

OCCUPANCY TAX COORDINATION

DATE: November 21, 2016

AGENDA

Committee Supervisors:

E. Merlino, Chairman
D. Dickinson
R. Conover
E. Frasier
M. Simpson
J. Strough
R. Vanselow
E. Wood
D. Beaty
C. Leggett
R. Seeber

- I. Committee meeting called to order by Chairman.**
- II. Motion to approve minutes of meeting held on July 25, 2016.**
- III. Action Agenda:**
 - Discussion of the 2017 Occupancy Tax Spending Plan**
 - Privilege of the floor to discuss any additional items to come before the committee.**
- IV. Old Business/Pending items: none**
- V. Motion to adjoin**

Warren County Board of Supervisors

RESOLUTION NO. 151 OF 2016

Resolution introduced by Supervisors Conover, Seeber, Sokol, Simpson, Merlino, Dickinson, Girard, Frasier, Beaty, McDevitt and Braymer

AUTHORIZING AMENDMENT AGREEMENTS BETWEEN MUNICIPALITIES IN WARREN COUNTY AND THE COUNTY OF WARREN FOR TOURISM PROMOTION AND TOURIST AND CONVENTION DEVELOPMENT SERVICES - OCCUPANCY TAX

WHEREAS, the County derives revenues from the Occupancy Tax authorized by act of the New York State Legislature (Chapter 422 of the Laws of 2003) and, after deducting the amount provided for administering such tax, is to allocate the funds to enhance the general economy of the County of Warren and its cities, towns and villages through the promotion of tourist activities, conventions, trade shows, special events and other directly related and supported activities, and

WHEREAS, the Warren County Board of Supervisors has previously authorized contracts with the various municipalities in Warren County to provide funds, annually, to enhance the general economy of the various municipalities and therefore, the County of Warren, through the promotion of tourist activities, conventions, trade shows, special events, and other directly related and supported activities, and

WHEREAS, it has been proposed to provide the following additional amounts to the various municipalities for 2016 and accordingly amend the aforementioned contracts to provide the following stated additional funds in January, 2016 or as soon thereafter an amendment agreement between Warren County and the various municipalities can be executed and payment thereunder processed:

| | | |
|--|------------------|---|
| Warren County | \$150,000 | (Wood Park, Fair Grounds, Up Yonda, Invasive Species control, as examples) Warren County 2016 allocation will be reduced by \$33,287 to cover festival space fence cost paid in 2015. |
| Lake George | \$150,000 | (Combined Town and Village allocation) |
| Bolton | \$60,000 | |
| Queensbury | \$60,000 | |
| Towns & City GF | \$135,000 | (\$15,000 for each of the eight remaining towns & Glens Falls) |
| County Tourist & Convention Event Development Fund | \$250,000 | Maximum 3 year funding |
| County Special Event, Tradeshow, Activity Discretionary Fund | \$75,000 | (All municipalities eligible to apply for discretionary funding on a competitive basis) |
| Total Expense | \$880,000 | |
| Revenue | | |
| County Event Funding Reduction 2016 | \$175,000 | (Remaining County event funding for major regional activities only) |
| Required Fund Balance 2016 | \$705,000 | |
| Total Revenue 2016 | \$880,000 | |

RESOLUTION NO. 151 OF 2016

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now, therefore, be it

RESOLVED, that the Chairman of the Board of Supervisors be, and hereby is, authorized and directed to execute amended or revised agreements providing additional funds for the various municipalities as stated in the preambles of this resolution in a form to be approved by the County Attorney, and be it further

RESOLVED, that the terms and provisions of the prior contracts shall otherwise continue to remain in force and effect except as now amended by the amendment agreements authorized hereby, and be it further

RESOLVED, that the Warren County Treasurer be, and hereby is authorized and directed to pay to each municipality the amounts specifically set forth herein above as soon as possible upon receipt of a fully executed amendment agreement from the municipality with the remaining amounts provided for under the previously existing agreements to be distributed as provided therein and based on the formula previously approved by the Warren County Board of Supervisors in distributing one percent (1%) to the municipalities.

Occupancy Tax Expenditures

| | 2015 | 2016 | 2017 |
|-------------------------------------|-------------------|--------------------|--------------|
| Payments to Towns | 953,701.17 | 1,037,095.00 | 1,037,000.00 |
| Additional to Towns - Spending Plan | 270,000.00 | 405,000.00 | 405,000.00 |
| Special Event Funding | 276,000.00 | 259,500.00 | 175,000.00 |
| Civic Center | 250,000.00 | 250,000.00 | 250,000.00 |
| Discretionary Fund | 50,000.00 | 75,000.00 | - |
| Warren County Projects* | <u>100,000.00</u> | <u>150,000.00*</u> | <u>-</u> |
| | 1,899,701.17 | 2,176,595.00 | 1,867,000.00 |

* increased to \$248, 306 in 2016

(30,000 to Balloon Festival from Projects)

Funds Outside of Tourism Budget 2008 - 2017

Special Event Funding

| | | |
|--------------|---------------------|-----------------------------------|
| 2008 | 269,046.97 | |
| 2009 | 338,597.21 | |
| 2010 | 328,142.63 | |
| 2011 | 344,100.00 | |
| 2012 | 325,680.92 | |
| 2013 | 381,970.00 | |
| 2014 | 365,000.00 | |
| 2015 | 276,000.00 | |
| 2016 | 289,500.00 | (incl. 30,000 - Balloon Festival) |
| 2017 | 175,000.00 | |
| Total | <u>3,093,037.73</u> | |

| | | |
|-------------------------------|---------------|------|
| Festival Commons fence | 75,440 | 2015 |
| | <u>33,287</u> | 2016 |
| Total | 108,727 | |

Water Feature 150,000 2016 - not spent

Traffic Study 25,000 2015, 2016 - not spent

Glens Falls Civic Center

| | | |
|---|---|-------------|
| Seats | 50,000 per year x 4 years =200,000 | (2007-2010) |
| Video Screens | 50,000 per year x 3 years =150,000 | (2011-2013) |
| Basketball floor | 43,000 | 2012 |
| County Tourist & Convention Event Development Fund | 250,000 per year x 3 years = <u>750,000</u> | (2015-2017) |

TOTAL 1,143,000

**Lake George Chamber of Commerce/CVB
Sales Position**

| | |
|----------------|----------------|
| 5/1 - 12/31/09 | 29,839 |
| 2010 | 50,000 |
| 2011 | 55,000 |
| 2012 | 55,000 |
| 2013 | 55,000 |
| 2014 | 55,000 |
| 2015 | 140,000 |
| 2016 | 140,000 |
| 2017 | <u>175,000</u> |
| Total | 754,839 |

Website - 2016 5,000

Exit 17 25,000 x 4 years = 100,000 (2013, 2014, 2016, 2017)
if renewed; expires 5/31/17

2017 EVP Volleyball Tour 10,000 2016

| | | |
|---|--|---------------|
| Village of Lake George | | |
| Visitor's Center | 25,000 per year x 8 = 200,000 plus 2010 @ 12, 500 | (2009 - 2017) |
| Total | <u>212,500</u> | |
| Festival Space Funding | 25,000 | 2015 |
| Contribution for activities surrounding ECHL Hockey All-Star Week - January 2017 | 5,000 | 2016 |
| Town of Stony Creek | | |
| land purchase | 30,000 | 2016 |
| Eradication of Asian Clams | 130,000 | 2011 |
| | <u>370,000</u> | 2012 |
| Total | <u>500,000</u> | |

| Occupancy Tax funds received in 2016 | | | | | | Occupancy Tax funds received in 2015 | | | | | | Occupancy Tax funds received in 2014 | | | | | |
|--------------------------------------|---------|------------|--------------|---------|--------------|--------------------------------------|---------|------------|--------------|---------|--------------|--------------------------------------|------------|--------------|---------|------------|--|
| | April | Final 2015 | Initial 2016 | | Total | | January | Final 2014 | Initial 2015 | | Total | | Final 2013 | Initial 2014 | | Total | |
| Bolton | 60,000 | 157,850.02 | 30,000 | 18.11% | 247,850.20 | Bolton | 40,000 | 132,300.66 | 30,000 | 17.02% | 202,300.83 | Bolton | 125,997.67 | 30,000 | 16.83% | 155,997.84 | |
| Chester | 15,000 | 6,882.63 | 30,000 | 3.56% | 51,882.67 | Chester | 10,000 | 6,313.45 | 30,000 | 3.81% | 46,313.49 | Chester | 6,012.67 | 30,000 | 3.89% | 36,012.71 | |
| Hague | 15,000 | 7,846.14 | 30,000 | 3.65% | 52,846.18 | Hague | 10,000 | 4,115.02 | 30,000 | 3.58% | 44,115.06 | Hague | 3,918.97 | 30,000 | 3.66% | 33,919.01 | |
| Horicon | 15,000 | 4,382.12 | 30,000 | 3.32% | 49,382.15 | Horicon | 10,000 | 4,171.39 | 30,000 | 3.58% | 44,171.43 | Horicon | 3,972.66 | 30,000 | 3.67% | 33,972.70 | |
| Johnsburg | 15,000 | 9,192.94 | 30,000 | 3.78% | 54,192.98 | Johnsburg | 10,000 | 7,384.49 | 30,000 | 3.92% | 47,384.53 | Johnsburg | 7,032.68 | 30,000 | 4.00% | 37,032.72 | |
| Lake George - Town | 75,000 | 172,877.98 | 30,000 | 19.56% | 277,878.18 | Lake George - Town | 50,000 | 138,895.97 | 30,000 | 17.71% | 218,896.15 | Lake George - Town | 132,278.76 | 30,000 | 17.51% | 162,278.94 | |
| Lake George - Villlage | 75,000 | 120,464.50 | 30,000 | 14.51% | 225,464.65 | Lake George - Villlage | 50,000 | 110,823.65 | 30,000 | 14.77% | 190,823.80 | Lake George - Villlage | 105,543.85 | 30,000 | 14.62% | 135,544.00 | |
| Lake Luzerne | 15,000 | 4,291.36 | 30,000 | 3.31% | 49,291.39 | Lake Luzerne | 10,000 | 4,453.24 | 30,000 | 3.61% | 44,453.28 | Lake Luzerne | 4,241.08 | 30,000 | 3.69% | 34,241.12 | |
| Queensbury | 60,000 | 147,852.21 | 30,000 | 17.15% | 237,852.38 | Queensbury | 40,000 | 138,726.86 | 30,000 | 17.69% | 208,727.04 | Queensbury | 132,117.71 | 30,000 | 17.49% | 162,117.88 | |
| Stony Creek | 15,000 | 817.53 | 30,000 | 2.97% | 45,817.56 | Stony Creek | 10,000 | 1,409.25 | 30,000 | 3.29% | 41,409.28 | Stony Creek | 1,342.12 | 30,000 | 3.38% | 31,342.15 | |
| Thurman | 15,000 | 465.93 | 30,000 | 2.94% | 45,465.96 | Thurman | 10,000 | 450.96 | 30,000 | 3.19% | 40,450.99 | Thurman | 429.49 | 30,000 | 3.28% | 30,429.52 | |
| Warrensburg | 15,000 | 1,759.87 | 30,000 | 3.06% | 46,759.90 | Warrensburg | 10,000 | 2,029.32 | 30,000 | 3.36% | 42,029.35 | Warrensburg | 1,932.64 | 30,000 | 3.45% | 31,932.67 | |
| City of Glens Falls | 15,000 | 12,411.01 | 30,000 | 4.09% | 57,411.05 | City of Glens Falls | 10,000 | 12,626.91 | 30,000 | 4.47% | 52,626.95 | City of Glens Falls | 12,025.34 | 30,000 | 4.53% | 42,025.39 | |
| | 405,000 | 647,094.24 | 390,000 | 100.00% | 1,442,095.24 | | 270,000 | 563,701.17 | 390,000 | 100.00% | 1,223,702.17 | | 536,845.64 | 390,000 | 100.00% | 926,846.64 | |

Occupancy Tax is a 4% tax on room rentals of hotels, motels, bed & breakfasts, inns, housekeeping cottages with four or more units and tourism facilities (ie. campgrounds with onsite RV rentals)

The original agreements with the towns, Village of Lake George and the City of Glens Falls called for two distributions of Occupancy Tax revenues back to the municipalities equaling 25% of the amount collected.

A 30,000 allocation is given to all the municipalities each year, on or about October 15th; a final distribution of funds is given based upon the previous year's collections, on or about June 1st.

(Resolution # 150 of 2005 states that "one-fourth of Occupancy Tax Revenue distributed to each municipality would be based on the dollar amount of Occupancy Tax collected within each municipality over and above the minimum distribution of \$30,000 distribution of \$30,000 per year to each municipality.")

Approximately \$2,500,000 of collections is used to support the County Tourism Department. (\$2,536,049 in 2016 + \$27,600 for BBG&G contract, to be transferred from Reserve)

Funding for Special Events was \$233,500 this year. The maximum amount to any one event is \$50,000.

In addition, the Tourism & Occupancy Tax Coordination Committee has approved the 2016 Occupancy Tax Spending Plan to allocate the following amounts to other codes:

Warren County Projects, A.6417 480.04 : \$150,000

County Tourist & Convention Event Development Fund, A.6417 480.02 : \$250,000; currently given to the Glens Falls Civic Center

County Special Event, Tradeshow, Activity Discretionary Fund, A.6417 480.03 : \$75,000

Additional Municipal Payments as above: \$405,000

The Occupancy Tax Spending Plans have been in existence for only two years; 2015 and 2016. The reason for these are to reduce the amount of money in the Occupancy Tax Reserve Fund.