

ALBANY CONVENTION CENTER AUTHORITY
2021 Q-4 & ANNUAL MEETING MINUTES
Albany Capital Center
January 27, 2022

ATTENDEES

Present: Michele Vennard, ACCA Board Chair, Steven C. Lerner, ACCA Board Treasurer, Sarah Reginelli, Robert Ryan, Esq. Harris-Beach, Meredith Brinkman, BST/CFO, Jill Delaney President/CEO of Discover Albany, Jay Cloutier, Director of Sales Discover Albany, Ana Messina ACC Sales Manager ACCA Staff: Duncan Stewart

Via Zoom: Hon. John T. McDonald III RPH, Michael Skrebutenas, Vice-Chair, Michael Hoffman, Daniel C. Lynch, Shannon Licygiewicz, Albany Capital Center General Manager

Call to Order and Roll Call:

The meeting was called to order at 9:14 AM by ACCA Board Chair Michele Vennard, attendance was noted and that a quorum was present.

Ms. Vennard announces the resignation of Megan Daly, ACCA Board Secretary and immediate past ACCA Board Chair effective with this meeting and thanks her for a continuous period of service to the ACCA Board in the development, planning and completion of the Albany Capital Center and the effective and successful transition to operational status since her appointment by the Governor in August of 2013.

Approval of Minutes:

Ms. Vennard requests a combined motion to approve the draft minutes of the 10-28-21 Governance Committee and 10-28-21 ACCA 2021 Q-3 meeting:

A motion was made by Ms. Reginelli, seconded by Mr. Lerner, to adopt the Draft minutes of the Governance Committee Meeting and those of the 10-28-21 ACCA 2021 Q-3 Board Meeting. The motion carried unanimously

Treasurer Report:

Ms. Brinkman reviewed the December 2021 Financials, beginning with the summary of revenue/expenses followed by the changes in net position noting that the ACCA position is sound, with revenue and expenses consistent with budget. The ACCA share of 2021 Q-4 Hotel Occupancy Tax was received this past week, total receipts for FY 2021 are slightly above the forecast. The end of year financials which have been presented to the Auditor, reflect the increases from the occupancy tax and the proceeds from the US Small Business Administration grant under the Shuttered Venue Program applied for by ASM on behalf of the Albany Capital Center.

As noted in the Audit & Finance Committee meeting that preceded, the FY 2021 Audit is in progress, on schedule, and it is anticipated to be complete for review by this Board prior to the Special Meeting Audit, 3-24-22.

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Annual Meeting:

Ms. Vennard refers to the memo from counsel and asks Mr. Ryan to proceed.

Mr. Ryan summarizes the ACCA Policies and reviews the proposed slate of officers as:

- Michele Vennard, Chairperson
- Daniel C. Lynch, Vice Chair
- Steve Lerner, Treasurer
- Sarah Reginelli, Secretary

Ms. Vennard requests a motion to approve the resolution electing the slate of officers as presented.

A motion was made by Ms. Daly, seconded by Mr. McDonald, to accept the ACCA 2022 Slate of Officers The motion carried unanimously

Ms. Vennard offers her thanks to the officers for accepting the positions.

Ms. Vennard confirms the status of the committees and that no changes are planned for 2021

Mr. Ryan confirms that the Governance Committee met to review the Investment policy and Property Disposition Guidelines, that there were no changes to either in 2021. The recommendation of the Committee is for the ACCA Board to re-state both policies.

Ms. Vennard requests a motion to approve the resolution re-stating the Investment Policy:

A motion was made by Mr. Hoffman, seconded by Ms. Reginelli to adopt, and restate the Investment Policy. The motion carried unanimously

Ms. Vennard requests a motion to approve the resolution re-stating the Property Disposition policy:

A motion was made by Mr. Lynch, seconded by Ms. Reginelli to adopt, and restate the Property Disposition Policy; The motion carried unanimously.

Mr. Stewart presents the second amendment to the existing MOU by and between the ACCA and the ACCVB in which the terms are restated, adjustments in how services will be rendered are made, includes updated authorizing persons, but does not substantively change cost.

Mr. Ryan details the history of the MOU and that it has been similarly amended in the past to reflect changes in the needs of this facility and how the marketing and economic impact review services are provided by the ACCVB.

Ms. Vennard requests a motion to approve the amendment to the MOU with ACCVB.

A motion was made by Mr. McDonald, seconded by Mr. Hoffman to authorize the Second Amendment to the MOU with the ACCVB; The motion carried unanimously

Economic Impact Committee Report:

Mr. Cloutier presents the 2021 Q-4 Economic Impact Report including detail comparing past year performance quarter over quarter, year over year, along with the end of year and life of the facility impacts, summarized as follows:

2021 Q-4 over 2020 Q-4

IMPACTS	2021	2020	DIFFERENCE
Spending	\$494,974.00	\$39,566.00	\$455,408.00
Sales Tax	\$31,751.00	\$1,521.00	\$30,230.00
Visitors	12,530	2,758	9,772
Hotel Room Nights	328	0	328
Events	33	48	<15>
FTE Jobs	11	26	<15>

2021 / 2020 'Year-over-Year'

IMPACTS	2021	2020	DIFFERENCE
Spending	\$6,308,342.00	\$5,094,711.00	\$1,213,631.00
Sales Tax	\$578,577.00	\$513,198.00	\$65,379.00
Visitors	45,464	25,699	19,765
Hotel Room Nights	15,175	6,535	8,640
Events	106	54	52
FTE Jobs	95	3,230	<3,135>

3-1-2017 through 12-31-2021 'Life of the Facility'

IMPACTS	TOTALS
Spending	\$55,189,344
Sales Tax	\$55,189,344
Visitors	362,730
Hotel Room Nights	15,175
Events	697
FTE Jobs	27,854

Mr. Cloutier presents the Outlook update, comparing 2019, a banner year for the hospitality industry and the Albany market with the current information, with a focus on hotel occupancy and revenue per available room (REV-PAR). Both are trending upward in the Capital Region; however, the improvement is not the case for all properties, with downtown hotels facing greater challenges related to the pandemic and the slow return of travel for business.

Ms. Vennard: These slides tell the story and there is a value to making this information available, especially as it related to occupancy which is more easily understood.

Mr. Cloutier: Agreed and that a public recognition of the struggle that the hoteliers have and continue to experience would be well received.

Ms. Delaney: The slow return of municipal business impacts the Downtown properties to a greater degree and they are in need of positive economic impacts.

Economic Impact Committee Report (continued):

In review of the contracted services, Mr. Cloutier cites a slight improvement, actual over forecast, as a good indicator for this market, that recovery, albeit slow, is happening.

Ms. Delaney notes the increase in occupancy tax collections the result of taxable business returning before that of the not-for-profit sector which is not now subject to the Hotel/Motel Occupancy Tax.

Mr. Lerner: How do these numbers compare not necessarily nationally, but regionally / northeast?

Ms. Delaney: Comparable but not directly as there are factors in this market that differ, but generally Albany is doing better than other areas of the country.

These outside services also suggest that the target time frame for recovery is improving as well, CBRE now projecting the second half of next year, previously forecast as Q-1-Q-2 of 2024.

As part of a C-Vent session, it was discussed that forms of hybrid meetings will likely be a long term feature of the meeting sector. Building on this there is a trend toward monetizing seminars which are pre-recorded using studio sets within existing venues to increase A/V revenue and in some instances as an additional revenue source from future pay-for-view streaming.

Ms. Reginelli: To address this, are there any facility changes needed?

Mr. Cloutier: Hotels are planning this on a smaller scale and each facility will need to address capacity.

Mr. Stewart: The technology is in place at the ACC as a result of the original investments and those upgrades made by ASM and ACES in response to the increase in hybrid, remote and seminar format events and the facility has the trained personnel for studio type set-ups. As such, what opportunities exist to monetize the programs needs to review by the sales team and perhaps offered to those clients who might not be aware of our capacity as a facility.

ASM Annual Report:

Ms. Licygiewicz presents the 2021 Annual Report produced by ASMGlobal operator of the Albany Capital Center, highlighting the challenges, responses, and accomplishments as this facility supports and fully participates in the recovery of the hospitality industry.

This past year ASMGlobal hosted alternative event types, traditional in-person meetings, some larger events, along with sports training and tournament dates and the facility's first art exhibit open to the public. While there has been a marked reduction in the number of cancellations due to the Pandemic, there remains uncertainty among meeting planners, promoters, and especially not-for-profit organizations. This has resulted in many dates moving within the calendar and booking windows continuing to be noticeably short. As dates move and the calendar fills it remains a challenge to accommodate all requests.

In addition to my assuming the position of GM and Ana Messina being promoted to Sales Manager, ASMGlobal has made other personnel changes, including those related to security, operations, and parking management.

ASM Annual Report (continued):

2021 saw the full implementation of the operational protocols under the ASM corporate Venue-Shield program, the receipt of the GBAC certification, the addition of the whole building air filtration upgrades including the investment in Needle Point Ionization and MERV-13 filters, additional volleyball equipment, security system upgrades, the installation of the Mamava Pod and importantly, the first major upgrade to the website since opening.

The investment in the website provides an efficient, contemporary, and more effective experience for both the new and returning client, meeting planner, or promoter, with greater emphasis on the capacity and adaptability of the Albany Capital Center in meeting the needs of a changing market.

ASMGlobal using the resources of Baker Public Relations developed multiple news pieces, 42, press releases, 10, and market outreach resulting in positive response from both new and repeat clients and for all to know that the facility is fully open to meet their needs and to highlight the center and its benefits.

In response to a changing market ASMGlobal and Mazzone have developed new and seasonal menus and have creatively responded to events such as Coaches v. Cancer and the numerous concerts, to assure the best customer experience.

The end-user surveys demonstrate the continued high standards that are being maintained by the on-site staff and our key partners, Mazzone and ACES in particular.

Operator Fee Summary:

Mr. Ryan reviews the fee determination process as based upon the metrics of an average year. Due to the pandemic, the performance of the center is in recovery and as such the operator was paid the base fee for FY 2021.

Capital Improvements:

Mr. Stewart outlines the proposed and in progress FY 2022 Capital projects.

Other Business:

Mr. Ryan reviews the status of committee membership with the plan to address at the March meeting.

Ms. Vennard offers closing remarks thanking ASMGlobal for its efforts this past year and Ms. Daly for her many contributions and years of service to the ACCA.

Mr. McDonald offers that a request has been made to the Governor's appointments office to fill the two open positions, and separately thanking Ms. Daly for her spirit of collaboration and years of service.

Ms. Daly acknowledges the good wishes of the Chair and individual members and thanks the team for its support.

Adjourn:

Ms. Vennard called for a motion to adjourn. ***A motion was made by Mr. Lerner; seconded by Ms. Reginelli to adjourn the meeting, the motion carried unanimously***

The meeting adjourned at 10:15 AM

Next Meeting: Special Meeting Audit

Thursday, March 24, 2022, 9:00 AM

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