

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**  
**2014**

## **1.) Operations and Accomplishments in 2014**

During this past year the Albany Convention Center Authority (“ACCA”) has proceeded under the guidance of New York State Office of General Services (“OGS”) and the 2013 approval by Governor Cuomo, to pursue an alternative concept plan to design and construct, within the existing State appropriation, a right sized convention facility to be located between Eagle, Howard and Wendell Streets adjacent to the Empire State Plaza, the EGG, the Times Union Center and to be directly connected to the Empire State Plaza Walkway.

During 2014, the ACCA proceeded with all aspects of development, design, and preconstruction including: Land Acquisition, State Environmental Quality Review Act (SEQRA), Public Authority Control Board (PACB) approval, amendment of the Engineering and Architectural Services contracts issued to CHA and HNTB respectively, as a result of the public procurement processes completed in 2006 and 2007, and accepted the response to the RFP issued in 2007 for Construction Management Services from Gilbane Building Co.

The ACCA board adopted important resolutions to amend original contracts and approve other related activities toward construction and operations of the proposed Albany Capital Center as follows:

- Establishing marketing & construction committees for progress efficiency with those project areas and to assist in informing board members for decision-making;
- Approving CHA's Engineering Service Agreement for pre-construction and construction phase scopes;
- Approving Architectural Services Agreement with HNTB for the pre-construction and construction phase scopes;
- Entering into an agreement with Gilbane Building Company for construction management services;
- Recognizing and restating its commitment to have the Albany Capital Center generate economic and social benefits to the communities of the city, county and capital district region and continuing to take proactive and transparent steps to achieve that commitment;
- Accepting the Draft Environmental Impact Statement as complete;
- Accepting the Final Environmental Impact Statement as complete;
- Ratifying its February 28, 2014 approval to acquire the site and undertake the design, pre-construction, construction, fit-out and furnishing of an alternative plan for the construction of the Albany Capital Center, a convention center facility located in Downtown Albany;
- Approving an agreement with the New York State Office of General Services (OGS) to facilitate the flow of funding for construction and operations of the Albany Capital Center;
- Approving the engagement of the Dormitory Authority of the State of New York (DASNY) to provide minority and women owned business enterprise monitoring and reporting services for the construction of the Albany Capital Center;
- Approving an agreement with the County of Albany with respect to acquisition of land and improvements to the elevated walkway for the Albany Capital Center;

- Entering into an agreement with SMG, the successful responder to an RFP for the operations of the convention center facility. As part of their responsibilities, SMG has selected Mazzone Hospitality as the provider of all food and beverage services to the Albany Capital Center.
- Authorizing the use of a Project Labor Agreement (PLA) and authorizing Gilbane Building Company to enter into and execute a PLA with the local unions affiliated with the Greater Capital Region Building and Construction Trades Council, AFL-CIO for the construction of the Albany Capital Center;
- Entering into a marketing agreement with the Albany County Convention and Visitors Bureau for ramp-up marketing during the construction phase of the Albany Capital Center.

## 2.) Financial Reports –

**(i) Audited Financials:** follow link below:

[http://www.accany.com/albany\\_convention\\_center\\_authority/FinancialInformation/Audits.aspx](http://www.accany.com/albany_convention_center_authority/FinancialInformation/Audits.aspx)

**(ii) grant and subsidy programs** – During 2014, there were no grants or subsidies.

**(iii) operating and financial risks** - The ACCA’s funding is currently derived from Empire State Development Corporation grants based upon a \$75 million State budget appropriation and a portion of a Hotel-Motel Occupancy Tax enacted by Albany County. The ACCA had accessed funds from these sources for its operational and financial obligations that occurred in 2014. The ACCA’s efforts for 2014 were directed to the advancement of the alternative plan for the convention facility and to maintain the properties acquired for the former convention center site until disposed of for other future development.

**(iv) current ratings, if any, of bonds issued by recognized municipal bond rating agencies and notice of changes in such ratings** – N/A

**(v) long-term liabilities, including leases and employee benefits plans** - Lease obligations are the only long-term liabilities of the ACCA. As a result of the acquisitions, purchase of buildings and land made on August 24, 2010, the Authority was assigned ground leases relating to surface parking areas which contain development rights. These parcels were within the originally designated site for the building of the convention center. Assignment of these ground leases allows for the Authority to take the existing leases over from the original lessee with the same terms in place. The ground leases are accounted for as operating leases. The leases include a purchase option for two of the three properties during the final five years of the lease term. The surface parking areas to which these leases relate are being rented on a daily, monthly and event basis utilizing management agents.

## 3.) Mission statement and measurements including its most recent measurement report

**Mission Statement:** The New York state legislature found, determined and declared that a convention center facility located in downtown Albany will provide significant economic

and social benefits to the City and County of Albany and the entire capital district region and that locating such convention center facility in the City of Albany is in the public interest, given the convenience and accessibility of the City, its significance in the history of the State, its stature as the capital city of the State and the seat of State government. It is therefore the purpose and mission of the Albany Convention Center Authority to design, develop, plan, finance, create, site, construct, renovate, administer, operate, manage, and maintain a convention center facility within the downtown area of the City of Albany.

### **Measurement Report:**

The performance of the Authority can be measured by the conduct of the following activities within its allocated resources and necessary approvals:

- 1.) All pre-development activities such as studies, surveys, site selection, design, and land acquisition; and

See accomplishments for 2014 in item 1 above.

- 2.) All construction activities necessary to construct the convention center facility; and

See item 1 above

- 3.) All activities associated with operating a convention center facility.

- Entering into an agreement with SMG, the successful responder to an RFP for the operations of the convention center facility. As part of their responsibilities, SMG has selected Mazzone Hospitality as the provider of all food and beverage services to the Albany Capital Center.
- Entering into a marketing agreement with the Albany County Convention and Visitors Bureau for ramp-up marketing during the construction phase of the Albany Capital Center.

### **4.) Schedule of bonds and notes Outstanding**

There are no bonds or notes outstanding as of December 31, 2014

### **5.) Compensation schedule for salaries in excess of \$100,000.**

- a.) Duncan Stewart, Executive Director/CEO.

### **6.) Biographical information for all persons with salaries in excess of \$100,000**

Mr. Duncan Stewart has over 25 years of experience in commercial construction and development industries. His career includes employment with several Capital Region developers and contractors, including serving 12 years as vice president of operations for Zandri Construction in Cohoes. Project experience includes: the air-traffic control tower/Tracon Facility, air cargo and maintenance buildings at the Albany International Airport, renovations and additions to Albany Public Schools #20 and #27, new gymnasium and classroom additions to the St. Anne Institute in Albany, Woodland Hills Montessori

School, renovations and additions to St. Pius X, St. Augustine's, and St. Mary's Crescent among other liturgical facilities.

A resident of Averill Park, Mr. Stewart, is a native of Boston, having lived in the Capital Region since 1975. In his project work, he has served in both the capacity of an owner's representative and general contractor and has extensive experience with the construction management process both as advisor and as constructor.

**7.) Projects undertaken during the past year**

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. Therefore, the ACCA has a single statutorily mandated project.

Please see 2014 activities listed in Section 1 above, which are all in furtherance of a single project.

**8.) Listing of all real property having a fair market value in excess of \$15,000.**

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All real property having a fair market value in excess of \$15,000:

<b>TAX MAP</b>	<b>LOCATION</b>	<b>OWNER</b>
76.50-1-23	27 Dallius Street	ACCA
76.50-1-15	62 Green Street	ACCA
76.50-1-16	62.5 Green Street	ACCA
76.50-1-17	64 Green Street	ACCA
76.50-1-18	66 Green Street	ACCA
76.50-1-19	72 Green Street	ACCA
76.50-1-20	74 Green Street	ACCA
76.50-1-21	46 Division Street	ACCA
76.50-1-22	44 Division Street	ACCA
76.50-1-31	346 Broadway	ACCA
76.50-1-34	1 City Square	ACCA
76.11-1-7	3 City Square	ACCA
76.11-1-8	2 E-Comm	ACCA
76.11-1-9	3 E-Comm	ACCA
76.11-1-10	310 Broadway	ACCA
76.11-1-13	5 Pryun Street	ACCA
76.42-5-25	50 Hudson Avenue	ACCA
76.50-1-24	14 Dallius Street	PSC,LLC
76.50-1-25	22 Dallius Street	PSC,LLC
76.50-1-26	39 Hamilton Street	PSC,LLC

76.50-1-27	37 Hamilton Street	PSC,LLC
76.50-1-28	31 Hamilton street	PSC,LLC
76.50-1-29	23 Liberty Street	PSC,LLC
76.50-1-30	28 Division Street	PSC,LLC
76.50-1-32	342 Broadway	PSC,LLC
76.50-1-33	338 Broadway	PSC,LLC
76.50-1-35	330 Broadway	PSC,LLC
76.11-1-12	298 Broadway	JOHN CLARK,TRUSTEE
76.42-5-21	58 Green Street	JOHN CLARK,TRUSTEE
76.42-5-22	54 Green Street	JOHN CLARK,TRUSTEE
76.42-5-23	50 Green Street	JOHN CLARK,TRUSTEE
76.42-5-24	52 Hudson Avenue	JOHN CLARK,TRUSTEE
76.42-5-27	46 Hudson Avenue	JOHN CLARK,TRUSTEE
76.42-5-28	37 Division Street	JOHN CLARK,TRUSTEE
76.42-5-29	41 Division Street	JOHN CLARK,TRUSTEE
76.42-5-30	43 Division Street	JOHN CLARK,TRUSTEE
76.42-5-31	45 Division Street	JOHN CLARK,TRUSTEE
76.42-5-32	47 Division Street	JOHN CLARK,TRUSTEE
76.42-5-33	49 Division Street	JOHN CLARK,TRUSTEE
76.50-1-3	56 Division Street	ACCA
76.50-1-4	54 Division Street	ACCA
76.50-1-5	52 Division Street	ACCA
76.50-1-6	57 Green Street	ACCA
76.50-1-7	57.5 Green Street	ACCA
76.50-1-9	61 Green Street	ACCA
76.50-1-10	65 Green Street	ACCA
76.50-1-12	65 Hamilton Street	ACCA
76.50-1-13	67 Hamilton Street	ACCA
76.42-5-44	358 Broadway	ACCA
76.33-1-28.1	55 Eagle Street	ACCA

**9.) Code of ethics - See attachment A**

**10.) Assessment of internal control structure and procedures**

Our independent auditor found no material weakness in the Internal Control Structure and Procedures during the 2014 Audit.

**11.) Enabling legislation – Follow link below**

[http://www.accany.com/albany\\_convention\\_center\\_authority/AboutACCA/NYSEnablingLegislation.aspx](http://www.accany.com/albany_convention_center_authority/AboutACCA/NYSEnablingLegislation.aspx)

## **12.) Description of the authority and its board structure**

- **Committees and Members**
  - Audit & Finance Committee – a committee of the whole
  - Governance Committee – a committee of the whole
  - Construction Committee:
    - Gavin Donohue; Committee Chair
    - Sarah Reginelli
    - Michael Skrebutenas
    - Sherri Brooks
  - Marketing Committee:
    - Michele Vennard; Committee Chair
    - Brad Rosenstein
    - Megan Daly
    - Steve Lerner
- **Board Meetings and Attendance** - follow link below  
[http://www.accany.com/albany\\_convention\\_center\\_authority/MeetingRecord/2014.aspx](http://www.accany.com/albany_convention_center_authority/MeetingRecord/2014.aspx)
- **Description of Major Authority Units or Subsidiaries** – NA
- **Number of Employees** – 2

## **13.) Charter and by-laws** – See Attachment B

**14.) Listing of material changes in operations and programs during the reporting year** – Under the guidance of the NY State Office of General Services, the ACCA was requested to consider an alternative concept for the convention center project as detailed in Section 1 above. In December, 2013 Governor Cuomo approved the plan that has been named the Albany Capital Center. All operations during 2014 was based upon the new Albany Capital Center location and concept.

**15.) Minimum of a 4 year financial plan, including: (i) current and projected capital budget, (ii) operating budget report, including an actual versus estimated budget with an analysis and measurements of financial and operating performance** – See Attachments C-1 and C-2

**16.) Board performance evaluations; provided, however, that such evaluations shall not be subject to disclosure under FOIL** – See Attachment D

**17.) Description of the total amount of assets, services or both assets and services bought or sold without competitive bidding including: (i) the nature of assets and services, (ii) names of the counterparts, (iii) where the contract price for the assets purchased exceed FMV or where the contract price for the assets sold is less than**

**FMV, a detailed explanation of the justification for making purchase or sale without competitive bidding and a certification by the CEO and CFO that they have reviewed the terms of such purchase or sale and determined that it complies with applicable law and procurement guidelines**

55 Eagle Street (76.33-1-28.1) was purchased by the ACCA for the new location of the Albany Capital Center in accordance with the ACCA's real property acquisition policy. The contract price for the acquisition of the property was not in excess of the FMV as determined by independent appraisals. The board of the ACCA adopted a resolution dated February 28, 2014 (No.08-14) approving the acquisition and authorizing the CEO to execute the purchase and sales contract. The counterparts to the contract were: 70 Howard Street LLC, Wellannex LL and Wellington Garage Associates II, LLC, the sellers of four parcels of land subsequently consolidated into a single parcel located at 55 Eagle Street with a tax map ID of 76.33-1-28.1

**18.) Description of material pending litigation – N/A**

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

Gavin Donohue  
Chair