



Onondaga County Legislature

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Clerk

DAVID H. KNAPP
Chairman

MELANIE VILARDI
Deputy Clerk

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WAYS & MEANS COMMITTEE MINUTES – DECEMBER 17, 2021 TIM BURTIS, CHAIRMAN

MEMBERS PRESENT: Mr. May, Mr. Rowley, Mr. Ryan, Mr. McBride, Mr. Williams, Mrs. Ervin
ALSO ATTENDING: Chairman Knapp, Ms. Kuhn, Dr. Chase, Mr. Bush, Mr. Kinne; also see attached

Chairman Burtis called the meeting to order at 9:38 a.m. *A motion was made by Mr. May, seconded by Mr. McBride to waive the reading of the minutes of the previous committee meeting. Passed unanimously; MOTION CARRIED.* *A motion was made by Mr. Ryan, seconded by Mr. May to approve the minutes of the previous committee meeting. Passed unanimously; MOTION CARRIED.*

CONSENT AGENDA

1. WATER ENVIRONMENT PROTECTION:

- a. A Resolution Calling a Public Hearing for the Purpose of Considering an increase in the Estimated Maximum Cost of Proposed Improvements for the Onondaga County Sanitary District (\$7,694,000) (Sponsored by Mr. McBride)
- b. A Resolution Calling a Public Hearing in Connection with Proposed Improvements for the Onondaga County Sanitary District (\$49,405,000) (Sponsored by Mr. McBride)
- c. A Resolution Calling a Public Hearing for the Purpose of Considering an Increase in the Cost of the Clinton Street Conveyances and Regional Treatment Facility Project (\$6,000,000) (Sponsored by Mr. McBride)
- d. A Resolution Calling a Public Hearing in Connection with Proposed Improvements for the Onondaga County Sanitary District (\$30,000,000) (Sponsored by Mr. McBride)

2. FACILITIES MANAGEMENT:

- a. Authorizing an Agreement with the City of Syracuse Relating to the Use of the City Fuel Facility at the City's Department of Public Works by Onondaga County Vehicles (Sponsored by Ms. Cody)
- b. Amending the 2021 County Budget to Accept Revenues from the New York State Unified Court System and City of Syracuse to Replace Funds Expended for Certain Facilities Projects (\$651,149) (Sponsored by Ms. Cody)

3. EMERGENCY MANAGEMENT:

- a. Transfer Resolution (\$15,000) (Sponsored by Mr. Ryan)
- b. Personnel Resolution Amending the Salary Plan (Sponsored by Mr. Ryan)

A motion was made by Mr. May, seconded by Mr. McBride, to approve the consent agenda. Passed unanimously; MOTION CARRIED.

REGULAR AGENDA

1. EMERGENCY MANAGEMENT: Daniel Wears, Commissioner
a. Authorizing Payment for COVID-19 Mandated Non-Congregate Sheltering Costs to LeMoyne College (\$822,081) (Sponsored by Mr. Ryan)

- Early in COVID, Lemoyne did non-congregate sheltering; versus congregate sheltering done by Red Cross
- Incurred significant expense; tried to get reimbursement directly from FEMA, but unable
- Working with NYS and FEMA, suggested LeMoyne contract with county; county will pay expense to LeMoyne and seek 100% reimbursement from FEMA

Mr. Wears responded to Mr. Rowley that only one other entity did non-congregate sheltering, and they decided to absorb the costs on their own.

Chairman Knapp asked what non-congregate means. Mr. Wears explained it is isolation and quarantine (putting students in rooms by themselves). Congregate sheltering is for large natural disasters where the Red Cross puts 40 – 200 people in an auditorium or large room together.

A motion was made by Mr. Ryan, seconded by Mrs. Ervin, to approve this item. Passed unanimously; MOTION CARRIED.

2. SOCIAL SERVICES – ECONOMIC SECURITY: Sarah Merrick, Commissioner
a. Amending the 2021 Budget for American Rescue Plan Act Funds to Support the Emergency Rental Assistance Program (\$9,071,037) (Sponsored by Ms. Abbott)

- Last December and March of this year, Congress passed 2 waves of funding to assist with emergency rental situations
- Onondaga County collectively received \$28.8 mil to work on this issue; received to date \$19 mil; resolution accepts balance of funds; requirement to spend a certain percentage before they would release balance
- To date distributed \$21.2 mil in funds; made over 4,000 payments on behalf of tenants to landlords; over 300 payments holding to get cooperation from landlords to fix code violations
- Treasury requires payment directly to tenant if landlord does not cooperate; trying to work with both parties
- Reassure that 100% of the time staff spends on this is being reimbursed with grant; no local funds being used
- Issued \$1.5 mil a week over the last month; anticipate all funds being used and distributed by 1st week of January
- This money is only for Onondaga County tenants

Mr. Rowley asked what areas in the county are getting more of the funds, assuming the city will get the bulk of this. Ms. Merrick responded:

- It is all over; track by income levels and other demographics; can create map to find out exactly where funds are being distributed; serving people throughout the county
- Have submitted request for additional \$30 mil of assistance; hopefully will hear in next couple weeks
- There is not enough money for the need; have ~900 applications currently; suspended application process month ago
- Probably have 9,000 tenants that are eligible that they will not have enough funds to pay for
- Anticipating a surge of evictions once the state lifts the moratorium on evictions, slated for January 15th
- Hopefully some of the \$30 mil will slow down some of those evictions from happening

Mr. Ryan asked if they have an additional 9,000 applications that they are processing, and Ms. Merrick clarified 900. They have received ~8,000 unduplicated applications, and there is about a 30% eligibility percentage. They will not be able to pay about 900 eligible tenants, because they are out of money the first week of January. Mr. Ryan asked for a dollar amount on that. Ms. Merrick said their average payment on behalf of a tenant to a landlord has been \$5,200. Unfortunately, when the landlord agrees to take the money, then the landlord accepts settlement of any arrears owed. Ms. Merrick explained that they are beginning to see tenants and landlords coming back asking if there is additional money for further payments, because there is a percentage of tenants assisted that have not paid their rent. Ms. Merrick is concerned that the landlords have the right to go eviction court, and the

department does not have the money to prevent the eviction.

A motion was made by Mrs. Ervin, seconded by Mr. May, to approve this item. Passed unanimously; MOTION CARRIED.

3. PERSONNEL: Carl Hummel, Commissioner

a. Accepting and Approving the Contract Between the County of Onondaga and the New York State Nurses Association

- Agreement with NYSNA on contract for term of January 2021 – December 31, 2023
- Includes wage increase of 4% annually retro; number of different compensations designed to address what been through with nurses working situations from pandemic; way to provide necessary compensation if in similar situation again
- Provides flexibility and control for management for proper scheduling of nurses to deal with circumstances; main focus
- Total cost \$812,000; ratified by union membership

A motion was made by Mr. May, seconded by Mrs. Ervin, to approve this item. Passed unanimously; MOTION CARRIED.

Mr. Ryan asked where they stand with the other unions. Mr. Hummel responded DSBA has begun negotiations for 2020 going forward, and this Legislature imposed a one-year contract in 2019. They have begun negotiations with the Captain's union, which represents the custody captains, not corrections (did earlier this year). CSEA Corrections is still unresolved.

4. FINANCE: Don Weber, Director of Real Property Tax

a. Southwood-Jamesville Water District Tax Town of Dewitt Apportionment

b. Southwood-Jamesville Water District Tax Town of Onondaga Apportionment

c. Southwood-Jamesville Water District – General Apportionment

d. 2022 Town Tax Rates, Fixed, Ratified and Confirmed

e. Warners Water District Tax, Town of Camillus Apportionment

f. Warners Water District Tax, Town of Van Buren Apportionment

g. Warners Water District Tax - General Apportionment

h. Authorizing the County Comptroller to Transfer 2021 Unencumbered Appropriations and Appropriate Revenue After Expiration of the 2021 Fiscal Year upon Approval of the County Executive and the Chairman of Ways & Means Committee

i. Authorizing the County Comptroller, upon Approval of the Finance Department Division of Management and Budget and the County Executive's Office, to Transfer 2021 Unencumbered Appropriation Account Balances in Excess of \$7,500 into, between, and among all Interdepartmental Chargeback Appropriation Accounts and Adjust the Corresponding Interdepartmental Revenue Accounts

Mr. Weber:

- Items a, b, and c are apportioning the Southwood-Jamesville district tax; annual resolution passed to levy tax in DeWitt and Onondaga
- Item d is county tax rates; 2022 tax bills
- Items e, f, and g – Warners water district tax for Camillus and Van Buren
- Items h and I are annual resolutions

Mrs. Venditti:

- Standard year end resolutions requesting authorization for transfers between accounts to clean up any balances
- Process same as in years prior: prepare transfers, review with WMS chair, and upon approval are sent to Comptroller's Office to post
- Mostly used for mandated Social Service accounts and interdepartmental accounts for employee benefits

Mr. Rowley asked if the \$7,500 limit applies to both resolutions, and Mrs. Venditti answered no. The \$7,500 limit is within executive authority, and this is requesting transfers beyond that limit.

A motion was made by Mrs. Ervin, seconded by Mr. May, to approve items 4a - 4g. Passed unanimously; MOTION CARRIED.

A motion was made by Mr. McBride, seconded by Mr. Ryan, to approve items 4h. Ayes: 5 Abstentions: 2 (May, Rowley); MOTION CARRIED.

A motion was made by Mrs. Ervin, seconded by Mr. Ryan, to approve items 4i.

Mr. Rowley asked if this is for interdepartmentals only, and Chairman Burtis responded that is his understanding.

Passed unanimously; MOTION CARRIED.

5. COUNTY LEGISLATURE:

a. Standard Work Day and Reporting Resolution

A motion was made by Mr. May, seconded by Mr. Williams, to approve this item. Passed unanimously; MOTION CARRIED.

6. PARKS AND RECREATION:

Mary Beth Primo, Deputy County Executive, Physical Services

a. Amending the 2022 County Budget to Make Funds Available for Construction of an Aquarium (\$30,434,751)

Ms. Primo:

Our Consultant

<p>Who Is ConsultEcon?</p> <ul style="list-style-type: none"> • A Cambridge, MA based International Economic & Mgt Consulting Firm • Well Respected • Highly Skilled and Knowledgeable • Experienced (30 Years) • Immense Data File <p>What do they do?</p> <ul style="list-style-type: none"> • Provides Econ, Mgt Feasibility & Planning Services • Special Focus on Aquariums, Zoos, and Museums <p>Where?</p> <ul style="list-style-type: none"> • North America – Europe – China - Australia 	<p>Representative ConsultEcon Projects:</p> <p style="text-align: center;"><i>Acquario di Genova, Genoa, Italy</i> <i>Athens Aquarium, Athens, Greece</i> <i>Cheng Feng Ocean World: Shanghai, China</i> <i>Funchal Aquarium: Madeira, Portugal</i> <i>Melbourne Aquarium, Melbourne, Australia</i> <i>Underwater World: Singapore</i> <i>John G. Shedd Aquarium: Chicago, Illinois</i> <i>National Aquarium in Baltimore: Baltimore, MD</i> <i>New England Aquarium: Boston, Massachusetts</i> <i>Texas State Aquarium, Corpus Christi, Texas</i> <i>Monterey Bay Aquarium: Monterey, California</i> <i>Tennessee Aquarium, Chattanooga, TN</i> <i>North Carolina Aquarium at Fort Fisher</i> <i>Living Planet Aquarium, Draper, UT</i> <i>Florida Aquarium, Tampa, FL</i></p>
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- No one would know if this would work, so rely on experts; had idea of building aquarium in Inner Harbor; idea has been in community for over 20 years; other studies have been done
- Sought expertise through RFP; response from ConsultEcon – out of Cambridge, MA

Mr. Bottar:

**Table V-1
Benchmark Aquarium's Scale and Market Characteristics**

Name	Location	Year Opened	Total Square Footage	Total Gallons	Full-Time Equivalent Employees (FTE) 1/	60-Minute Drive-time Pop 2021	60-minute Drive Median HH Income 2021	Tourism Activity High/Medium/Low	2019 Annual Attendance	Memberships	Adult Ticket	Senior Ticket	Child Ticket	Family Membership	Governance
Aquarium of Niagara	Niagara Falls, NY	1965	32,000	176,000	42	1,121,621	\$58,315	High	306,000	816	\$19.95	\$17.95	\$14.95	\$95.00	Nonprofit
Audubon Aquarium of the Americas	New Orleans, LA	1990	168,104	1,000,000	194	1,195,886	\$54,347	High	687,818	31,155	\$29.95	\$24.95	\$24.95	\$220.00	Nonprofit
The Florida Aquarium	Tampa FL	1995	250,000	1,000,000	201	3,874,483	\$58,443	High	810,000	13,101	\$27.45	\$24.70	\$23.45 ^{2/}	\$175.00	Nonprofit
Living Planet Aquarium	Draper, UT	2014	136,000	500,000	132	2,602,134	\$80,223	Low	800,000	NA	\$20.95	\$17.95	\$15.95	\$189.95	Nonprofit
Maritime Aquarium at Norwalk	Norwalk, CT	1988	140,000	249,610	88	5,221,117	\$68,262	Low	493,938	8,250	\$28.95	\$24.95	\$19.95	\$190.00	Nonprofit
Mystic Aquarium	Mystic, CT	1973	141,500	2,369,600	187	1,595,373	\$70,537	Medium	719,000	12,297	\$27.99	\$24.49	\$20.74 ^{2/}	\$205.00	Nonprofit
Newport Aquarium	Newport, KY	1999	125,000	1,000,000	182	2,394,769	\$66,810	Medium	853,000	54,000	\$22.99	\$22.99	\$14.99 ^{2/}	\$195.96 ^{2/}	For Profit
North Carolina Aquarium at Fort Fisher	Fort Fisher, NC	1976	93,000	455,000	68	369,615	\$58,301	High	482,079	18,408	\$12.95	\$11.95	\$10.95	\$89.00	State Govt. / Support Org. / City Govt. / Support Org.
Oklahoma Aquarium	Jenks, OK	2003	72,000	NA	122	1,124,700	\$56,536	Low	341,909	NA	\$18.95	\$14.95	\$14.95	\$150.00	Nonprofit
Oregon Coast Aquarium	Newport, OR	1992	110,000	1,800,000	92	59,689	\$53,685	Medium	435,734	5,825	\$24.95	\$19.95	\$14.95	\$150.00	Nonprofit
Seattle Aquarium	Seattle, WA	1977	115,518	841,000	131	3,680,260	\$93,352	High	865,309	10,872	\$29.95	\$29.95	\$20.95	\$179.00	Nonprofit
South Carolina Aquarium	Charleston, SC	2000	93,000	750,000	122	787,565	\$69,774	High	471,183	8,925	\$29.95	\$29.95	\$22.95	\$189.00	Nonprofit
Tennessee Aquarium	Chattanooga, TN	1992	195,000	1,150,000	235	1,005,886	\$52,813	High	769,100	11,800	\$34.95	\$34.95	\$21.95	\$175.00	Nonprofit
Texas State Aquarium	Corpus Christi, TX	1990	173,600	1,200,000	199	555,544	\$54,028	High	546,496	6,500	\$36.95	\$34.95	\$26.95	\$269.95	Nonprofit
Virginia Aquarium	Virginia Beach, VA	1986	129,289	800,000	130	1,426,793	\$66,468	High	640,231	8,894	\$24.95	\$22.95	\$19.95	\$150.00	Nonprofit / City Govt. / Support Org.
<i>Average</i>			<i>131,601</i>	<i>949,372</i>	<i>141</i>	<i>1,801,029</i>	<i>\$64,126</i>		<i>614,786</i>	<i>14,680</i>	<i>\$26.12</i>	<i>\$23.84</i>	<i>\$19.24</i>	<i>\$174.86</i>	
<i>Median</i>			<i>129,289</i>	<i>920,500</i>	<i>131</i>	<i>1,195,886</i>	<i>\$58,443</i>		<i>640,231</i>	<i>10,872</i>	<i>\$27.45</i>	<i>\$24.49</i>	<i>\$19.95</i>	<i>\$179.00</i>	
<i>Onondaga County Aquarium</i>	<i>Syracuse NY</i>		<i>80,000</i>	<i>600,000</i>		<i>1,005,000</i>	<i>\$59,130</i>	<i>Medium</i>							

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- Snapshot of aquariums across country; 60/40 freestanding nonprofit; 20 are associated with zoos
- Fortunate to have access to consultant data base; lot of information; reach out and get data every year
- Highlighted column – attendance range dependent on population and region, quality of facility, design, exhibits, management; average attendance – 614,000; projection is 490,000

**Table VI-1
Visitation Potential Estimates
Onondaga County Aquarium**

	Market Capture Rates			Attendance Range			Percent to Mid Range to Total Attendance
	Estimated 2026 Population	Low	High	Low Range Attendance	Mid Range Attendance	High Range Attendance	
RESIDENT MARKET							
Primary Market Area (Total 20-Minute Drive)	402,000	30.0%	40.0%	120,600	140,700	160,800	29%
Secondary Market Area (Onondaga County, Less 20-Minute Drive)	60,000	25.0%	35.0%	15,000	18,000	21,000	4%
Tertiary Market Area (40-Minute Drive, Less Onondaga County)	175,000	18.0%	25.0%	31,500	37,625	43,750	8%
Quaternary Market Area (60-Minute Drive, Less 40-Minute Drive)	368,000	10.0%	15.0%	36,800	46,000	55,200	9%
Total Resident Market (60-Minute Drive)	1,005,000	20.3%	27.9%	203,900	242,325	280,750	50%
TOURIST MARKET							
Tourist Market as a Percent of Total		49.0%	51.0%	195,904	244,057	292,209	50%
Total Stabilized Visitation Range				399,804	486,382	572,959	100%
Rounded Stabilized Visitation ^{1/}				400,000	490,000	570,000	

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**Table X-9
Preliminary 10 YR Net Operating Net Operating Income Potential Summary
Onondaga County Aquarium**

	YEAR 1	YEAR 2	Stable Year YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	Stable Year		
Attendance	588,000	539,000	490,000	492,450	494,900	497,350	499,800	502,250	504,700	507,150	490,000		
Revenue												Current Dollar Value	Percent of Expenses
Earned Revenue	\$12,565,000	\$11,525,000	\$10,861,000	\$10,950,000	\$11,463,000	\$11,584,000	\$11,981,000	\$12,108,000	\$12,684,000	\$12,822,000		\$10,440,000	93%
Contributed Revenue Assumption ^{2/}	\$1,508,000	\$1,383,000	\$1,629,000	\$1,643,000	\$1,719,000	\$1,738,000	\$1,797,000	\$1,816,000	\$1,903,000	\$1,923,000		\$1,566,000	14%
Total Revenue	\$14,073,000	\$12,908,000	\$12,490,000	\$12,593,000	\$13,182,000	\$13,322,000	\$13,778,000	\$13,924,000	\$14,587,000	\$14,745,000		\$12,006,000	107%
Operating Expenses ^{1/}	\$12,307,000	\$12,077,000	\$11,726,000	\$11,973,000	\$12,224,000	\$12,481,000	\$12,743,000	\$13,011,000	\$13,285,000	\$13,564,000		\$11,271,000	100%
Net Operating Income After Contributed Revenues	\$1,766,000	\$831,000	\$764,000	\$620,000	\$958,000	\$841,000	\$1,035,000	\$913,000	\$1,302,000	\$1,181,000		\$735,000	7%

NOTE: Year 1 is in 2021 dollars. All figures rounded to nearest 1,000

1/ Does not include any land lease payment beyond \$1 per year, as land cost is yet to be determined.

2/ Contributed revenue, or "non-earned" revenue, are part of all aquarium operations. Sources and amounts of Contributed Revenue can vary widely and could include grants, corporate sponsorships, annual gifts, gifts-in-kind of goods and services, fundraising events, endowment proceeds, and government support.

Source: ConsultEcon, Inc.

- Projecting earn revenue – stable year 3; excitement in year one; year 2 down, then steady at 490,000
- Facility properly designed, right exhibits, right location, and management will operate successfully

**Table XI-8
Estimated Development Period Impacts to Onondaga County
Due to the Development of the Onondaga County Aquarium**

	Construction & Fit Out	Architecture & Engineering & Soft Costs	Total
Estimated Preliminary Development Related Expenditures ^{1/}	\$52,000,000	\$28,000,000	\$80,000,000
Percent of Expenditures within Onondaga County	40%	20%	
Development Related Expenditures in Onondaga County	\$20,800,000	\$5,600,000	\$26,400,000
Estimated Average Annual Industry Wages ^{2/}	\$74,077	\$106,994	
Direct Person-Years of Employment ^{3/}	90	31	121
	Multipliers ^{4/}		
Applicable Multipliers, Onondaga County	<u>Expenditures</u>	<u>Earnings</u>	<u>Person-Years of Employment ^{5/}</u>
Construction	1.4163	0.3948	6.1843
Architectural, engineering, and related services	1.3181	0.4735	6.0651
Indirect and Induced Impacts in Onondaga County by Project Component			
Construction	\$29,459,040	\$8,211,840	121
Architecture & Design	\$7,381,360	\$2,651,600	32
	Total Direct, Indirect & Induced ^{6/}		
Impacts in Onondaga County	<u>Expenditures</u>	<u>Earnings</u>	<u>Person-Years of Employment ^{7/}</u>
Total Indirect and Induced Impacts	\$36,840,400	\$10,863,440	153
Total Direct Impacts	\$26,400,000	\$9,983,753	121
Estimated Total Economic Impacts	\$63,240,400	\$20,847,193	274
Rounded	\$63,200,000	\$20,800,000	274

**Table XI-7
Summary of Estimated Economic Impacts of the Proposed Onondaga County Aquarium
on the Onondaga County and New York Economies Under a
Mid-Range Attendance Scenario in a Stabilized Year**

<i>Direct Expenditures - (Rounded to \$000)</i>	Total Net New Spending In Onondaga County	Total Net New Spending In State of New York
<i>Distribution of Potential Net New Direct Spending</i>		
Onondaga Aquarium	\$9,449,000	\$9,974,000
Lodging	1,669,000	976,000
Meals	3,044,000	1,602,000
Shopping	3,809,000	2,005,000
Recreational/Attractions/Events	1,563,000	823,000
Local Transportation	1,648,000	916,000
Total Net New Spending	\$21,182,000	\$16,296,000
Direct Employment	215	176
Total Direct, Indirect and Induced Effects of Aquarium-Related Spending Expenditures, Earnings and Employment on the Geographic Areas Evaluated ^{1/}		
<i>Total Economic Impacts</i>	Total Spending In Onondaga County	Total Spending In State of New York
Expenditures	\$51,917,000	\$43,554,000
Earnings	\$15,994,000	\$14,095,000
Employment ^{2/}	423	359
<i>Fiscal Benefits - Selected Tax Revenue Generation (Rounded to \$000)</i>		
	Total Spending In Onondaga County	Total Spending In State of New York
<i>Sales Taxes Generated By Direct Visitor Expenditures ^{3/}</i>	\$660,810	\$558,967
Indirect Sales and Income Taxes Generated by Directly Supported Employee Wages and Salaries	\$78,256	\$535,951
Indirect Sales and Income Taxes Generated by Other Multiplier Effect Employee Wages and Salaries	\$56,465	\$494,090
Total Tax Revenue Generation (Rounded to \$000)	\$796,000	\$1,589,000

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- Ongoing impact of operation of aquarium; direct spending showing little over \$9.4 mil
- Visitors outside 60 mile radius; some will stay overnight, eat meals, and shop; direct spending little over \$21 mil
- Economic impact of over \$51 mil/year in community
- All aware of Syracuse lake front, plans for Inner Harbor; development has occurred over 20-30 years; this project will be magnet for economic development in Inner Harbor
- Syracuse lake front/Inner Harbor - conservative estimate of 1 mil in sq ft building space, 2 or 3 additional apartment complexes, 4 or 5 office buildings and retail space, and 1 more hotel; tax paying, privately owned businesses (\$200 mil)

Onondaga County Tourism

- Canadian Visitors make on average 2-3 visits per year
(A small number visit as many as 5 times per year)
- Primary Activities for Canadian Leisure Visitors:
 1. Shopping (60%)
 2. Visiting Rosamond Gifford Zoo (25%)
- Based on a Visit Syracuse survey, Canadian visitors and local day trippers have said the #1 thing that would appeal to them is a new indoor interactive experience.

Mr. Liedka:

- Tourism in county close to \$900 mil industry; steady growth since 2015 (excluding COVID); 2.5% growth over each year; tourism not all “heads in beds”; Rochester family coming for show and dinner is tourism and tax dollars
- \$67 mil in typical year (2019); 17,000 jobs; \$434 mil in payroll
- COVID given every industry a pause; hotel market relatively flat since 2019; since 2014 there is roughly 38% new hotel rooms, but demand flat; keeps rates low; try to find way to create new demand generators
- Amazon here and film industry did \$25 mil here during COVID; only game for hotels
- If able to raise average rate by \$5, then that \$5 would generate \$750,000 in sales tax
- Average rate in 2021 is \$15 higher than 2019, because hotels cannot sell every room; hotels do not have staff to clean all the rooms, so number of available rooms is down and demand is up
- Syracuse has the highest average rate of all surrounding competitors - Buffalo, Rochester, Albany are all \$5 behind
- Imagine normal year and create demand; rates go up and generates more tax - aquarium another piece of puzzle
- Hamilton coming, which is first class Broadway show; people from Ottawa come in droves, because they can see same show as Toronto, but at half price; shopping half the price
- Syracuse Maxwell students did study - #1 thing Canadians and local people want is new indoor interactive experience
- 20 hotels reached out to Visit Syracuse to ask what they can do to package Zoo, Destiny, and aquarium together

“Aquariums have a strong track record of being catalysts for economic and community development”

ConsultEcon 2021 Onondaga County Feasibility Study

- Generate substantial new economic activity (\$51.9 million annually)
(Economic Impact of Construction Period \$63.2M)
- Expand employment opportunities with hundreds of new jobs (423)
(Direct and Indirect Construction Jobs = 274)
- Grow tourism economy
- Catalyze Inner Harbor revitalization and private real estate investment (project over \$200M of private investment)
- Create new fiscal revenues
- Enhance Onondaga County brand
- Provide new educational opportunities
- Enhance quality of life

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Chairman Burtis stated that he does not intend to take a vote today. He is interested in having a discussion.

- Referring to table X-9 operating net income; noted that without contributed revenue assumption, the numbers do not work; please talk about this; Friends of Zoo – great partner
- What do they think about that going forward? Opportunity and need for friends to be there

Mr. Fox:

- Spoke to several colleagues that have used ConsultEcon, and opinion is that they use conservative numbers; agree with that based on numbers, especially with contributed revenue and earned; numbers are low for attendance also
- Contributed revenue with good development team; lot of foundations interested in project; have helped zoo, but more so with aquarium; no problem meeting and exceeding revenue projections

Ms. Primo:

- Zoo contributed revenue at \$1.23 mil last year; not difficult to collect \$1.5 mil yearly given it is a fresh new amenity
- Great excitement from foundations and people who have money to contribute; grants available
- Every year will be something different; new exhibits; always bring in more money

Mr. Fox:

- Popularity to contribute to this; fundraising for proceeds; grants and annual gifts; so many streams of funds to tap into
- Zoo doing good job, but aquarium and new facility will be larger and more spectacular than zoo; think it is a low number

Chairman Burtis asked how much the city of Syracuse would be willing to contribute. Ms. Primo responded that she does not know anything about their participation, or their intention to participate.

Mr. Rowley:

- 490,000 annual attendance crucial; drives fiscal analysis; Niagara Falls and Oklahoma aquariums have resident market populations similar to Onondaga County, but attendance significantly less; 360,000 and 342,000 for Oklahoma
- Niagara Falls has high level tourist activity; not buying 490,000; attendance is crucial if it will be successful

Mr. Bottar:

- Have not visited each listed, but aquarium in Niagara Falls is not a first class world aquarium; key criteria is facility proper size, proper design with right exhibits, and right location; Niagara Falls well managed, but old and outdated
- Oklahoma – guess that factors in play including where located, how well managed and marketed; marketing key
- i.e. Georgia Aquarium is 250,000 sq ft, downtown Atlanta; did well for 3-5 years, then attendance dropped; brought in Georgia Tech University that found whole approach to marketing incorrect; changed marketing plan, boosted attendance
- Real science to get exhibitory right; bring in good firm to do the work; not cookie cutter

Ms. Primo:

- Asked consultant about Niagara Falls; size is 1/3 size of this project; location is not close to falls; not in mix of everything; location is important; really not able to capture tourism numbers

Mr. Rowley:

- Part of frustration is given \$120,000 feasibility study and consultant felt necessary to include these 2 aquariums; trying to make sense of numbers; 2 locations in terms of numbers are similar, but now they are saying not good numbers
- Half of the 490,000 from residents at a little over 1 mil people in 60 min drive; 25% of population has to come to aquarium every year to make numbers work; true statement?

Mr. Bottar responded that 25% of the population would come to the aquarium based on the services of experts in the industry. Mr. Rowley said that the data is their data, which is tough to verify. Why would he rely on one consultant to give the information and say it is true? Mr. Bottar answered this is the third consulting firm he has worked with over the last twenty-five years in regard to an aquarium (Lyon Group, Economic Research Associates, and ConsultEcon). These are the most conservative numbers.

Mr. Rowley:

- Dealt with consultants; great thing, should do it
- How does a Legislator know that 25% of the population within an hour of here will come to this facility every year in perpetuity? Consultant can tell them that, but need to verify that
- Document does not reference any studies or any other work they have done to verify; they are just giving it to the county

Ms. Primo:

- Zoo been here ~50 years, and on yearly basis pulls in 340,000 – 350,000 visitors; special event brings in another 25,000 - 30,000 visitors; zoo not near other major attractions; pulls in little over 100,000 less than the brand new aquarium

Mr. Liedka:

- Cannot justify the numbers, but Visit Syracuse has small retail unit in Destiny over footbridge from Embassy; told that millions go to Destiny; people counter put in and found 1.4 mil walk by the store in a year; ¼ mile from aquarium
- Assure numbers come to fruition – hired data company and geofenced the area; can tell credit card data to see how much money was spent; those are first targets; chip off 10%, will help make numbers realistic

Mr. Fox:

- Niagara and Oklahoma – those are somewhat failing facilities trying to catch up; spent 2 hours with Gary Siddall, CEO

- of Niagara, and he would love to move his aquarium; difficult when many people come to the area, but not aquarium
- 60 aquariums within AZA are excited to have another aquarium
- Talk about what makes people come year after year - education value of facilities, cultural institutions for not only art and education, but entertainment and different exhibits; stimulates over and over visitation of aquariums

Mr. Rowley:

- Right sizing of aquarium and marketing critical - \$750,000 for marketing, but does not seem that county would need to advertise within resident market area; most money would be spent to attract people outside resident market area
- Who is the county competing with?
- Within northeast United States there are 34 aquariums; Maine to Pennsylvania
- How does the county compete with that? Is this what the marketing funds will be for?

Mr. Bottar:

- 34 major aquariums, but major is important distinction, as there are restaurant and malls with aquariums, which are not first class world aquariums; maybe spent \$5-10 mil; not \$85 mil
- Major aquariums are in Boston (New England Aquarium); Baltimore (National Aquarium); NY Aquarium; Mystic, CN; Camden, NJ across river from Philadelphia; Toronto; Biodome in Montreal that is combination of aquarium and zoo

Mr. Fox:

- Those are major aquariums in Northeast; point of how it is sited and sized - make it a spectacular aquarium people will continue to visit

Mr. Rowley said the report says a third party will manage the facility, but within the proforma there is no provision for a management fee. What would the management fee be, who does this work, and would there be any county employees?

Ms. Primo:

Onondaga County Aquarium Operations

- Facility Ownership – Onondaga County
- Operation and Management – private non-profit 501(c)(3) corporation
- 501 c(3) will be governed by a board of directors, with representation from County Executive’s Office and County Legislature
- Aquarium staff - employees of 501(c)(3)
- Public/Private Partnership agreement to be negotiated by Onondaga County and the 501(c)(3).
- Anticipate a revenue sharing model wherein, at minimum, Onondaga County will receive a percentage of revenue to fund an aquarium capital improvement account.
- Naming Rights Fee unless otherwise agreed to would go to the County.

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- 501c3 runs many aquariums across country; will put out RFI, then an RFP; already approached by group interested
- Anticipate public/private partnership; contract that spells it out; 501c3 would be management team that would do all hiring; aquarium employees would be their employees
- County responsible for maintaining building; revenue sharing model to split net revenue, and would also address if they come up short; will be tough on how the county does the revenue sharing agreement

- Anticipate number of opportunities to sell sponsorships for exhibit's, as well as naming rights – county selling and keeping revenue from naming rights and putting into capital improvement fund; would add to every year

Mr. McBride asked if the revenue sharing model is the same as what the county has with the Oncenter. Ms. Primo responded that there is a revenue sharing agreement, but the county is not partnered with a non-profit. Mr. McBride asked if the aquarium does not make the numbers anticipated, who picks up the tab if they are in the red. Ms. Primo:

- It would have be agreed upon with the nonprofit; first 2 years should be big years, which county will put revenue in capital improvement fund; 501c3 will have money in their endowment fund, which they may have to tap into
- If aquarium is short, they may have to cut costs; county may have to contribute; do not foresee contributing; will have an agreement to say what the nonprofit owes and keeps, and same for county
- If they are running it, they should be responsible, but it is the county's aquarium; if something dire happens, the county may have to participate; 501c3 has the control over the revenue and expenses
- In agreement, the 501c3 will be more responsible for shortfalls than the county; agreement will be negotiated

Mr. Bottar:

- Looked at upside and downside of project; tend to look at upside; i.e. Chattanooga, first building built was in 1992 at 130,000 sq ft; so successful and generated revenue, built a 60,000 sq ft expansion in 2004
- All have been so successful, they generated operating revenue and completed major expansions in 15-20 years; can happen with properly designed and operated facility

Ms. Primo:

- 55% or more of expenses are personnel; 107 fulltime employees at aquarium; Mr. Fox believes that is fair; about \$6.2 mil; when divided out, it is \$58,000 per employee at aquarium
- Number of zoo and friends employees are 129 equivalent fulltime employees; divided by money spent for salaries and benefits, comes out to be \$37,000 per fulltime; difference of \$21,000 paid to aquarium employees
- Projection quite high; 1.5x what pay at zoo; bring that down 25%, would save \$1.3 mil; ~10% of expense projecting

Chairman Burtis:

- Born and raised in NY; appreciate the aquarium data and examples in back with major cities
- Do not live in major city; i.e. driving to south to Virginia into major traffic and 81 stopped; leaving south, drive away from people; reaching NY state border, nearly no one on the road; that is truth and life
- Have not made final decision; frustrating to say that it is not difficult; it is a difficult

Mr. Ryan:

- Agreed; want to be optimistic; with Oncenter, do a lot of subsidies which is important; to get people here, need conventions and Oncenter - like bowling congress and others
- Worried the county will get into a place when there are capital improvement projects and do not have 490,000 people coming here every year; worried about having another facility; unlike amphitheater with revenue stream
- Zoo – 350,000 visitors a year; lot are repeat and local; people buy family passes
- Worried about \$25 - \$35 price per ticket; think it is an inhibitor; do not know what other places do
- i.e. Boston, MA - do not want to be pessimistic, but do not think people go to Boston for the aquarium
- Have daughter in college in Baltimore and never been to the aquarium
- Talking about a family of 4 coming here and spending \$250 to walk in front door; inhibitor for those in this community
- Concerns of cost of facility being put back on taxpayers; talking about economic driver of \$52 mil/year
- Do not have any data to back up that other aquariums in certain market sizes drive \$52 mil/year

Mr. Bottar said they have a data and study, and these firms do not do this work casually. Mr. Ryan commented that they have projections and a study, but he does not know what impact or how much revenue is being driven from aquariums in other cities. There is no statistical data. If the county is spending \$85 million of the taxpayer's money, then he is hopeful that the county will get a very healthy return on the investment.

Mr. Bottar:

- Absent the study, they would be on thin ice in terms of presenting concept like this

- Have benefit to bring in ConsultEcon; they do not present numbers causally, they do not care about Syracuse, and they will not stake reputation on 1 project in 1 midsize city; analysis with detailed efforts; no different than what private business does hiring firm for market feasibility

Mr. Ryan:

- Have ~\$30 mil resolution; Is there a breakdown? Is it for consultants or engineering? Who is doing what? Who picked them? Where is the county spending the money? Where is the county going?
- Have not heard a lot about that; all seen thus far is concept of \$85 mil aquarium; need to know where it will go

Ms. Primo:

- Clarified that an adult ticket is suggested to be \$21.50; children are \$16.50; with opportunity to buy family memberships
- With regard to \$30 mil, do not have anything concrete to show, because they cannot RFP for service without money backing it up; right now only a proposal from County Executive to approve
- Plan on purchasing property and engaging engineer and design firm; then will RFP for construction; for details will defer to Mr. Wixson; have to RFP everything – i.e. purchasing land, engineering

Mr. Bottar said there are tables in the study that show the breakdown of costs based on other aquariums across the country. Mr. Ryan said they can talk about projections, but everything is hypothetical. He is talking about a real number of \$32 million. Mr. Ryan would like to know how much the cost will be to purchase land, who will be doing the site work, who will be doing the engineering, and when it will be RFP'd. Ms. Primo responded that she cannot give those answers. Mr. Ryan asked if the \$30 million is an estimate for costs of engineering, and Ms. Primo said yes. Mr. Bottar added that it is based on similar facilities around the country, as well as industry standards for architecture and engineering fees for a project of this complexity.

Mr. Ryan:

- Would rather see real numbers; understand they cannot know all of that, but asking the Legislature to appropriate \$30 mil; maybe it will not cost \$85 mil; can they talk about that first, then give number

Ms. Primo:

- Have idea of costs based on study; professionals doing this that were involved in planning, operations, construction, and estimates for other aquariums and buildings
- Mr. Wixson has reviewed this and is in agreement; no different than what has been done often times with projects
- Go out and have engineering and design done through RFP process; get money from Legislature, then say what they will be building and how much; i.e. what was done with the Amphitheater
- Mr. Wixson has done this – given certain amount of money to design and engineer and build to that budget

Mr. May:

- Not sure tracking towards a strategic decision; trying to get to casting vote on project; going through committee process
- Colleague said something profound - at the end of the day, it will be a matter of trust and a leap of faith; to certain degree, she is absolutely right; buy it or not, or vote for it or not
- There are things here that can involve extensive amount of due diligence to allow Legislators to vote more confidently and less as leap of faith
- Challenges of separating matter at hand from politics versus reality; valid concerns versus baseless naysaying
- Can accept the fact that if this is successful, there will be tremendous economic impact
- Absence of real business plan, not casual commitments to think this or that; less leap of faith looking at business plan saying at low end in lousy year this will be economic impact and operating implications or cost; as well as great year
- Not talking nth level detail with 100 pages; extrapolation process that is less strategic from feasibility study
- Personally want to understand capital repair and maintenance over time and how it fits into the overall proforma
- What it will cost over time to manage and maintain based on construction estimates

Ms. Primo said on slide V-1 it shows visitation potential, and she asked if he would want the information (what would be the revenue and expenses) based on the low attendance line. Mr. May said operating impact and economic impact together, so it is not in tables on a document. It should concisely represent the risks and opportunity for the project. Ms. Primo said she will provide it based on the information in the study. Mr. May

asked that they bring in the real costs and capital expenses involved in the operation that would drive the expenses for the program. Mr. Bottar commented that table X-4 shows detailed revenue. Mr. May said the Legislature has to extrapolate information from a 120 page document, and they are talking in all different directions. This is a suggestion to understand this from a strategic level, as this is a strategic decision. Mr. Bottar said they are trying to do this by focusing on certain tables in the report including table X-4; \$328,000 per year to capital account. Mr. May asked if the capital plan is driven by data from other aquarium’s experiences, and Mr. Bottar agreed. Mr. May asked if \$3 million over ten years will cover it, and Mr. Bottar responded that they will get an answer. Ms. Primo said they are projecting to be in the black every year, so a portion of the \$328,000 would come to the county, on top of naming rights money. All of that would be put into a capital improvement account.

Mr. Williams said the cost will be \$21.50/adult and \$16.50/child, and he asked how this project will help the poor communities. Mr. Fox:

- Accredited aquariums and zoos around the country understand accessibility to the entire community is important
- Through sponsorship days (i.e. Wegmans), the community can come at no cost
- Zoo contracted with the Syracuse City School District – every 1st and 2nd grader comes to the zoo for not only a field trip, but also an educational program; not one and done
- Have grants that supply free admission to certain demographics; have grant and agreement with CNY Works for older children and kids in high school; offer education and ways to learn interview skills
- Biggest goal is inclusion to every person in the community, both rural and city
- Idea is that the same programs currently at the zoo will be offered at the aquarium

A motion was made by Mr. May, seconded by Mrs. Ervin, to adjourn the meeting. Passed unanimously; MOTION CARRIED.

The meeting was adjourned at 11:21 a.m.

Respectfully submitted,

ATTENDANCE



JAMIE McNAMARA, Clerk
Onondaga County Legislature

COMMITTEE: **WAYS & MEANS COMMITTEE**
DATE: **DECEMBER 17, 2021**

NAME (Please Print)	DEPARTMENT/AGENCY
Ashley Cafaro	News Channel 9
Tom Cunningham	News Channel 9
Danny Liedka	US
Kristi Smiley	FinOps
Rachel Burkhardt	FinOps
Brie Kelly	ParICS
Yvette Velasco	LAW
Wendy	FO
Breidenbach	Post-Standard
Don Weary	EM
Carl Hummel	Personnel
SHANNON MARY	WGP
Simon Merrick	DSS-ES
D. Bottar	GM Rt Dg
Don Weber	tax Tax
Dan Kwaskowski	SOCFA
Tenesha Murphy	CE office
MB Primo	CE office