

Public Authorities Accountability Act of 2005

Filed pursuant to and in accordance with Subdivision (1) of Section 2800 of the Public
Authorities Law:

Annual Report

2008

**Albany Convention Center Authority
2008 Annual Report**

1.) Operations and Accomplishments in 2008

The Albany Convention Center Authority (“ACCA”) was created on September 21, 2004 by the enactment of Title 28-BB of the Public Authorities Law (Chapter 468 of the Laws of 2004). The general purpose of the ACCA is to design, develop, plan, finance, create, site, construct, renovate, administer, operate, manage, and maintain a convention facility located in the City of Albany (the “Project”).

Upon the hiring of staff in February of 2007, the ACCA embarked upon fulfilling its statutory requirement to produce the “Preliminary Study of the Authority” (a/k/a the “Convention Facilities Plan”), a comprehensive plan detailing the major components of the project and its impact to the local area. The Convention Facilities Plan was completed and adopted by the ACCA Board in May of 2008. In accordance with the ACCA’s enabling legislation, the Convention Facilities Plan was submitted to the Governor, New York State Comptroller, Temporary President of the Senate, Speaker of the Assembly, Albany County Executive and the Mayor of the City of Albany on May 30, 2008.

In addition to the completion of the Convention Facilities Plan, other significant activities are as follows:

- Completed the Environmental Review under the State Environmental Quality Review Act (“SEQRA”):
 - Accepted the Generic Environmental Impact Statement (GEIS) as complete
 - Accepted the Final Generic Environmental Impact Statement (FGEIS)
 - Accepted the SEQRA Findings Statement
- Negotiated and drafted a proposed Memorandum of Understanding with the Coalition for Economic, Environmental and Educational Justice (CEEEJ) setting forth the parameters and common benefits that may be provided for in a Community Benefits Agreement.
- Developed a revised concept plan to significantly reduce the cost of the Project by creating an opportunity for private development of the hotel and parking garage.
- Commenced archeological exploration:
 - Received authorization from NYS Office of Parks, Recreation and Historic Preservation to proceed with archeological efforts in May.
 - In June of 2008, archeological excavation began in Liberty Park, a City owned park located at Hudson Avenue and Dallius Street in downtown Albany, and in areas adjacent to the site of the proposed convention center.
- Developed additional policies and controls for the operations of the ACCA:

**Albany Convention Center Authority
2008 Annual Report**

- Adopted an Employee Benefits and Attendance Manual
- Adopted a Record Retention and Disposition Schedules

The ACCA received a grant for \$2,097,000 in 2007 administered by the Empire State Development Corporation (ESDC). The grant was used for certain expenses such as the operation of the authority, and pre-development consulting and other professional fees associated with the project as approved by ESDC. The grant was fully utilized and closed out as of August, 2008.

**Albany Convention Center Authority
2008 Annual Report**

SUMMARY FINANCIAL INFORMATION

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SUMMARY STATEMENT OF NET ASSETS

Assets

Current Assets

Cash and cash equivalents	\$63,540.73
Investments	1,305,691.95
Receivables, net	8,354.03
Other assets	288,702.32
Total Current Assets	1,666,289.03

Noncurrent Assets

Restricted cash and investments	0.00
Long-term receivables, net	0.00
Other assets	0.00

Capital Assets

Land and other nondepreciable property	0.00
Buildings and equipment	13,493.00
Infrastructure	0.00
Accumulated depreciation	7,500.00
Net capital assets	5,993.00
Total Noncurrent Assets	5,993.00

Total Assets **1,672,282.03**

Liabilities

Current Liabilities

Accounts payable	8,967.51
Pension contribution payable	453.50
Other post-employment benefits	(10.40)
Accrued liabilities	37,947.35
Deferred revenues	0.00
Bonds and notes payable	0.00
Other long-term obligations due within one year	0.00
Total Current Liabilities	47,357.96

Noncurrent Liabilities

Pension contribution payable	0.00
Other post-employment benefits	0.00
Bonds and notes payable	0.00
Other long-term obligations	0.00
Total Noncurrent Liabilities	0.00

Total Liabilities **47,357.96**

Net Asset (Deficit)

Net Assets

Invested in capital assets, net of related debt	0.00
Restricted	0.00
Unrestricted	1,624,924.07

Total Net Assets **\$1,624,924.07**

**Albany Convention Center Authority
2008 Annual Report**

SUMMARY STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS

Operating Revenues

Charges for services	\$0.00
Rental & financing income	0.00
Other operating revenues	0.00

Total Operating Revenue 0.00

Operating Expenses

Salaries and wages	258,297.56
Other employee benefits	58,679.58
Professional services contracts	26,967.58
Supplies and materials	2,164.94
Depreciation & amortization	4,500.00
Other operating expenses	86,275.90

Total Operating Expenses 436,885.56

Operating Income (Loss) (436,885.56)

Nonoperating Revenues

Investment earnings	19,744.87
State subsidies/grants	575,441.50
Federal subsidies/grants	0.00
Municipal subsidies/grants	1,091,418.03
Public authority subsidies	0.00
Other nonoperating revenues	30.00

Total Nonoperating Revenue 1,686,634.40

Nonoperating Expenses

Interest and other financing charges	44.44
Subsidies to other public authorities	0.00
Grants and donations	0.00
Other nonoperating expenses	643,864.31

Total Nonoperating Expenses 643,908.75

Income (Loss) Before Contributions 605,840.09

Capital Contributions 0.00

Change in net assets 605,840.09

Net assets (deficit) beginning of year 1,019,083.98

Other net assets changes 0.00

Net assets (deficit) at end of year \$1,624,924.07

4.) Schedule of Bonds and Notes Outstanding

Two non-interest bearing loans of \$100,000 each were outstanding as of December 31, 2007; one to the City of Albany Local Development Corporation and one to the County of Albany. They were both paid in full at the end of February, 2008.

A Line of Credit for \$300,000 was secured from Key Bank in 2007. As of December 31, 2007, \$25,000 was outstanding. That amount, plus interest, was paid back in full on January 9, 2008. There was no further use of the Line in 2008.

5.) Compensation Schedule of Officers, Directors or Employees in a Decision Making or Managerial Position with a Salary in excess of \$100,000.

a.) Executive Director/CEO

6.) Projects Undertaken

Pursuant to its enabling legislation, the general purpose of the ACCA is to design, develop, plan, finance, create, site, construct, renovate, administer, operate, manage, and maintain a convention facility located in the City of Albany.

The ACCA developed a new Convention Center Project concept plan in late 2008 which significantly reduces the cost to the taxpayer while maintaining its mission to build a 244,000 square foot convention facility within the City of Albany. The plan separates the convention facility, parking garage and hotel into three distinct elements. The ACCA will only construct the convention center facility and will create the opportunity for private development of the hotel and parking garage. Segmenting the convention center project into three distinct elements significantly reduces overall cost by simplifying construction, while providing for privately developed hotel and parking structures along Broadway.

The new concept plan follows Governor Paterson's initiative to reduce State spending on important capital projects by encouraging private investment in publicly sponsored projects, and is consistent with the adopted master plan, the findings of the SEQRA environmental impact statement and the HVS market study.

7.) Listing of all Real Property Having a Fair Market Value in Excess of \$15,000.

None for 2008

**Albany Convention Center Authority
2008 Annual Report**

8.) Code of Ethics

See attached

9.) Assessment of Internal Control Structure and Procedures

Our independent auditor found no weakness in the Internal Control Structure and Procedures during the 2007 Audit.

I hereby certify the foregoing report is accurate to the best of my knowledge, based on the unaudited financial records of the Albany Convention Center Authority.

Gavin Donohue
Chairman