

**Government Efficiency and Review Committee
Regular Meeting Minutes**

DATE & TIME: April 18, 2016 – 4:30 PM
LOCATION: COB, 6th Floor, Karen Binder Library
PRESIDING OFFICER: Chairman John R. Parete
LEGISLATIVE STAFF: Jay Mahler, Legislative Staff
PRESENT: Legislators Belfiglio, R. Parete, Ronk
ABSENT: Legislator Briggs, Greene
QUORUM PRESENT: Yes

OTHER ATTENDEES: Legislators Allen and Donaldson, Legislative Counsel Guerin, Mr. Tom Kadgen – League of Women Voters, Evan Gallo – Deputy Ulster County Comptroller

Chairman Parete called the meeting to order at 5:00 PM.

Motion No. 1: RESOLVED To Approve the Minutes of the March 14, 2016 meeting

Motion Made By: Chairman Ronk
Motion Seconded By: Legislator Belfiglio

Discussion:

None

Roll Call Vote: No
Voting In Favor: Legislators J. Parete, Belfiglio, R. Parete, Ronk
Voting Against: None
No. of Votes in Favor: 4
No. of Votes Against: 0
Disposition: Carried

Motion No. 2: Resolution No. 176 – April 19, 2016

Text of Motion: Resolved to POSTPONE Resolution No. 176 FOR ONE MONTH – Setting A Public Hearing On Proposed Local Law No. 4 of 2016 (A Local Law Amending Local Law No. 5 Of 1991 (A Local Law Adopting A Hotel And Motel Room Occupancy Tax) To Update The Tax Law’s Application To Short-term And Vacation Rentals) To Be Held On Tuesday, May 10, 2016 At 6:05 PM

Motion Made By: Legislator Belfiglio

Motion Seconded By: Chairman Ronk

Resolution No. 176 Summary: This resolution sets a public hearing on Tuesday, May 10, 2016 to give the public an opportunity to express their thoughts on Proposed Local Law No. 4 of 2016.

Discussion:

Legislator Belfiglio said that he was informed that the county budget office says they cannot accept funds for taxation from private companies. Chairman Ronk stated that the tax must be remitted by the operator themselves. Legislative Counsel Guerin clarified that while the county could accept the fee from whomever, there was a question as to the enforceability of the law on companies such as Airbnb. She complimented the work that Mr. Gallo put into the law but concluded that the enabling legislation does not allow for collection from a third party, rather calling for collection directly from operators.

Chairman Parete asked how taxes due from internet purchases are supposed to be paid. Legislator Donaldson said an individual is responsible for paying the sales tax to the county. Legislative Counsel Guerin added that the tax could also be paid annually through the income tax process.

Mr. Gallo made clear that the proposed local law was specific to the bed tax and did not address the collection of sales tax. He added that he and Legislative Counsel Guerin did not agree on the interpretation of the enabling legislation with regard to the collection of the bed tax by a third party.

Legislator Donaldson asked Legislative Counsel for further explanation as to why she believed third party vendors could not collect the tax. Counselor Guerin responded that all three counsels to the Legislature, as well as the County Attorney concurred that the enabling legislation specific to the bed tax required that the operator remit payment. She added that the reasoning behind it was to ensure that counties could enforce the collection on the individual operator.

The members discussed the similar legislation existing in other counties throughout NY. Mr. Gallo stated that some counties have simply changed the definition of hotel/motel in order to encompass short-term/vacation rentals. Chairman Ronk added that the issue is further complicated by local zoning changes which may be necessary to allow for short-term/vacation rentals. He added that it might be best to leave the legislation to the state.

Chairman Parete thanked Mr. Gallo for bringing the issue forward and said there is a clear disparity in treatment of businesses in this regard. Legislator Donaldson stated that he did not want to lose an opportunity to generate revenue from individuals outside of Ulster County.

Legislator Belfiglio asked how an operator becomes an Airbnb and suggested a registration fee or application for a dba (doing business as) certificate. He added that dealing with entities that do not have a dba could put the county at risk. Legislator Parete said the average person brings in \$7,900/year operating a short-term/vacation rental. He added that the people he knows who rent through Airbnb do it to pay their property and school taxes.

Chairman Ronk asked if a bed tax should be applied the same to an individual who rents a room at Mohonk for two days as to someone who rents a house for a week. Chairman Parete said he would like to continue the conversation, but would like to see the law postponed for a month.

Legislator R. Parete commented that the number of houses available for rent by local families has diminished because of the success people have renting their houses as short-term/vacation rentals. He added that he would like to see proceeds of the tax dedicated to creating affordable housing options in Ulster County in areas like Marbletown and Woodstock.

Chairman Ronk assured the members that the issue would not be going away and informed them that the attorneys will be reviewing the law some more.

Roll Call Vote:	No
Voting In Favor:	Legislators J. Parete, Belfiglio, R. Parete, Ronk
Voting Against:	None
No. of Votes in Favor:	4
No. of Votes Against:	0
Disposition:	Carried

Motion No. 3: Resolution No. 185 – April 19, 2016

Text of Motion: Resolved to POSTPONE Resolution No. 185 – Authorizing The Chairman Of The Ulster County Legislature To Execute An Extension Of The Sales Tax Agreement With The City Of Kingston

Motion Made By: Chairman Ronk
Motion Seconded By: Legislator R. Parete

Resolution No. 185 Summary: This resolution authorized the Chairman to execute an extension of the sales tax agreement with 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.

Discussion:

Chairman Parete recognized Legislator Donaldson, a sponsor of the resolution, to address the members. Legislator Donaldson informed the committee that he had received a call earlier in the day from City of Kingston Alderman-at-Large James Noble advising him that a preliminary deal had been reached between the City of Kingston and Ulster County. He was not at liberty to discuss any further details of the deal, but said that an announcement should be made the next day. Chairman Parete expressed his opinion that the resolution should be postponed until the details of the agreement are made public.

Chairman Ronk explained that the resolution appeared before the committee because Government Efficiency and Review has been assigned to act as a liaison to the towns and city. The members briefly discussed prior sales tax agreements and the breakdown of safety net costs by town before and after the county took it over.

Roll Call Vote:	No
Voting In Favor:	Legislators J. Parete, Belfiglio, R. Parete, Ronk
Voting Against:	None
No. of Votes in Favor:	4
No. of Votes Against:	0
Disposition:	Carried

New Business

Chairman Parete recognized Chairman Ronk to discuss new business. Chairman Ronk said he wanted to bring something to the committee's attention that might warrant investigation. He informed the members that he has had staff monitor the electric vehicle charging station at the county building because he believed that activities contrary to the intent of the law were happening. He said that one single county vehicle has been parked in the charging location day and night. He said he felt that activity was outside of the intended use of the policy. He added that the policy requires that a report on the usage of the stations be submitted in March. The Legislature has not received it.

Chairman Parete stated that he has been approached by a couple of people asking about how the county reviews contract agencies. He asked Mr. Gallo if the Comptroller's Office conducts reviews of outside agencies. Mr. Gallo responded that they were currently in the process of reviewing the top five paid not-for-profits. He added that last year the Comptroller's Office conducted a sampling review of contract compliance.

Chairman Parete informed the members that the Purchasing Director has indicated that he received the committee's letter requesting a review of the vending machines for compliance with the healthy vending choices policy and is looking into it.

Chairman Parete advised the members that he and Deputy Chairman Belfiglio have received packets of all Local Laws passed since the enactment of the Charter. He said they were looking through them to create a short list of laws the committee should start with. He added that any legislator was welcome to suggest a particular law or policy. He advised the members that policies adopted during the same time frame is being compiled. He mentioned million dollar PLAs as one policy he would like to review.

Chairman Ronk said that one of the functions of the committee is to review laws and policies to see if amendments might be necessary. He mentioned that according to the healthy vending options policy granola bars are considered unhealthy while Doritos are classified as healthy.

Chairman Parete mentioned that there was a law previously passed requiring a mental health assessment of students to identify those at risk. He added that the school districts, upon advice from counsel, said they would not comply. He said that law should be reviewed and the schools contacted.

Legislator R. Parete asked for an update on the Ellenville Million. Chairman Ronk suggested that the committee could ask the IDA Board for an update and said he was aware of a lot of work being done in the village. Chairman Parete asked if there was any other business. Hearing none;

Adjournment

Motion Made By: Chairman Ronk
Motion Seconded By: Legislator Belfiglio
No. of Votes in Favor: 4
No. of Votes Against: 0

TIME: 5:57 PM

Respectfully submitted: Jay Mahler, Deputy Clerk

Minutes Approved: May 16, 2016