

**STEUBEN COUNTY AGRICULTURE, INDUSTRY AND PLANNING COMMITTEE
STEUBEN COUNTY FINANCE COMMITTEE**

Special Joint Meeting

Monday, April 24, 2023

9:30 a.m.

*Legislative Chambers, 3rd Floor, Annex Building
Bath, New York*

****MINUTES****

AIP COMMITTEE:	Aaron I. Mullen, Chair	Carol A. Ferratella	James Kuhl
FINANCE COMMITTEE:	Gary D. Swackhamer, Chair John V. Malter	Kelly H. Fitzpatrick, Vice Chair Brian C. Schu	Jeffrey P. Horton
STAFF:	Jack K. Wheeler Brenda Scotchmer Tammy Hurd-Harvey	Christopher Brewer Jennifer Galvan Mitch Alger	Jennifer Prossick Craig Patrick Eric Rose
LEGISLATORS:	Scott J. Van Etten Steven P. Maio Frederick G. Potter	K. Michael Hanna Robert V. Nichols	Wendy Lozo Nicholas D. Pelham
ABSENT:	Hilda T. Lando, Vice Chair	Paul E. Van Caeselee	

Secretary's Note: Mrs. Lando attended via Zoom, however, no under the extraordinary circumstances exemption.

I. CALL TO ORDER

Mr. Swackhamer called the meeting to order at 9:30 a.m.

II. GENERAL BUSINESS

A. County Manager

1. **Contract for Collection of Occupancy Tax for Short-Term Rental Properties** – Mr. Wheeler explained the Legislature recently passed a Local Law expanding the definition of accommodations to include short-term rentals. In order to track compliance with occupancy tax collections, most counties have looked at a vendor to help with that. He stated Mrs. Hurd-Harvey and Mr. Alger did a phenomenal job of researching vendors and scheduling demonstrations.

Mr. Alger stated they are recommending a contract with Granicus. The cost will be based on the number of properties identified and the first year cost will be \$60,000. He requested approval to appropriate \$60,000 from the Occupancy Tax Restricted Fund Balance to the Tourism Budget. After the first year, the annual cost will be \$45,000 - \$50,000. Mr. Swackhamer asked is there a minimum number of properties? Mr. Alger replied no. Mr. Wheeler explained we estimated 600 properties and that will depend on changes in the market. Granicus does this for a number of counties and municipalities across the nation.

Mr. Mullen asked do we have an estimate of the tax revenue that will be generated? Mr. Alger replied they do not have an estimate for us. Yates County generated \$200,000 more initially based on additional property identification.

Mrs. Ferratella asked how will they identify those that are advertised by private homeowners? Mr. Alger replied if a homeowner advertises their property online, Granicus will be able to identify it.

Mr. Van Etten commented we have to get started and we would pay more than this to hire an employee to do this. I don't like the cost either, but in order to validate the program and bring in proceeds, we need to pay the price.

Mr. Wheeler commented Yates County is using the address identification and their staff are doing the compliance checks. We are proposing using the entire suite that Granicus offers. Other vendors are in the same price range. This will be a one-year contract with renewals. Our goal is to get this up and running by July and then by the end of summer we would be able to pull a report. Ms. Fitzpatrick commented this is money well spent.

Mr. Kuhl commented this is the first season of doing this and this is going to come as a shock to those that have been renting their homes out and not accustomed to collecting the tax. What process do we have in terms of softening the blow and how will you monitor dispute resolutions? Mr. Wheeler replied they will be dealing with the County. If they are using the online remittance platform through Granicus and they are having trouble, they will then deal directly with Granicus. Any questions from property owners would go to the Finance Office. We did do a press release and we have already been getting questions about how to do this.

Mr. Swackhamer asked if a letter is going to the homeowners that are not remitting occupancy tax, what will that say? Mr. Wheeler replied we will send a letter on County letterhead that says that it appears they have a short-term rental and that they rented it "x" amount of days and then we will explain the process to remit the occupancy tax.

Mr. Hanna asked what is the timeline for putting this in place? Mr. Alger replied we are trying to get it up and running before the busy season.

Mr. Van Etten commented in response to Mr. Wheeler's explanation of what will be in the letter, those property owners should know ahead of time that they need to add the occupancy tax to their rental fee. A July roll-out might be missing the mark. Mr. Wheeler stated we will make implementation as fast as possible. We have to configure the different online sites that are used locally. An initial letter that we send will say that short-term rentals are subject to occupancy tax and we may also say that we have identified their property as having historically been rented. Mr. Van Etten asked could we do a blanket mailing now to all of the addresses on the lake saying a local law has been adopted and outlining the process for collecting and paying the occupancy tax? Mr. Wheeler replied we could do that.

Mrs. Ferratella asked are we putting this information on Facebook? Mr. Wheeler replied yes. Mrs. Ferratella commented we also have rental properties throughout the county. Mr. Wheeler replied yes and they also will get the initial letter. We could do a mass mailing to the lake properties. Mr. Van Etten commented that would help kick-start the process.

Mr. Mullen asked property owners that advertise through Airbnb will not be billed, correct? Mr. Alger replied correct. Mr. Potter asked what is the occupancy tax rate? Mr. Wheeler replied it is 4 percent. The only rentals that this contract will not pick up will be Airbnb because we have a voluntary collection agreement with them.

MOTION: AUTHORIZING THE COMMISSIONER OF FINANCE TO ENTER INTO A CONTRACT WITH GRANICUS FOR THE COLLECTION OF OCCUPANCY TAX FOR SHORT-TERM RENTAL PROPERTIES AT A COST OF \$60,000 FOR THE FIRST YEAR AND AUTHORIZING AN APPROPRIATION OF \$60,000 FROM THE OCCUPANCY TAX RESTRICTED FUND BALANCE TO THE TOURISM BUDGET FOR THIS PURPOSE MADE BY MS. FITZPATRICK. SECONDED BY MR. MALTER. ALL BEING IN FAVOR. MOTION CARRIES 3-0 AIP AND 5-0 FINANCE. Resolution Required.

MOTION: TO ADJOURN MADE BY MS. FITZPATRICK. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 3-0 AIP AND 5-0 FINANCE.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature