

County of Albany

Harold L. Joyce
Albany County Office Building
112 State Street - Albany, NY 12207



Meeting Agenda

Thursday, March 18, 2021

5:00 PM

Held Remotely

Economic Development Committee

CURRENT BUSINESS:

1. DISCUSSION REGARDING THE PROPOSED TOURISM
IMPROVEMENT DISTRICT

LOCAL LAW NO. "A" FOR 2021

A LOCAL LAW RELATING TO THE PROCEDURES FOR THE ESTABLISHMENT, OPERATION, MODIFICATION, AND DISESTABLISHMENT OF TOURISM IMPROVEMENT DISTRICTS IN ALBANY COUNTY

Introduced: 2/8/21

By Mr. Efekoro:

WHEREAS, it is in the public interest to promote the economic improvement of Businesses within the County in order to create jobs, attract new Businesses, increase local revenue and promote tourism; and

WHEREAS, it is of particular local benefit to allow Businesses to fund business related services through the levy of Assessments upon the Businesses that receive benefits from those services; and

WHEREAS, Assessments levied for the purpose of conferring benefits upon the tourism Businesses in a Tourism Improvement District shall be related to the costs of providing the services within the Tourism Improvement District and shall not be taxes for the general benefit of the County; and

WHEREAS, it is the desire of the Albany County Legislature to create a mechanism to allow certain Businesses to initiate the formation of Tourism Improvement Districts for the purpose of providing enhanced services for the benefit of those Businesses within the Tourism Improvement District; and

WHEREAS, the Albany County Legislature determines that the establishment, operation, modification, and disestablishment of Tourism Improvement Districts within the County of Albany is a matter of local concern.

BE IT ENACTED BY THE COUNTY LEGISLATURE OF ALBANY COUNTY AS FOLLOWS:

Section 1. Purpose.

The purpose of this law is to establish the procedure for the establishment, operation, modification, and disestablishment of Tourism Improvement Districts within the County, and to ensure that Tourism Improvement District assessments conform to all constitutional requirements and are determined and levied in accordance with the procedure set forth in this law.

Section 2. Severability.

This law is intended to be construed liberally and, if any clause, paragraph, subdivision, section, or part of this law or the application thereof to any person or circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, or invalidate the remainder hereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section, or part of this law, or in its application to the person or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

Section 3. Definitions.

“Assessment” - means a levy for the purpose of providing Activities and Improvements that will provide benefits to Businesses located within a Tourism Improvement District that are subject to the Tourism Improvement District Assessment. Assessments may be based on a percent of gross business revenue, a fixed dollar amount per transaction, or any other reasonable method approved by the County Legislature.

“Business” - means the type or category of business that is described in the Tourism Improvement District plan and the resolution creating a Tourism Improvement District.

“Business Owner” - means any person recognized by the County as the owner of the Business. The County has no obligation to obtain other information as to the ownership of businesses, and its determination of ownership shall be final and conclusive for the purposes of this law. Wherever this law requires the signature of the Business Owner, the signature of the authorized representative of the Business Owner shall be sufficient.

“Clerk” - means the County Clerk.

“County” - means the County of Albany.

“County Legislature” - means the governing body of the County.

“Local Improvement” - means, but is not limited to, all of the following that benefit Businesses in the Tourism Improvement District:

- (a) Promotion of Business activity, including but not limited to tourism, of Businesses subject to the Assessment within the Tourism Improvement District.

- (b) Other services provided for the purpose of conferring benefits upon Businesses located in the Tourism Improvement District that are subject to the Tourism Improvement District Assessment including, but not limited to, transportation services.
- (c) The acquisition, construction, installation, or maintenance of any tangible property.

“Owners’ Association” - means a private nonprofit entity that is under contract with the County to administer the Tourism Improvement District and implement Activities and Improvements specified in the Tourism Improvement District Plan. An Owners’ Association shall have full discretion to select the specific Activities and Improvements to be funded with Tourism Improvement District Assessment revenue, within the authorized parameters of the Tourism Improvement District Plan. An Owners’ Association may be an existing nonprofit entity or a newly formed nonprofit entity. An Owners’ Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose.

“Tourism Improvement District” - means a Tourism Improvement District established pursuant to this law.

“Tourism Improvement District Plan” - means a proposal as defined in Section 5.

Section 4. Establishment of Tourism Improvement District.

A Tourism Improvement District may be established as provided in this law.

Section 5. Contents of Tourism Improvement District Plan.

The Tourism Improvement District Plan shall include, but is not limited to, all of the following:

- (a) A map that identifies the Tourism Improvement District boundaries in sufficient detail to allow a Business Owner to reasonably determine whether a Business is located within the Tourism Improvement District boundaries. The boundaries of a Tourism Improvement District may overlap with other Tourism Improvement Districts established pursuant to this law.
- (b) The name of the proposed Tourism Improvement District.
- (c) The Activities and Improvements proposed for each year of operation of the Tourism Improvement District and the estimated cost thereof. If the Activities and Improvements proposed for each year of operation are the

same, a description of the first year's proposed Activities and Improvements and a statement that the same Activities and Improvements are proposed for subsequent years shall satisfy the requirements of this subsection.

- (d) The estimated annual amount proposed to be expended for Activities and Improvements in each year of operation of the Tourism Improvement District. This amount may be estimated based upon the Assessment rate. If the estimated annual amount proposed to be expended in each year of operation of the Tourism Improvement District is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subsection.
- (e) The proposed source or sources of financing, including the proposed method and basis of levying the Assessment in sufficient detail to allow each Business Owner to calculate the amount of the Assessment to be levied against his or her Business. The Tourism Improvement District Plan may set forth specific increases in assessments for each year of operation of the Tourism Improvement District.
- (f) The time and manner of collecting the Assessments and any interest and/or penalties for non-payment.
- (g) The specific number of years in which Assessments will be levied. In a new Tourism Improvement District, the maximum number of years shall be ten (10). In a renewed Tourism Improvement District, the maximum number of years shall be ten (10).
- (h) Any proposed rules and regulations to be applicable to the Tourism Improvement District.
- (i) A definition describing the type or category of Businesses to be included in the Tourism Improvement District and subject to the Tourism Improvement District Assessment.
- (j) Any other item or matter required to be incorporated therein by the County Legislature.

Section 6. Initiation of Proceedings; Petition of Business Owners in Proposed Tourism Improvement District

- (a) Petitions, with a signature of assessed Business Owners or their duly authorized representatives, shall be returned to the County Legislature.

- (b) The County Legislature may initiate proceedings to form a Tourism Improvement District by the adoption of a resolution expressing its intention to form a Tourism Improvement District, if it determines that:
- i) Assessed Businesses representing over fifty percent (50%) of the sleeping rooms in the proposed Tourism Improvement District, which also represent over fifty percent (50%) of all assessed Businesses by number within the proposed Tourism Improvement District, have submitted petitions in favor of the formation of the Tourism Improvement District; or
 - ii) Assessed Businesses who will pay more than fifty percent (50%) of the Assessments proposed to be levied, which also represent over fifty percent (50%) of all assessed Businesses by number within the proposed Tourism Improvement District, have submitted petitions in favor of the formation of the Tourism Improvement District.
- (c) The petition of Business Owners required under subsection (a) shall include a summary of the Tourism Improvement District Plan. That summary shall include all of the following:
- i) A map showing the boundaries of the Tourism Improvement District.
 - ii) The types or categories of Businesses that will be subject to the Assessment.
 - iii) The Assessment rate for each type or category of Business that will be subject to the Assessment.
 - iv) Information specifying where the complete Tourism Improvement District Plan can be obtained.
 - v) Information specifying that the complete Tourism Improvement District Plan shall be furnished upon request.
- (d) The resolution of intention described in subsection (a) shall contain all of the following:
- i) A brief description of the proposed Activities and Improvements, the amount of the proposed Assessment, a statement describing the Businesses within the proposed Tourism Improvement District that will be subject to the Assessment, and a description of the exterior boundaries of the proposed Tourism Improvement District, which may be made by reference to any plan or map that is on file with the Clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable a Business Owner to generally identify the nature and extent of the Activities and Improvements, and the location and extent of the proposed Tourism Improvement District.

- ii) A time and place for a public hearing on the establishment of the Tourism Improvement District and the levy of Assessments, which shall be consistent with the requirements of Section 7.

Section 7. Procedure to Establish or Renew a Tourism Improvement District and Levy Assessment.

- (a) If the County Legislature has adopted a resolution of intention to establish or renew a Tourism Improvement District and levy a new or increased Tourism Improvement District Assessment, it shall hold a public hearing on the establishment or renewal of the Tourism Improvement District prior to adoption of the resolution establishing or renewing the Tourism Improvement District and levying the Assessment. Notice of the public hearing shall be mailed to the owners of the Businesses proposed to be subject to the Assessment.
- (b) The County Legislature shall provide at least thirty (30) days' written notice of the public hearing at which the County Legislature proposes to establish or renew the Tourism Improvement District and levy the Assessment.
- (c) A protest may be made by any Business Owner that will be subject to the proposed Assessment. Every protest must be in writing and shall be filed with the Clerk at or before the time fixed for the public hearing. The County Legislature may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the Business in which the person subscribing the protest is interested sufficient to identify the Business and, if a person subscribing is not shown on the official records of the County as the owner of the Business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the Business or the authorized representative. A written protest that does not comply with this section shall not be counted in determining a majority protest. If written protests are received from Business Owners representing more than fifty percent (50%) of the same basis used to determine the petition in Section 6 (a) and protests are not withdrawn so as to reduce the protests to less than fifty percent (50%), no further proceedings to levy the proposed Assessment against such Businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the County Legislature.

Section 8. Changes to Proposed Tourism Improvement District Plan

At the conclusion of the public hearing to establish or renew the Tourism Improvement District, the County Legislature may adopt, revise, change, reduce, or modify the proposed Assessments, the boundaries of the Tourism Improvement District, or the types or categories of Businesses within the Tourism Improvement District subject to the Assessment. Proposed Assessments may only be revised by reducing any or all of them. The proposed Tourism Improvement District boundary may only be revised to exclude territory that will not benefit from the proposed Activities and Improvements. The types or categories of Businesses that will be subject to the proposed Assessment may only be revised to exclude the Business types or categories that will not benefit from the proposed Activities and Improvements. Any modifications, revisions, reductions, or changes to the proposed Tourism Improvement District Plan shall be reflected in the Tourism Improvement District Plan prior to the County Legislature' adoption of the resolution creating or renewing the Tourism Improvement District.

Section 9. Resolution Establishing or Renewing a Tourism Improvement District

- (a) If the County Legislature, following the public hearing, decides to establish or renew a proposed Tourism Improvement District, the County Legislature shall adopt a resolution of formation or renewal that shall include, but is not limited to, all of the following:
 - i) A brief description of the proposed Activities and Improvements, the amount of the proposed Assessment, a statement as to the types or categories of Businesses that will be subject to the Assessment, and a description of the exterior boundaries of the Tourism Improvement District, which may be made by reference to any plan or map that is on file with the County Clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the Activities and Improvements and the location and extent of the Tourism Improvement District.
 - ii) The number, date of adoption, and title of the resolution of intention.
 - iii) The time and place where the public hearing was held concerning the establishment or renewal of the Tourism Improvement District.
 - iv) A determination regarding any protests received. The County Legislature shall not establish or renew the Tourism Improvement District or levy Assessments if a majority protest was received.
 - v) A statement that the Businesses in the Tourism Improvement District established by the resolution shall be subject to any amendments to this law.
 - vi) A statement that the Activities and Improvements to be conferred on Businesses in the Tourism Improvement District will be funded by the levy of Assessments. The revenue from the levy of Assessments within a Tourism Improvement District shall not be used to for any purpose

other than the purposes specified in the Tourism Improvement District Plan, as modified by the County Legislature at the hearing concerning establishment or renewal of the Tourism Improvement District.

vii) A finding that the Businesses within the Tourism Improvement District will be benefited by the Activities and Improvements funded by the Tourism Improvement District Assessments.

(b) The adoption of the resolution of formation or renewal shall constitute the levy of Assessments in each of the fiscal years referred to in the Tourism Improvement District Plan.

Section 10. Expiration of Tourism Improvement District; Creation of new Tourism Improvement District Plan; Renewal of Tourism Improvement District.

If a Tourism Improvement District expires due to the time limit set pursuant to subsection (g) of Section 5, a new Tourism Improvement District Plan may be created and the Tourism Improvement District may be renewed pursuant to this law.

Section 11. Time and Manner of Collection of Assessments; Delinquent Payments.

The collection of the Assessments levied pursuant to this law shall be made at the time and in the manner set forth by the County Legislature in the resolution establishing or renewing the Tourism Improvement District and levying the Assessments. All delinquent payments for Assessments levied pursuant to this part may be charged interest and penalties.

Section 12. Time for Contesting Validity of Assessment.

The validity of an Assessment levied under this law shall not be contested in any action or proceeding unless the action or proceeding is commenced within thirty (30) days after the resolution establishing or renewing a Tourism Improvement District and levying the Assessment is adopted pursuant to Section 9. Any appeal from a final judgment in an action or proceeding shall be perfected within thirty (30) days after the entry of judgment.

Section 13. Certification to Establish Levels of County Services and Funding.

Prior to the establishment of a Tourism Improvement District, the County Legislature may certify the levels of County services and funding that will continue after a Tourism Improvement District has been formed.

Section 14. Request to Modify Tourism Improvement District Plan.

The owners' association may, at any time, request that the County Legislature modify the tourism improvement district plan. Any modification of the tourism improvement district plan shall be made pursuant to this law. The tourism improvement district plan shall not be modified, except by the request of the Owners' Association and only in the manner requested by the Owners' Association.

Section 15. Modification of Tourism Improvement District Plan by Resolution after Public Hearing; Adoption of Resolution of Intention.

- (a) Upon the written request of the Owners' Association, the County Legislature may modify the Tourism Improvement District Plan after conducting one (1) public hearing on the proposed modifications. The County Legislature may modify the Activities and Improvements to be funded with the revenue derived from the levy of the Assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of new or increased Assessments, the County Legislature shall comply with Section 7. Notice of all other public hearings pursuant to this section shall comply with both of the following:
 - i) The resolution of intention shall be published in a newspaper of general circulation in the County once at least seven (7) days before the public hearing.
 - ii) A complete copy of the resolution of intention shall be mailed by first class mail, at least ten (10) days before the public hearing, to each Business Owner affected by the proposed modification.
- (b) The County Legislature shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than ninety (90) days after the adoption of the resolution of intention.

Section 16. Report by Owners' Association; Approval or Modification by County Legislature.

- (a) The Owners' Association shall cause to be prepared a report for each fiscal year, except the first year, for which Assessments are to be levied and collected to pay the costs of the Activities described in the report. The Owners' Association's first report shall be due ninety (90) days after the first year of operation of the Tourism Improvement District.
- (b) The report shall be filed with the Clerk and shall refer to the Tourism Improvement District by name, specify the fiscal year to which the report

applies, and, with respect to that fiscal year, shall contain all of the following information:

- i) The Activities and Improvements to be provided for that fiscal year.
 - ii) An estimate of the cost of providing the Activities and Improvements for that fiscal year.
 - iii) The method and basis of levying the Assessments in sufficient detail to allow each Business Owner to estimate the amount of the assessment to be levied against his or her Business for that fiscal year.
 - iv) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- (c) The County's Department of Audit and Control shall, upon requests the Owners Association for a copy of all reports and documents provided under this Section.

Section 17. Designation of Owners' Association to Provide Activities and Improvements

The Tourism Improvement District Plan may, but is not required to, state that an Owners' Association will provide the Activities and Improvements described in the Tourism Improvement District Plan. If the Tourism Improvement District Plan designates an Owners' Association, the County Legislature shall contract with the designated nonprofit corporation to provide Activities and Improvements in the Tourism Improvement District.

Section 18. Renewal of Tourism Improvement District; Transfer or Refund of Remaining Revenues

- (a) Any Tourism Improvement District previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this law.
- (b) Upon renewal, any remaining revenues derived from the levy of Assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed Tourism Improvement District.
- (c) There is no requirement that the boundaries, Assessments, Activities, or Improvements of a renewed Tourism Improvement District be the same as the original or prior Tourism Improvement District.

Section 19. Circumstances Permitting Disestablishment of Tourism Improvement District; Procedure.

- (a) Any Tourism Improvement District established or extended pursuant to the provisions of this law, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the Tourism Improvement District, may be disestablished by resolution by the County Legislature in either of the following circumstances:
- i) If the County Legislature finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the Tourism Improvement District, it shall notice a hearing on disestablishment.
 - ii) During the operation of the Tourism Improvement District, there shall be a thirty (30) day period in which Businesses subject to the Assessment may request disestablishment of the Tourism Improvement District. The first such period shall begin two (2) years after the date of establishment of the Tourism Improvement District and shall continue for thirty (30) days. Each successive year of operation of the Tourism Improvement District shall have such a thirty (30) day period. Upon the written petition of Business Owners representing more than fifty percent (50%) of the same bases used to determine the petition in Section 6 (a), the County Legislature shall pass a resolution of intention to disestablish the Tourism Improvement District. The County Legislature shall notice a hearing on disestablishment.
- (b) The County Legislature shall adopt a resolution of intention to disestablish the Tourism Improvement District prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the Assessments levied within the Tourism Improvement District. The notice of the hearing on disestablishment required by this section shall be given by mail to the owner of each Business subject to Assessments in the Tourism Improvement District. The County Legislature shall conduct the public hearing not less than thirty (30) days after mailing the notice to the Business Owners. The public hearing shall be held not more than sixty (60) days after the adoption of the resolution of intention. At the conclusion of the public hearing, the County Legislature shall adopt a resolution disestablishing the Tourism Improvement District.

Section 20. Refund of Remaining Revenues upon Disestablishment or Expiration without renewal of Tourism Improvement District; Calculation of Refund; Use of Outstanding Revenue Collected after Disestablishment of Tourism Improvement District.

Upon the disestablishment or expiration without renewal of a Tourism Improvement District, any remaining revenues, after all outstanding debts are paid, derived from the levy of Assessments, or derived from the sale of assets acquired with the revenues, shall be spent in accordance with the Tourism Improvement District Plan or shall be refunded to the owners of the Businesses then located and operating within the Tourism Improvement District in which Assessments were levied by applying the same method and basis that was used to calculate the Assessments levied in the fiscal year in which the Tourism Improvement District is disestablished or expires.

Section 21. SEQRA Compliance.

This County Legislature determines that this local law constitutes a “Type II action” pursuant to the provisions of the State Environmental Quality Review Act (SEQRA), and that no further action under SEQRA is required.

Section 22. Effective Date.

This local law shall take effect immediately.

Referred to Law and Economic Development Committees – 2/8/21