

**RULES, ENACTMENTS AND INTERGOVERNMENTAL RELATIONS COMMITTEE
MINUTES**

**WEDNESDAY, APRIL 18, 2018
3:30 P.M.**

PRESENT: Thomas J. Faggione, Chairman
Michael Amo, Katie Bonelli, Barry J. Cheney, Kevin W. Hines, James M. Kulisek,
Michael D. Paduch, John S. Vero

ALSO

PRESENT: L. Stephen Brescia, Chairman
Kathy Stegenga, Legislator
Antoinette Reed, Legislative Counsel
Harry Porr, Director, Operations and Cost Control
Langdon Chapman, County Attorney
Annie Rabbitt, County Clerk
Kelly Eskew, Deputy County Clerk
Patricia McMullen, Deputy County Clerk/Department of Motor Vehicles
David Church, ACIP, Commissioner of Planning
Karin Hablow, Commissioner of Finance
Timothy Tucker, Budget Analyst
Michael Ventre, Budget Analyst

Mr. Faggione opened the meeting at 3:30 p.m. and requested everyone stand for the Pledge of Allegiance to the Flag. All members were present.

On the agenda was an update on the County Clerk's Office and DMV move back into Government Center.

Ms. Rabbitt addressed the committee stating that the move went smoothly and they have been back in the government center for seven weeks.

Ms. Eskew added that the record room move was an enormous undertaking as approximately 20,000 books were moved with very limited interruption to services.

Mr. Paduch commented that he only saw four transaction windows at the new DMV. Ms. McMullen replied that there are actually ten with six additional windows around the corner.

Ms. McMullen added that the new DMV has been open since April 9, 2018 and they are seeing over 100 customers a day; however, they are having some issues with the cloud but it is being addressed by the IT Department. An official ribbon cutting ceremony is scheduled for April 26, 2018 at 3:00 p.m.

Mr. Faggione asked about public feedback. Ms. Rabbitt replied she has not received any negative comments and in her opinion, everyone seems pleased with the building.

Mr. Faggione suggested they return in six months for a full evaluation.

Mr. Amo asked if there was a system in place to respond to complaints. Ms. Rabbitt replied that any complaints are dealt with immediately.

Mr. Cheney asked if car dealerships were starting to come back. Ms. McMullen replied that there have been a few.

Mr. Cheney asked if any were from the Town of Monroe area as some were going to Rockland County.

Ms. Rabbitt explained that they try to keep the money in the county and solicit to the car dealership.

Mr. Kulisek asked about online transactions that go to the state and were they seeing an additional percentage on those fees. Ms. Rabbitt replied no.

Mr. Kulisek questioning the methodology as he understood that the state would be giving back the transaction fees for online services to the counties. Ms. Rabbitt replied that they are not and the State of New York does anything they can for revenue. Previously when someone came in for a license it was just two pieces of paper; however, now there is a menu on the various types of licenses offered. Due to the federal mandated "Real ID" a person could be in the DMV for forty minutes for one transaction because of the additional documentation needed.

Mr. Faggione asked how the staff has adapted to the new location. Mr. Rabbitt replied very well.

Mr. Kulisek asked if the historical artifacts were still at the Perry building at the Valley View Complex. Ms. Rabbitt replied that most of the items are at the government center but the county historian was kind enough to hold a few items. They anticipate having everything secured in this location shortly.

Mr. Vero asked about the scanning of documents. Ms. Eskew replied that it is ongoing project.

Mr. Kulisek asked about the cloud issue. Ms. Rabbitt replied that they were unsure but because of the size of the County Clerk's office if it is not rectified by the end of the week they would have to look at outside sources to remedy the problem.

Mr. Kulisek moved a Local Law to continue the imposition of tax under Local Law 13 of 2009, known as the "Orange County Hotel and Motel Room Occupancy Tax Local Law" for an additional three years, seconded by Mr. Paduch.

Ms. Hablow explained that they are requesting a local law to continue the 5% hotel and motel room tax for an additional three years. In 2018, they budgeted \$3,762,923.00 for hotel and motel room occupancy tax.

Mr. Paduch asked if Airbnb could be included in the local law. Ms. Hablow replied that they should be looked at as two separate items.

Mr. Faggione added that the next agenda item will be discussion on Airbnb.

Mr. Kulisek asked for last year's hotel/motel sales tax figures. Mr. Hablow replied that the total budgeted for 2017 was \$3,459,509.00 and the actual received was \$3,590,908.00.

Mr. Hines asked about the auditing process to ensure they are getting the proper funds. Ms. Hablow replied that they work closely with the hotels and audits are conducted randomly. They constantly audit claims and track them quarterly and if something seems out of sorts they conduct an audit.

Mr. Hines asked if that is a problem. Ms. Hablow replied that it is very amicable relationship as opposed to a typical intimidating audit as they call and talk through what they have found.

Mr. Hines noted that it would be difficult to find someone doing something wrong if they are calling them first. Ms. Hablow replied that they walk through the numbers with them and it is rare that they find people intentionally trying to mislead or report incorrectly. On occasion, they have find an operator that has not reported exemptions that they should have so it sometimes is in their favor.

Mr. Cheney asked about the exemption of a "permanent resident" of the hotel/motel which was defined as anyone who occupies a room or rooms for at least 30 consecutive days. Is that a state law requirement or was it something decided on by the county. Ms. Hablow deferred that question to either the County Attorney or Legislative Counsel.

Legislative Counsel Reed replied that her understanding was that it was part of the state law.

Mr. Chapman clarified that it was part of the New York State Tax Law Section 1202-aa.

Mr. Kulisek asked if the Department of Social Services places an individual in a hotel/motel for 30 consecutive days, would they be tax exempt. Ms. Hablow replied yes, they are a government agency.

Mr. Paduch noted that with the increase in construction work in the area many companies have employees staying in hotels for months. In his opinion, there should not be an exemption in that situation.

Mr. Amo added that it would have to be consecutive and they could go home for the weekend.

Ms. Stegenga added that many companies book the rooms whether they are in use or not in order to get a break or deal on the rooms.

Motion carried. All in favor.

On the agenda was a discussion on Airbnb.

Mr. Chapman explained that counties are handling Airbnb's in many ways with approximately twenty counties in New York State having agreements with Airbnb. An issue that has come up is where is the authority for municipalities to accept this agreement with Airbnb because they essentially become the tax collector and turn the revenue over to the counties. Senator Bonacic has proposed legislation to clarify and authorize such agreements and that they would be expressly legal.

Mr. Cheney moved to enter into executive session pursuant to **§4503** of the Civil Practice Law, attorney-client privilege, seconded by Ms. Bonelli.

The committee entered into executive session at 3:59 p.m.

Mr. Vero moved to leave executive session, seconded by Mr. Cheney.

The committee left executive session at 4:22 p.m.

Mr. Chapman added that they anticipate sending a voluntary agreement to committee shortly as they have been negotiating with Airbnb for six to eight weeks.

Mr. Hines moved receipt of applications for Inclusion of Lands in Agricultural District Nos. 1 & 2, seconded by Mr. Paduch.

Mr. Church commented that they received four applications from three towns and a public hearing date has been set for June 7, 2018 at 3:15 p.m. His staff has reviewed the applications; however, two sets have errors with respect to the proper tax lot and ownership but those are currently being corrected. The Agricultural and Farmland Protection Board would be meeting tonight and they will schedule a tour of the properties and invite the applicants in to discuss their applications and in accordance with state law, the board will make an advisory recommendation to the Legislature.

Mr. Faggione confirmed that this was discussed at the Education and Economic Development committee meeting on Monday.

Mr. Church clarified that the application from the Town of Walkill is owned by multiple family members; however, he signed for everyone and listed one of the section, block and lot numbers incorrectly and they must get that corrected. In addition, the Town of Newburgh application had a few errors and is currently being corrected. This has nothing to do with agricultural land tax assessments and a property does not have to be in a district to receive an agricultural tax break which has its own rules. County agricultural districts are not zoning but a county managed program that follows state rules. Orange County has two agricultural districts and annually there is an opportunity for property owners to enroll into the district and every eight years a full review is conducted on all the parcels in either of the agricultural districts. In addition, the Director of Real

Property contacts the assessors for any background documentation needed for the applications and any issues at the town level.

Mr. Paduch asked if a parcel in the Town of Wallkill was already in the town's agricultural district. Mr. Church replied that agricultural districts are about the right-to-farm protection and lands in the county agricultural district are viable for farming but not necessarily farmed. According to **New York State Department of Agriculture and Markets** if they have at least seven acres and gross \$10,000.00 in two successive years in agricultural products or if less than seven acres and gross \$50,000.00 in two successive years or a startup farm and can prove with financial evidence for at least one year, they could apply for a property tax exemption to the assessor but they do not have to be in an agricultural district to get it.

Mr. Cheney moved to set Public Hearing for Inclusion of Lands in Agricultural District Nos. 1 & 2 (6/7/18 – 3:15 P.M.), seconded by Ms. Bonelli.

Motion carried. All in favor.

Mr. Kulisek moved request to accept and appropriate grant funds from the New York State Energy Research and Development Authority (NYSERDA) towards expenses in support of the ongoing Clean Energy Community and Climate Smart Community certification activities and initiatives of the department, \$5,000.00, seconded by Mr. Amo.

Mr. Church explained that they were the first county in the state to receive the Climate Smart Community certification and after applying they received the \$5,000.00 grant from NYSERDA to offset the costs associated with the implementation of some of the actions.

Mr. Kulisek asked for the exact use. Mr. Church replied that that it would be used on various projects and in support of the actions taken by the county.

Mr. Kulisek asked if it would be used on the electrical vehicle charging stations. Mr. Church replied possibly; however, a charging station could cost \$15,000.00 excluding installation.

Legislative Counsel Reed asked for the lifespan of a charging station. Mr. Church replied that they come with a five-year warranty.

Mr. Kulisek asked if NYSERDA offered a grant for charging stations. Mr. Church replied yes.

Ms. Bonelli asked for the expiration date on the grant. Mr. Church replied that he was unsure, but he has not had a state contract that was less than two years.

Motion carried. All in favor.