

Authorizing The Chairman Of The Ulster County Legislature To Execute An Extension Of The Sales Tax Agreement With The City Of Kingston

Referred to: The Government Efficiency and Review Committee (Chairman J. Parete and Legislators Belfiglio, Greene, Loughran and R. Parete), and The Ways and Means Committee (Chairman Gerentine and Legislators Allen, Bartels, Belfiglio, Briggs, Maio, and Maloney)

Legislators David Donaldson and Jennifer Schwartz Berky offer the following:

WHEREAS, Resolution No. 251 of 2010 passed on October 19, 2010 stated that the Ulster County Legislature approved the agreement between the County of Ulster and the City of Kingston providing for the continuation and extension of the Sales Tax Agreement between the municipalities, dated January 18, 2006, for an additional period of five years, commencing March 1, 2011 and ending February 29, 2016, which provided that 11.5% of net sales tax collections shall be allocated to the City and 3% of such net collections shall be allocated to the area of the County outside the City, and the balance of 85.5% of such net collections shall be allocated to the County; and

WHEREAS, in the last three agreements, the County has kept 85.5% of sales tax collected and has dispersed 11.5% of the County sales tax to the City and 3% among the other municipalities; and

WHEREAS, the City of Kingston, both by Common Council resolution and declaration by the Mayor of said City, has expressed overwhelming support for renewing the present above mentioned sales tax allocation formula; and

WHEREAS, the County Supervisor's and Mayor's Association unanimously passed a resolution in support of the present sales tax allocation formula as 85.5% County, 11.5% City and 3% to the "towns"; and

WHEREAS, each affected town has individually expressed the support of continuation of the present sales tax allocation formula, through resolution and/or through their supervisor; and

WHEREAS, Tax Law Section 1262 (e) requires written notice of said change to governing bodies of affected cities at least six months prior to the commencement of the respective fiscal years; and

WHEREAS, the present agreement dated October 29, 2010 expired on February 29, 2016; now, therefore be it

Resolution No. 185 April 19, 2016

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RESOLVED, that the Ulster County Legislature hereby approves an agreement between the County of Ulster and the City of Kingston providing for the continuation and extension of the Sales Tax Agreement between the municipalities, dated October 29, 2010, for an additional period of five years, commencing March 1, 2016 and ending February 29, 2016, which provides that 11.5% of net sales tax collections shall be allocated to the City and 3% of such net collections shall be allocated to the area of the County outside the City, and the balance of 85.5% of such net collections shall be allocated to the County; and be it further

RESOLVED, that pending review by the County Attorney and Legislative Counsel, the Chairman of the Ulster County Legislature is hereby authorized to execute the above-mentioned agreement and any other documents necessary to implement it on behalf of the Ulster County Legislature,

and moves its adoption.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

Postponed in Government Efficiency and Review Committee on April 18, 2016

Passed Committee: Government Efficiency and Review on _____.

Passed Committee: Ways and Means on _____.

FINANCIAL IMPACT:

\$15,945,076 - 2016 BUDGETED SALES TAX FOR CITY AND TOWNS

\$94,020,965 - 2016 BUDGETED SALES TAX FOR COUNTY

TBD - 2017 SALES TAX FOR COUNTY ESTIMATE