Mr. Gabriels had made a good point and added that if the Towns contributed to the Conference it would set a precedent for other events to start requesting additional support from the Towns, as well. Mr. LaBelle stated that it was evident that the Association could not continue to request this amount of support in the future; however, he said, the Association was not at the point where they could fund the Conference without the \$150,000 contribution from the County. He noted that both the Association and Warren County benefitted financially from the Conference. Chairman Thomas stated that the NYSAFC Conference was still a new event for Warren County and added that the County supported new events more than they would support long-standing events.

Mr. Geraghty stated that he had attended the Conference in the past and added that the Conference provided the firefighters of New York State with information that was significant to their profession. He further added that the training that was received by firefighters at the Conference outweighed the costs. Mr. Gabriels noted that the Association was non-profit and the County would be willing to work a little harder to help a non-profit association.

Mr. Tessier said that if letters were to be sent to the Towns, it needed to be determined what percentage each Town would need to contribute. Mrs. Sady suggested using the same percentage formula that was used for the final distribution of Occupancy Tax collections. Mr. Caimano said that the Committee would consider both the percentages of Occupancy Tax and sales tax collections. Mrs. Sady said that the formula that was used should be included in the letter to the Town Supervisors. Mr. Kenny stated that the percentages of Occupancy Tax and sales tax would be vastly different. Mr. Caimano noted that since they were discussing Occupancy Tax funding, the percentage used should be the percentage of Occupancy Tax collections. In answer to a question about how much Occupancy Tax was distributed to the Town of Bolton last year, Mr. Gabriels responded that all of the funds received had already been budgeted for 2008. It was the consensus of the Committee that the percentage used to request the contributions from the Towns would be based on the formula for the final distribution of Occupancy Tax collections.

Mr. Kenny stated that if at the November 2, 2007 Board meeting, the majority of the Board of Supervisors were opposed to this recommendation, the Committee would only be able to offer the Association \$50,000. Mr. Caimano responded that if that were the case the entire \$150,000 would come from the Special Events Fund. Chairman Thomas stated that if the Committee moved forward with the motion they were discussing, then the Fire Chiefs Association would be guaranteed \$150,000 and it would be up to the Committee to figure out where the funds would come from. Mr. Caimano stated that this Committee was moving the decision to the full Board and that there would not be an official commitment until the Board voted on November 2, 2007.

Motion was made by Mr. Tessier and seconded by Mr. Gabriels to authorize Occupancy Tax funding in the amount of \$50,000 to the New York State Association of Fire Chiefs' for the 2008 Conference, with a recommendation for an additional \$100,000 to be paid in pro-rata investments from all municipalities based upon their amounts of distribution of Occupancy Tax and any remaining balance to be paid from the Special Events Fund.

Mr. Gabriels said that he had already discussed the issue with his Town Board and that the Town of Bolton could only contribute \$10,000. Chairman Thomas questioned if the Towns were only able to contribute a portion of the \$100,000, would the Association be able to hold the Conference. Mrs. Sady noted that according to the way the motion had been worded, any remaining shortfall towards the \$100,000 contribution would come from the Special Events Fund. Chairman Thomas apprised that if the Board decided that they would only provide \$50,000 in funding for the Conference, then the only additional funding would be

what was contributed by the Towns.

Mr. Caimano called the question and the motion was carried by majority vote to authorize Occupancy Tax funding in the amount of \$50,000 to the New York State Association of Fire Chiefs' for the 2008 Conference, with a recommendation for an additional \$100,000 to be paid in pro-rata investments from all municipalities based upon their amounts of distribution of Occupancy Tax and any remaining balance to be paid from the Special Events Fund, with Mr. Kenny voting in opposition. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the November 2, 2007 Adjourned Board meeting.*

Lynn Smith, President of the Warrensburg Chamber of Commerce, introduced herself and distributed a budget for The World's Largest Garage Sale, a copy of which is on file with the minutes. She said that in 2006 the Garage Sale had approximately 50,000 visitors and in 2007 there had been approximately 60,000. She added that the majority of the hotels in the Town of Lake George and all of the Bed & Breakfasts and hotels in the Town of Warrensburg were full with both vendors and visitors. She noted that there had been good weather for the weekend of the Garage Sale and it had been well attended. She apprised that the Warrensburg Chamber of Commerce did make a profit from the Garage Sale; however, she added, that any profit made was used to fund other events for the entire year.

Mr. Kenny questioned how much was being requested in funding and Ms. Smith replied \$10,000. Mr. Kenny noted that by law Occupancy Tax funding could only be used to cover the costs of certain expenses. He asked the amount that was remaining in the Occupancy Tax fund and Kate Johnson, Director of Tourism, responded there was approximately \$19,982 remaining. Ms. Johnson asked if an application had been filed prior to the event and Ms. Smith replied affirmatively. Mr. Caimano questioned how many overnight visitors had attended and Vonda Beattie, Principal Account Clerk of the Tourism Department, replied that the projected number of attendees had been listed as 140,000. Ms. Smith noted that there had been approximately 60,000 attendees and she added, since admission was not charged to attend the event, it was difficult to estimate the actual number of attendees.

Mr. Kenny noted that the intention of the Committee was not to supplement the amount of profit that an organization made and he added, that the Garage Sale had made a profit. He further added that the Garage Sale was a large tourism event for Warren County. Mr. Gabriels noted that the Bolton Chamber of Commerce raised the amount of their dues in order to fund their events. Ms.

Smith said that the Warrensburg Chamber of Commerce had approximately 136 members.

Mr. Caimano apprised that the Committee could only subsidize the amount that had been spent on advertising. Mr. Kenny stated that the Garage Sale provided a substantial economic impact, which was part of the criteria for Occupancy Tax funding; however, he added, that it was not determined how many overnight visitors there had been and for how many nights. Chairman Thomas noted that the Garage Sale provided a good form of exercise for local residents, who walked through the entire Town of Warrensburg. Mr. Geraghty noted that there were a lot of out-of-State and downstate visitors who attended the Garage Sale. He added that the Town of Warrensburg contributed Occupancy Tax funding for the event. Mr. Kenny asked when the Garage Sale was held and Ms. Smith replied that it was held on the weekend prior to Columbus Day every year. Mr. Kenny noted that according to the criteria for Occupancy Tax funding, the Garage Sale could be awarded between \$5,000 and \$9,999. Mr. Caimano reiterated that the only expense that could be covered was advertising. Ms. Johnson asked if the Warren County logo had been used in the advertising and Ms. Smith replied that the logo had not been used because she did not have approval prior to advertising for the event.

Motion was made by Mr. Tessier, seconded by Mr. Merlino and carried unanimously to authorize Occupancy Tax funding in the amount of \$7,900 to the Warrensburg Chamber of Commerce for The World's Largest Garage Sale that had been held on September 29-30, 2007. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the November 16, 2007 Board meeting.*

Mr. Kenny questioned if Warren County was actively advertising that they would be willing to subsidize organizations to hold their special events here. Mr. Gabriels questioned if the Warren County logo would be part of next year's advertising for The World's Largest Garage Sale since it had not been used this year and Ms. Smith replied affirmatively.

As there was no further business to come before the Occupancy Tax Coordination Committee, on motion made by Mr. O'Connor and seconded by Mr. Kenny, Mr. Caimano adjourned the meeting at 11:43 a.m.

Respectfully submitted,

Charlene DiResta, Legislative Office Specialist