

MINUTES

Approved 3/11/09

PLANNING, DEVELOPMENT, AND ENVIRONMENTAL QUALITY COMMITTEE

JANUARY 8, 2009 3:00 P.M. SCOTT HEYMAN CONFERENCE ROOM

Present: M. Robertson, Chair; C. Chock; P. Mackesey; M. Sigler; F. Proto

Staff: K. Wilsea, Planning Department; J. Leccese, Planning Department; J. Jurkowich, Deputy Planning Commissioner; J. Kippola, County Administration; J. Mareane, County Administrator; E. Marx, Planning and Public Works Commissioner; M. Lynch, Public Information Officer; M. Armstrong, Tompkins County Area Development

Guests: Legislator Kiefer; M. Koplinka-Loehr, Chair of the Legislature; J. McPheeters, Chamber of Commerce President; Strategic Tourism Planning Board Members S. Wiggins, D. Sparrow, S. Stein, K. Jupiter; F. Bonn, Convention and Visitors Bureau; B. Bossard, Community Arts Partnership

Call to Order

The meeting was called to order at 3:02 p.m.

Changes to Agenda

Ms. Chock requested that a report from the subcommittee on tourism occupancy tax staffing be provided at the appropriate time. [Time did not permit for this report to occur; a report will be provided at the next Committee meeting.]

Ms. Kiefer requested a privilege of the floor item be added and she be granted permission to speak to the Committee.

Chair's Report

Ms. Robertson reported that two pieces of information were e-mailed to Committee members (1) memorandum from Jeanne Leccese dated January 5, 2009, concerning the Tompkins County Homeownership Program Amendments; and (2) an e-mail from Jackie Kippola concerning a statement from the Strategic Tourism Planning Board in regard to the Alteration of the Tompkins County Room Tax Legislation.

Ms. Robertson also referenced the US Airways story about Ithaca and said there will be 13 pages based on good responses for advertisements.

Privilege of the Floor

Ms. Kiefer said she will speak to the appointment being considered to the Water Resources Council at the appropriate time. She spoke to the proposal to be considered by the Legislature at their next meeting concerning the Community Housing Affordability Fund and the Community Housing Trust Fund Memorandum of Understanding (MOU) and Notice of Funding Availability (NOFA). One concern she expressed is in the list of characteristics and skills desired for the program oversight committee and believes there are two areas of skill and knowledge missing: sustainability and human services needs. The presentation held at the last Legislature meeting was the first opportunity the full Legislature had to discuss the proposal and share comments and concerns and thought it would be appropriate to attend this meeting to reiterate her concerns. She said she would like to have the two items included in the list.

The other concern Ms. Kiefer raised was in the portion where applications or proposals are scored and said the way the points are allocated does not reflect in her view a sufficient account for green build energy conservation and believes it should be more weighted.

Minutes
Planning, Development, and Environmental Quality Committee
January 8, 2009

Ms. Chock addressed the concerns raised by Ms. Kiefer and agrees that green house energy should be considered. However, she believes that the human services needs are beyond the scope of what is being done here. She said there have been many different versions between the parties involved and that it is her sense that if negotiations are reopened by one of the other parties, she would be willing to bring these issues forward. She also believes that the concern of sustainability is already built in as a standard practice in the industry and that there were many housing professionals involved with this. She would agree sharing the concerns and suggestions with the other parties but does not want to jeopardize the approval process.

Ms. Kiefer reiterated her concern that the Legislature should be able to provide comments and suggestions to proposals prior to adoption.

In response to Mr. Proto's question, Ms. Robertson said this Committee has approved the proposal and the Legislature will be considering it at the January 20th meeting. She said there will be a number of steps in implementing this including appointments to the oversight committee. That oversight committee will develop guidelines as well as looking at the NOFA. She suggested that capturing these comments and passing them on to the oversight committee is one option. Ms. Kiefer said she has concerns with the actual make-up of the oversight committee as well.

Ms. Mackesey said that although the Committee has discussed this for months, the Legislature has not. She believes it is important that comments submitted should be considered and agrees with the suggestions Ms. Kiefer has made and does not believe it would be an issue to ask the other parties to review them as well.

Mr. Proto asked if there was an opportunity to add or amend the plan at a later date.

Mr. Marx strongly believes that a distinction between a Legislative role and a staff role needs to be established. Staff is qualified to draft the necessary material and negotiate with others. Information has been reported back to Committee regularly. He does not believe it is a simple task to have the plan reviewed again as being suggested. The NOFA, which is a template for the oversight committee, developed by housing professionals does include the sustainability piece and housing needs. He said this problem was identified in 2004 in the Comprehensive Plan and said to date steps have not been taken to address it and believes it is time to move forward.

Ms. Leccese addressed Mr. Proto's question above, and said in the MOU it does state that it will be reviewed on an annual basis. She said there will be items that will need to be changed and reviewed by all parties.

Ms. Robertson suggested the County could decide that its representatives on the oversight committee should include somebody with the particular expertise identified by Ms. Kiefer. There are three representatives from the County and one is from the elected body or senior administration, and the other seats could be a representative of those other areas. Ms. Kiefer said it is a reasonable suggestion, but stated it does not satisfy her.

Ms. Mackesey said if there is an opportunity to include the suggestions in another year during the review process then she does not see that as being as critical to include them at this time. However, in general she understands the role of staff, but in terms of the substance, if it is a policy issue being considered then she believes it is the responsibility of the Legislature to determine what that policy would be.

Minutes
Planning, Development, and Environmental Quality Committee
January 8, 2009

Ms. Robertson reported there is a meeting with City representatives next week and said the issue of adding sustainability and human service needs to the list of skills for the oversight committee composition could be raised in that discussion. The committee had no objection.

Approval of Minutes

December 2, 2008

It was MOVED by Mr. Proto, seconded by Ms. Chock, and unanimously adopted by voice vote, to approve the minutes of December 2, 2008, as submitted. MINUTES APPROVED.

December 11, 2008

It was MOVED by Mr. Proto, seconded by Mr. Sigler, and unanimously adopted by voice vote, to approve the minutes of December 11, 2008, as corrected. MINUTES APPROVED.

Appointments

As a follow-up from the discussion at the last meeting, Ms. Kiefer reported on the appointment of Mr. Roger Yonkin to the Water Resources Committee. The nominating committee understands the concerns raised about attendance and requested an interview to discuss it although members already knew him. She said his health reasons were delicate and that is why he had so many absences. There is interest in having Mr. Yonkin continue as his background and institutional memory is invaluable. Following this Committee's last meeting where attendance concerns were raised, Ms. Kiefer said his appointment was discussed further, and there continues to be real interest in having Mr. Yonkin reappointed.

Mr. Proto spoke as Chair of the Water Resources Committee and said this subject came up at their last meeting. He asked if any member of the nominating committee wished to change their vote for nominating Mr. Yonkin; no interest was expressed and only unanimous support was given that he be reappointed.

It was MOVED by Ms. Mackesey, seconded by Mr. Sigler, to approve the following appointments to the various advisory boards. Mr. Proto said a similar concern was raised in regard to one appointment to the Planning Advisory Board and asked if there was any follow-up. Ms. Robertson said the individual attended the December meeting and Ms. Wilsea commented that the State training schedule will no longer be a conflict for this individual as a result of the State no longer funding the training program.

A voice vote resulted as follows on the following appointments:

Water Resources Council

Roger Yonkin as the Environmental Management Council representative; term expires December 31, 2011

Planning Advisory Board

John Spence as a Housing representative; term expires December 31, 2011

Empire Zone Administration Board

J.R. Clairborne as a zone resident representative; term expires December 31, 2011

Agricultural and Farmland Protection Board

Rachel Crispell as a farmer representative; term expires December 31, 2012

Bob Mazourek as an Agribusiness representative; term expires December 31, 2010

Minutes
Planning, Development, and Environmental Quality Committee
January 8, 2009

Jamie Baker as a farmer representative; term expires December 31, 2012

Soil and Water Conservation District

Ronald V. Urdike as an at-large representative; term expires December 31, 2011

Ms. Wilsea distributed flyers for the Environmental Management Council which has three at-large vacancies. The flyers have been sent to municipal clerks, Greater Ithaca Activities Center, Southside, Latino Civic Association, community associations and all City neighborhood associations.

Tompkins County Planning Department

Homeownership Program Amendments

Ms. Leccese briefly reviewed the memorandum dated January 5, 2009, regarding amendments to the Tompkins County Homeownership Program. She provided some background information and said since 1993, the Department has been applying for and receiving multiple grants. April 2009, another grant will be submitted to continue the program. There have been discussions with Better Housing, the contractor, and the Department to make some minor changes to the program. One change recommended is the homeowner with a household income between 75% - 80% of the AMI (Area Median Income) may receive a full grant by having that home become part of the Housing Trust. Households with income of less than 65% of AMI may also participate in the Housing Trust. There will also be an educational piece with this for the homeowners about how the Housing Trust works.

Ms. Chock raised a concern with the language in the memorandum concerning rehabilitation and said she would like to see that language changed. Following a brief explanation, the Committee agreed to change the language to read that “the priority is not for rehabilitation funds” rather than “there is no need for rehabilitation”.

Budget Adjustment

It was MOVED by Mr. Sigler, seconded by Ms. Mackesey, and unanimously adopted by voice vote by members present (Mr. Proto temporarily out of the room), to approve and submit the following budget adjustment to the full Legislature for approval:

<u>Revenue Acct</u>	<u>Title</u>	<u>Amt</u>	<u>Approp Acct</u>	<u>Title(s)</u>
CD8688.44959	Federal Aid	\$101,225	CD8688.54400	Program Expense
CD8695.42411	CD Program Income	\$300,000	CD8695.54400	Program Expense
CD8684.42411	CD Program Income(HO)	\$120,000	CD8684.54400	Program Expense
CD8684.42411	CD Program Income(ED)	\$120,000	CD8684.54400	Program Expense

Explanation: HO 8 State Grant Funds remaining; HO HUD Program Funds; State Program Income Funds Homeownership; State Program Income Funds Economic Development (RPM).

Commissioner's Report

Mr. Marx said he did not have a report. The Department is in the process of finalizing its work program for 2009. It will be presented to the next Planning Advisory Board meeting and then to this Committee. He is anticipating considerable effort on developing the five-year strategy energy greenhouse gas emissions plan element.

Industrial Development Agency

Resolution

It was MOVED by Mr. Proto, seconded by Ms. Mackesey, and unanimously adopted by voice vote, to approve and submit the following resolution to the full Legislature for approval. Ms. Robertson

said she, Legislature Chair, and the County Administrator will be meeting with Senator Seward tomorrow and would like to take this resolution to present.

**RESOLUTION NO. URGING NEW YORK STATE TO MAKE PERMANENT AND
EXPAND THE AUTHORITY OF THE INDUSTRIAL
DEVELOPMENT AGENCY CIVIC FACILITY LEGISLATION**

WHEREAS, Since 1992, the Tompkins County Industrial Development Agency (IDA) has issued over \$466 million in tax-exempt bonds to twenty-two projects, and this action has allowed twelve local not-for-profit employers to borrow money at lower interest rates for capital projects and refinancing existing debt. These projects have resulted in the construction of over 1 million sq. ft. of space, the creation of temporary construction jobs and the creation of hundreds of permanent new jobs. Many of the projects have also had a positive impact on the quality of life of the residents of the Tompkins County. The local employers have included Ithaca Community Child Care Center, The Special Children's Center, Family & Children's Services, Kendal at Ithaca, Longview, George Junior Republic, Cayuga Medical Center, TC3 Foundation, Ithaca College, and Cornell University. The funds borrowed are not a financial obligation of the IDA or the County; they are the obligation of the employers, and

WHEREAS, not-for-profit clients of the IDA have stated that the quick, efficient and cost effective issuance of their bonds, as provided by the local IDA, has helped their projects stay on time and within budget, and

WHEREAS, in addition to assisting local employers lower the cost of borrowed capital and save time in completing major projects, the IDA's activity is a major source of fee revenue that, in turn, supports economic development in Tompkins County, and the clients themselves appreciate that the fees paid stay in the local community to support local economic development, and

WHEREAS, other counties similarly depend on IDA revenue from not-for-profit clients for economic development activities, and in the current economic crisis counties need all the tools possible to restart their local economies, and

WHEREAS, the State law that allows the IDA to issue these tax-exempt bonds, commonly called Civic Facility legislation, expired on January 31, 2008, and

WHEREAS, both the State Assembly and Senate have introduced bills that would extend the Civic Facility legislation. One of the Assembly bills would add restrictions that would substantially restrict the IDA's ability to assist local not-for-profit employers, without regard for local economic conditions, and without requiring the New York State Dormitory Authority to comply with the same restrictions in issuing not-for-profit bonds, and the Senate bill would make permanent the legislation and allow IDAs to finance college dormitories without any limitation on the amount of the bonds issued, and

WHEREAS, in order for local not-for-profit employers to determine whether proposed projects are financially viable, and because they make such decisions based on at least a two-year time frame, they need the Civic Facility legislation to be reenacted immediately, and

WHEREAS, Tompkins County Area Development (TCAD), the administrator of the IDA, is already working with local not-for-profit employers that are considering projects that would be constructed in the next twenty-four months, now therefore be it

RESOLVED, on recommendation of the Planning, Development, Environmental Quality Committee, That the Tompkins County Legislature urges the New York State legislature to make permanent and expand the authority of the Civic Facility Legislation, and

RESOLVED, further, That copies of this resolution be sent to Governor David Paterson, New York State Senators Malcolm Smith, James L. Seward, George H. Winner, Jr., and Michael F. Nozzolio, and Assemblyman Sheldon Silver, and to Assemblywoman Barbara S. Lifton.

SEQR ACTION: TYPE II-20

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Proposal – Economic Development as a permitted use of Hotel Room Occupancy Taxes

At this time, introductions were made. Discussion followed concerning Mr. Hattery's proposal to permit the use of economic development from Hotel Room Occupancy Taxes. Ms. Mackesey said one outstanding question that is pending for her is whether the proposal needs to go to the State Legislature. Mr. Wood arrived at this time and addressed the question raised by Ms. Mackesey. He said the only piece that would need to go to the State is if there needed to be a change in State Law to include "economic development". Ms. Robertson briefly reviewed the memorandum relating to this issue from Tompkins County Area Development.

Ms. Robertson invited representatives from the Strategic Tourism Planning Board (STPB) to speak on this issue.

Mr. Stein, Current Chair of the STPB, said this was discussed thoroughly at the last STPB meeting and said members wished to express their points of view. A memorandum dated January 6th, which was distributed to Committee members, does represent the position of the STPB.

Mr. Sparrow, incoming STPB Chair, said that he believes strongly in the merits of the program as it stands. STPB does not believe there are any unexpended or spare funds and that the lodging industry is suffering a crisis too. There will be a need to spend more money on marketing to sustain former levels of activity. He said there are many programs and initiatives of the tourism program that have not been implemented, and that STPB would like to be more proactive as more tourism funds become available.

Mr. Wiggins spoke as an innkeeper and said the Innkeepers Association met and endorsed the position of STPB. The program as developed has worked including bringing in new hotels, creating jobs and employment. The primary concern of the Association is the fear of funds being "watered down" or that the County begins "chipping away" at them for various organizations.

In response to Mr. Sigler concerning the reasons customers are staying at La Tourelle, Mr. Wiggins said he is in the process of doing a customer analysis to see which customers are staying for Cornell University business or other. He believes that approximately 30-35% of La Tourelle's business is related to Cornell and the remainder is leisure and corporate. Ms. Chock said she would also like to know, if possible, if the customers staying for Cornell business see this area as a place to revisit and vacation.

Mr. Bonn reported that Chmura Economic and Analytics is just beginning a process of a year-long study of intercept studies that will help understand motivations for travel, where customers are coming from, economic impact, etc. However, this year will be a challenge with doing this survey.

Mr. Bonn continued with highlighting recent challenges. This afternoon he received an e-mail that the State is likely to withhold its matching funds to Tompkins County which represents approximately \$86,000 of the marketing program. In communicating with the Convention and Visitors Bureau partners, it appears they are looking at projections nationally of a 20% decline in business. The local market appears to be looking at an 8% decline. Data through November 2008 showed the occupancy rate locally over the last 12 month period is down 1.7%. Although the web traffic has doubled over the last year, the number of room nights is down. He asked the Committee to consider what the original intent of the law was and the value of preserving that intent. He believes that intent is delivering significant returns to the community. In 2007, the economic benefit was \$11.3 million in local tax benefit for Tompkins County (sales tax and property tax tourism related activities).

Minutes
Planning, Development, and Environmental Quality Committee
January 8, 2009

In response to a question from Ms. Mackesey, he said the information he presented relating to the economic benefit is from a 2008 report commissioned by Tourism Economics and is entitled *The Economic Impact of Tourism in New York State*. At the request of the Committee, Mr. Bonn agreed to e-mail the report to members.

Mr. Bonn briefly provided the following statistic: In 1999, the total room sales totaled \$21 million; as of November 2008 (over a 12-month period), there was over \$42 million in room sales.

Mr. Bossard spoke briefly about some of the points in the memorandum from STPB and said it explains the position well. He distributed copies of excerpts from a study done by Americans for the Arts. It is a study on New York State and the impact of the arts on the economy. He spoke of the quality of life in the community and that arts and cultural destinations make tourism stays longer. Support from the State for arts and cultural in Tompkins County is also in danger. There is a potential for a mid-year cut this year from the State in the amount of \$129,000 which will include cuts to such organizations as the Kitchen Theater, State Theater, Johnson Museum.

Mr. Proto asked if tourism was still listed as one of the top two economic generators in the New York State and requested any documentation pertaining to that information. Secondly, Mr. Proto referenced a recent article in the Ithaca Times concerning Cornell students working on a large planning project and asked if the STPB is involved. Ms. McPheeters said she has met with a couple of groups and provided information and has also referred them to others that would be of assistance.

Mr. Bossard said Tompkins County is looked at as a model Statewide because of the arts and cultural programs and how the tourism funding is handled. He also noted that the arts sector is an industry with small businesses.

In response to a question from Ms. Robertson, Mr. Bonn said the room tax charge in other counties ranges between 3% and 6%, but most are at 6%.

Ms. McPheeters spoke of her support of the Committee's approval for the IDA resolution earlier in the meeting. Economic development is a critically important function and deserves to be supported directly. However, she believes the proposal is too "loose". She believes the tourism program needs to be protected, but recognizes economic development needs to be supported in the community as well without relying on other funding. She hopes that any discussions held are done rationally without "tearing" at each other.

Mr. Sigler spoke from his point of view and that the idea is that if more higher-tech jobs are created, more people would come into the market. He believes that Cornell is the largest tourist attraction in the area and that more people come to Ithaca to visit or work at Cornell. He does believe there is value in the proposal and asked if there was any way to make it palpable.

Ms. Mackesey said she is hesitant with requesting the State to change the County's law for a variety of reasons. She would like to look at what currently exists and discuss what tourism actually is and if it is being used in the broadest sense it can be used. She does not want to jeopardize the tourism program or the quality of life in the community.

Ms. Chock said at this time she does not support the proposal before other avenues are explored. Ms. Chock noted that a report from the subcommittee on tourism occupancy tax staffing will be provided at the next meeting.

Adjournment

The meeting adjourned at 5:10 p.m.