

ALBANY CONVENTION CENTER AUTHORITY
Economic Impact Committee meeting #4 of 2023, Tuesday October 24, 2023
Albany Capital Center: Capital Room
Link to Streaming Audio: <https://youtube.com/live/sfKKmg6ATVQ?feature=share>

ATTENDEES

Present: Michele Vennard, Chair, Michael Hoffman.

Via ZOOM: Assembly Member John McDonald

Absent: Steven C. Lerner

Others Present: Jill Delaney, President Discover Albany, Jay Cloutier, Director of Sales Discover Albany, Shannon Licygiewicz ASM Global ACC Gen. Mgr.

ACCA Staff: Duncan Stewart

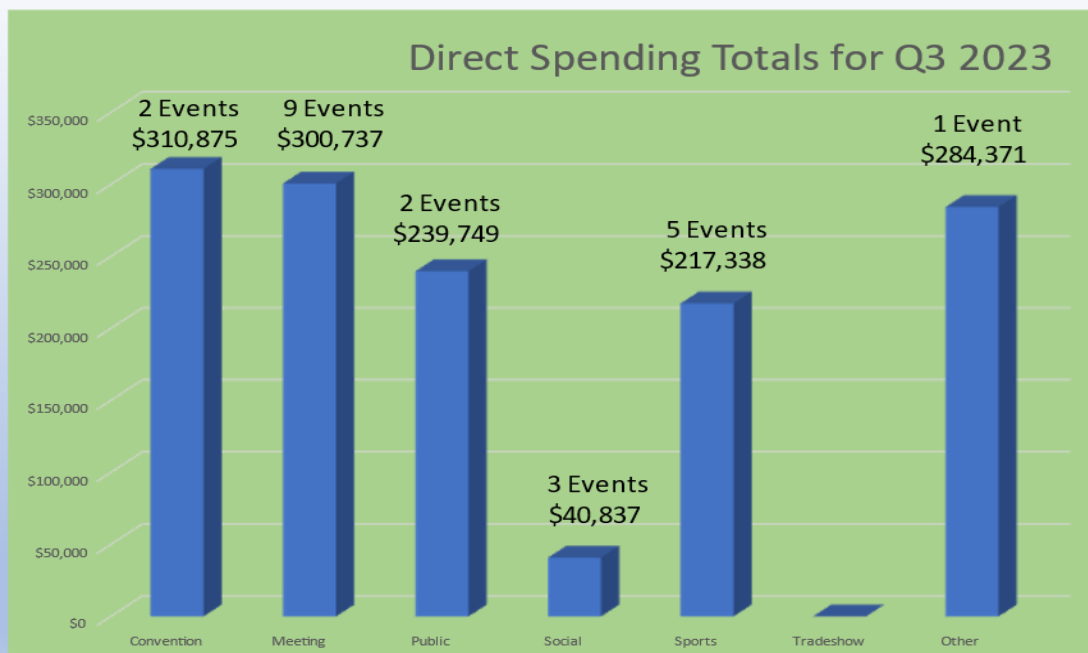
CALL TO ORDER

Economic Impact Committee Meeting was called to order at 9:03 AM

AGENDA

- Review of minutes:** The minutes from EI Committee Meeting #3 of FY 2023, 7-20-23 were reviewed. A motion was requested by Ms. Vennard to approve the minutes as presented. A motion was made by Mr. Hoffman. Seconded by Mr. McDonald. The minutes were approved.
- Economic Impact Report & Outlook:** Jay Cloutier presents the 2023 Q-3 Economic Impact Report, the Outlook update of the observed trends in Occupancy and Rev-Par through 9-30-23, including examples of regional lost business.

The FY 2023 Q-3 Report highlights the 2 conventions and 5 sports related events booked during this quarter, and the strong total spend in each category.



9:14 AM Mr. Lerner joins the meeting .

2. Economic Impact Report & Outlook (continued):

Mr. Cloutier presents the quarterly year over year information, and states that while the numbers are consistent with the recovery, there are other factors that impact spending among them buyer options.

Ms. Vennard: To Shannon, what are the planners saying?

Ms. Licygiwicz: The planners she has spoken with remain confident, at least in this market, over the next 2 years.

Mr. Cloutier summarizes the factors, including; a more educated client and attendee that are both price conscientious and resistant, taking full advantage of booking opportunities available through services and the internet. By example, the bar exam, with the number of individual bookings and the uptick in Airbnb reservations.

Year-over-year sales numbers; FY '22 Q-2 v. FY '23 Q-3



Mr. Cloutier presented the summary of economic impacts, 3-1-17 through 9-30-23 citing that the destination remains a strong draw.

**Economic Indicators
Growth and Performance Totals:
March 1st, 2017- Sept 30, 2023***

- Total Spending:** \$77,151,578
- Total Sales Tax:** \$8,787,258
 - State Sales Tax: \$4,165,248
 - County Sales Tax: \$4,561,071
- Post Event:**
 - Total Visitors Generated: **515,039**
 - Total Hotel Rooms Generated: **112,126**
 - Total Events: **928**
 - Full Time equivalent Jobs supported by Capital Center Activity: **28,168**

*Life of the building



2. Economic Impact Report & Outlook (continued):

Ms. Vennard: How is Airbnb being tracked and what are the impacts?

Ms. Delaney: Discover Albany is conducting a trial of AirDNA which is compatible with ZARTICO. Using this past NCAA tournament, 20 users were tracked across the full visit which provided valuable detail on all spending. More to follow once the trial run is completed. The impact from occupancy tax dollars not being collected is significant and increasing. Legislation pending.

Mr. Cloutier: Albany has seen a 3-fold increase in Airbnb bookings; 2021 through 2023.

Mr. McDonald: Counties may adopt their own tax. Legislation has been proposed for 10 yrs.

Ms. Delaney: Washington County does have an agreement whereby it receives a payment, but it is not a tax, and localities have not acted independently pending enactment of the legislation by NYS which will importantly also establish standards including those for building safety.

Mr. McDonald: The legislative priorities are: #1 Safety, #2 Equity, and #3 Revenue.

Mr. Hoffman: Hotels are inspected, the average home is not, and Airbnb bookings make up a high percentage in some cities and towns.

Ms. Delaney: It is increasingly the case that Airbnb is not “home-sharing”, rather it is a business being conducted by absentee owners and in many instances out-of-town landlords with the other impact of contributing to housing shortages, especially in the more desirable locations with good access to amenities and transportation.

Mr. Cloutier reviews examples of regional lost business including CrossFit and the FFA as being related to lack of space/capacity, low room block availability and open dates rather than to Albany as a destination. For example, FFA was too large for even the combined complex of the MVP, ESP, and ACC, room block notwithstanding and Zeta Phi needed 27 Breakout rooms.

Mr. Lerner: Where did CrossFit contract?

Mr. Cloutier: Madison, Wisconsin with its larger convention center and HQ hotel.

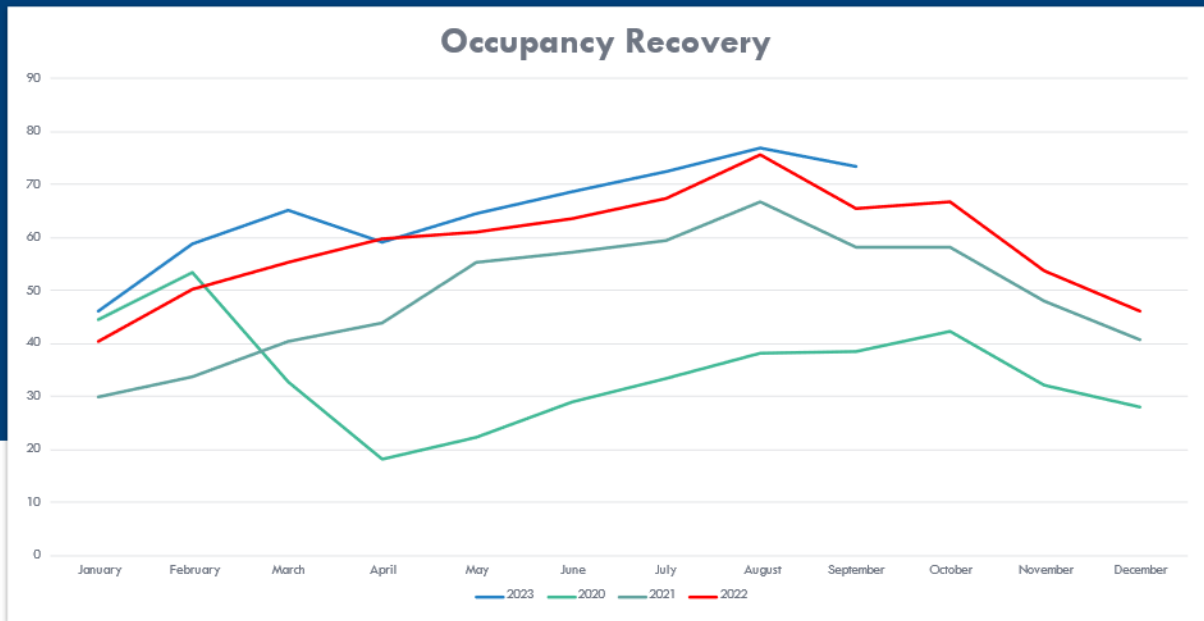
Lost Business Report for Q3

Organization Name	Lead Name	Meeting Start Date	Room Attendees	Room Nights	Lost Note
CrossFit Games	2024 Crossfit Games Semifinals	5/23/2024	4,500	2,625	MVP not able to put in a bid on the Crossfit games due to some of the requirements needed to fulfill the bid
CrossFit Games	2025 Crossfit Games Semifinals	5/22/2025	4,500	2,600	
CrossFit Games	2026 Crossfit Games Semifinals	5/21/2026	4,500	2,600	
Building Performance Association (BPA)	ROOMS ONLY 2024 Capital Region of NYS Conference for BPA	5/20/2024	400	442	We fell 100 rooms short with the room block offerings.
Zeta Phi Beta Sorority, Inc.	2025 Atlantic Regional Leadership Conference [10326]	10/14/2025	900	1,539	It was determined by the team at ACC & ESPCC that this business is not a good fit for Albany, space intensive.
New York Future Farmers of America (NY FFA)	2025 NY FFA State Conference	5/14/2025	2,500	956	They would require the MVP arena, just too large for our destination.
New York Future Farmers of America (NY FFA)	2026 NY FFA State Conference	5/13/2026	2,500	956	
New York Future Farmers of America (NY FFA)	2027 NY FFA State Conference	5/12/2027	2,500	956	
			22,300	12,674	

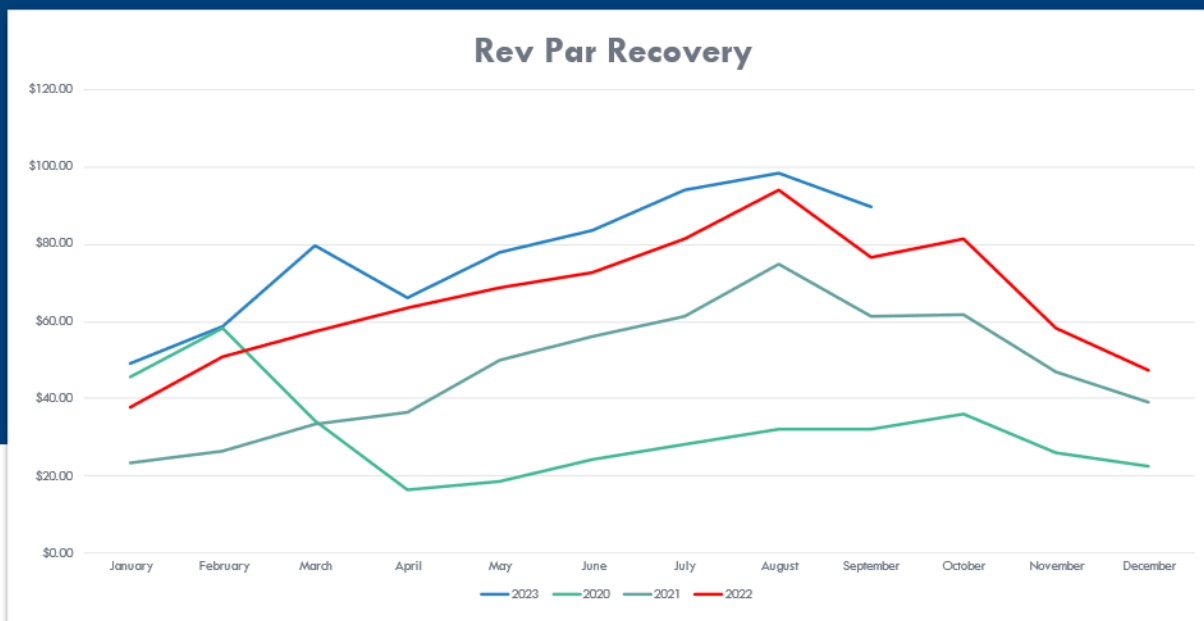
2. **Economic Impact Report & Outlook (continued):**

Mr. Cloutier summarizes hotel occupancy, as strong, with the outlook positive through the end of this year as are those projections for Revenue Per Available Room (RevPar) as reported by STR.

FY 2023 Q-3 occupancy levels continue to track the recovery year, 2022.



FY 2023 Q-3 RevPar levels continue to track the recovery year, 2022.



2. Economic Impact Report & Outlook (continued):

Ms. Vennard: Are those rooms dedicated to asylum seekers being taxed? And is it impacting booking?

Mr. Cloutier: Occupancy Tax is not being charged.

Ms. Delaney: In the case of the Holiday Inn Express, it impacts taxation and booking. Discover Albany has determined that the HIE on Broadways show no vacancy and roll over calls then go to the East Greenbush property and other locations outside of Albany County.

Ms. Vennard: Status of the Hyatt Place?

Mr. Cloutier: Strong start, greater than anticipated by management, but to date, they are unwilling to sacrifice rate for a room book. room blocks.

3. ASM Global FY '23 Q-3 Report:

Ms. Licygiewicz presents the ASM FY '23 Q-3 Report. Presently bookings stand at 152 contracted events or 80% of the FY 2023 budget of 190, with 1 additional contract in progress. While there remains the possibility for additional events to book the facility calendar is full through just before Thanksgiving, and there are no open dates before December 16th.

Ms. Vennard: When turning away events, are they lost to the destination?

Ms. Licygiewicz: Not necessarily, ASM sends the client to the Discover Albany website and pushes it as an active lead to Discover Albany staff. In most cases, due in part to the short booking window, the clients are already engaged with DA and other properties. And any leads that ASM gets involving hotel rooms, are sent to DA.

Ms. Licygiewicz states that bookings for 2024 are strong, currently 42% of the 170 events are under contract with 6 pending. Overall, the conversion rate is around 20% down from its high of 35%, due in part to the slow start in Q-1 of this year, a possibility for '24 as well. Overall attendance numbers are improving but by event there are those that are up and some that do not meet the estimates. It would appear that those events where the client and planner invest in upgrades are succeeding at a higher level than those who are relying upon an older model.

Contracted events & impacts by year:

Impact Category	2023:	2024:	2025:
Events	152	72	10
Event Days	249	139	9
Attendees	83,121	44,349	4,996
Hotel Room Nights	19,646	7,371	550
Pending Contracts	1	6	5

Mr. Hoffman: We experienced the same slow start, which is a difficult challenge to overcome.

Ms. Licygiewicz: Our Q-2 through this past month were very busy on the sales side by comparison.

Ms. Vennard: Destination?

Ms. Delaney: Yes, true across the areas that we measure.

Mr. Cloutier: DA is advising planners to stay current and will be attending a planning workshop in New Jersey to identify the types of changes to recommend.

3. ASM Global FY '23 Q-3 Report (continued):

ASM Leads for Q-3 by year:

Q-3	# of Leads	# of Hotel Room Nights
2023	44	305
2024	62	4,878
2025	8	3,822

ASM comparative attendance stats:

- September 2023 was:
 - 36% ahead of 2019
 - 15% ahead of 2022
- Year to date:
 - 27% behind 2019
 - 15% ahead of 2022

Ms. Licygiewicz reviews the operations and capital improvements/expenditures made by the ACCA, including:

- Waste receptacle replacement to save labor time, reduce product use, provide simpler source separation, and improve appearance.
- Storage solutions: Loading dock and Levels G-1 & G-2 to free parking spaces for rent.
- Charging stations which will be an ancillary income source.
- Wall protection at Level C-2
- Carpet extractor to reduce space turnaround time and increase frequency of cleaning.
- 400 classroom tables: added inventory needed for bar exams, providing control over availability and quality versus when renting.

4. Executive Session: Contract Matter

The Economic Impact Committee entered Executive Session at: 9:54 AM.

Noting that no action was taken while the EI Committee was in Executive Session, a motion was requested by Ms. Vennard to return to open session. A motion was made by Mr. Hoffman. Seconded by Mr. Lerner. The EI Committee returned to open session at 10:04 AM.

5. Other Business:

There was no other business before the Committee.

6. Adjourn:

A motion was requested by Ms. Vennard to adjourn the meeting. A motion was made by Mr. Hoffman. Seconded by Mr. Lerner. The meeting was adjourned @ 10:06 AM.

Next Meeting: Tuesday 1-23-24 Start Time: 9:00 AM

Location: Albany Capital Center Room: TBD

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