

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**

**2019**

## **1. Operations and Accomplishments in 2019:**

During this past year, 2019, the Albany Convention Center Authority (“ACCA”) has proceeded pursuant to its enabling legislation to oversee the management of the Albany Capital Center which is located at 55 Eagle St, Albany NY 12207, adjacent to Howard and Wendell Streets and the Empire State Plaza, the EGG, the Times Union Center and directly connected to the Empire State Plaza Walkway.

The ACCA, having entered a Purchase and Sales Agreement with Capitalize Albany Corp. on 12-15-2017, for the transfer of the surplus properties acquired and/or controlled in contemplation of locating a convention center off Broadway, closed, in escrow, on those parcels on 12-17-19. Subsequently, the closing was released from escrow on 2-21-20 and the transfer completed thereafter.

To improve program efficiency at the Albany Capital Center, the ACCA invested in capital improvement projects including the addition of storage mezzanines, more offices including for the ACCA staff, and floor surface modifications to accompany entrance changes when accommodating large numbers of attendees

## **2. Financial Reports:**

### **a.) Audited Financials:**

Link: [http://www.albanycapitalcenter.com/acca/financial\\_information.cfm](http://www.albanycapitalcenter.com/acca/financial_information.cfm)

### **Operating and Financial Risks:**

The ACCA sole source of funding is from portions of the Albany County Hotel-Motel Occupancy Tax which renews very two years, and next expires on 12-31-2020. The ACCA utilized these funds to meet its operational and financial obligations incurred in FY 2019. The ACCA’s efforts in 2019 were directed to the operation of the Albany Capital Center under the management of SMG and to maintain the surplus properties previously acquired for the former convention center site.

### **b.) Current ratings, if any, of bonds issued by recognized municipal bond rating agencies and notice of changes in such ratings:**

N/A

### **c.) Long-term liabilities, including leases and employee benefits plans:**

Lease obligations were the only long-term property related liabilities of the ACCA, as a result of the acquisitions, purchase of buildings and land made on August 24, 2010, related to surface parking areas with development rights originally designated as a site for the convention center. The lease obligations to the ACCA ended with the transfer of the property to CAC, as of 12-17-19.

As a result of actions taken by the ACCA Board at a regularly scheduled meeting on 2-6-19, health care benefit in retirement will be provided going forward to ACCA employees with 10 or more years of services. As of the date of this report the ACCA has one qualifying employee

**3. Mission statement and measurements including its most recent measurement report:**

a.) 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.

b.) Measurement Report:

The performance of the Authority can be measured by it having operated within its allocated resources and in accordance with its approvals to oversee the management of the Albany Capital Center and support the effort to transfer the surplus land it controls to a local development agency.

**4. Schedule of bonds and notes Outstanding:**

N/A

**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:**

a.) Mr. Duncan Stewart has over 35 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:**

a.) Pursuant to its enabling legislation, 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 related to the Albany Capital Center.

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

- The Albany Capital Center, 55 Eagle St. Albany, NY 12207  
Parcel #: 76.33-1-28.1

**9.) Code of Ethics:**

- a.) Link: [http://www.albanycapitalcenter.com/acca/financial\\_information.cfm](http://www.albanycapitalcenter.com/acca/financial_information.cfm)

**10.) Assessment of Internal Control Structure and Procedures:**

Our independent auditor found no material weakness in the Internal Control Structure and Procedures during the 2019 Audit. The Audit did note however, a GAAP departure related to the potential impairment of certain capital assets as related to the ACCA not having current appraised values of its surplus property. The departure occurred at December 31, 2018, and through the date of sale of those assets in December 2019.

Link: [http://www.albanycapitalcenter.com/acca/financial\\_information.cfm](http://www.albanycapitalcenter.com/acca/financial_information.cfm)

**11.) Enabling Legislation:**

- a.) Link: [http://www.albanycapitalcenter.com/acca/About\\_83\\_pg.htm](http://www.albanycapitalcenter.com/acca/About_83_pg.htm)

**12.) Description of the Authority and its Board Structure:**

a.) The Albany Convention Center Authority (ACCA) has one full time employee and contracts for accounting, legal and certain administrative services including payroll. The activities of the ACCA are overseen by a 9 member Board of unpaid volunteers appointed by various levels of government. Currently there are no vacancies.

ACCA Board:

1. Michele Vennard, Chair Appt. by the Mayor of Albany
2. Michael Skrebutenas, Vice-Chair. Appt. by the Governor
3. Steven C. Lerner, Treasurer. Appt. by the Albany County Executive
4. Megan Daly, Secretary. Appt. by the Governor
5. Hon. John McDonald. Appt. by the Speaker of the NYS Assembly
6. Sarah Reginelli. Appt. by the Mayor of Albany
7. Matt Cannon Appt. by the Albany County Executive
8. Michael Hoffman Appt. by the President pro-tempore of the NYS Senate
9. Joseph Rabito Appt. by the Governor

Committees and Members:

- Audit & Finance Committee – a committee of the Board
- Governance Committee – a committee of the Board
- Economic Impact Committee:
  - Michele Vennard, Chair
  - Megan Daly
  - Hon. John McDonald
  - Steven C. Lerner

b.) Board Meetings and Attendance:

Link: [http://www.albanycapitalcenter.com/acca/meeting\\_records.cfm](http://www.albanycapitalcenter.com/acca/meeting_records.cfm)

c.) Description of Major Authority Units or Subsidiaries:

-NA-

c.) Number of Employees:

The ACCA has one Fulltime Employee

**13.) Charter and by-laws:**

a.) Attachment C Link: <http://www.albanycapitalcenter.com/acca/>

**14.) Listing of material changes in operations and programs during the reporting year:**

a.) 2019 was the second full calendar year that the Albany Capital Center was in operation during which the Authority oversaw the operations of the Albany Capital Center under the management of SMG, the operator.

b.) As of 10-1-19, SMG completed a successful merger with AIG to become ASMGlobal. SMG will continue to function as a division of ASMGlobal, and the local management team at the Albany Capital Center remains in place.

**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

a.) Attachments D-1 & D-2

Link: [http://www.albanycapitalcenter.com/acca/financial\\_information.cfm](http://www.albanycapitalcenter.com/acca/financial_information.cfm)

**16.) Board performance evaluations: provided, however, that such evaluations shall not be subject to disclosure under FOIL**

a.) Attachment E

**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:**


a.) No land purchases occurred in 2019.

- b.) The lands owned and or controlled by the ACCA for the purpose of the original convention center concept, were transferred to Capitalize Albany Corp. (CAC) on 12-17-19, closing in escrow as of that date. Escrow was released on 2-21-20 and CAC assumed full site control at that time. As the site was not contiguous with the Albany Capital Center, in accordance with its legislative purpose, the ACCA could not pursue its development. In good stewardship, the ACCA first sought and then received, the permission of NYS government to pursue this transfer to CAC, as a qualified, local, public development agency in good standing.
- c.) All qualifying services/equip. purchased in 2019 by the ACCA were competitively bid.

**18.) Description of material pending litigation:**

- a.) Kasselman Electric initiated litigation against the ACCA and Gilbane for breach of contract pertaining to the construction of the Albany Capital Center. A settlement between both parties was reached and accepted by the Court, the matter is closed, the ACCA having met all of its obligations per the agreement executed as of 11-26-19.

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.

  
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Duncan Stewart Date: 3/26/2020  
Albany Convention Center Authority (ACCA)  
Executive Director/CEO

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