

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

2020

1. Operations and Accomplishments in 2020:

During this past year, 2020, 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, thereby completing the transfer.

The Albany Capital Center remained busy through mid-March of 2020, before the imposition of health and safety guidelines by the State of New York restricting the use of public facilities in response to the COVID-19 Pandemic. Despite the expectation of declining event revenue due to numerous cancellations and reduced hotel occupancy receipts from lower than expected hotel occupancy, the ACCA worked with ASM to repurpose its operations to fit the needs of small groups, and both remote and virtual users, in an effort to generate offsetting revenue. The Albany Capital Center has remained open during the pandemic, hosting small gatherings, sports training, virtual conferences with as many as 2000 participants while strictly complying with all guidelines for multi-purpose convention and meeting facilities, and importantly, remaining available to participate in the State response to the pandemic if needed.

To address indoor air quality, surface cleaning and full compliance with the public health and safety guidelines established by the State of New York, working with ASM Global, the ACCA supported filtration upgrades, additional staff training, the purchase of entry control stations with temperature readout, interior signage to maintain social distancing requirements, drinking fountain and sink fixture covers, and the build-up of cleaning and PPE inventories.

To improve program efficiency at the Albany Capital Center, the ACCA moved certain planned elements within its annual capital improvement program that were scheduled for those traditional slow periods of late August and around the holiday season in December to instead coincide with the reduced activity related to the pandemic, beginning in March of 2020. As part of that effort the ACCA invested in deferred maintenance, the installation of epoxy floor coating in the back of house corridors on Levels 1 & 2 and in the food service areas that service Level 2, along with the re-painting of soft-surfaces throughout the facility,

2. Financial Reports:

a.) Audited Financials:

Link: 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 was due to sunset on 12-31-20. As part of the State budget process, the Albany County Hotel-Motel Occupancy Tax was included and passed as part of the current NY State budget, to now be in effect through 12-31-2023

The ACCA utilized these funds to meet its operational and financial obligations incurred in FY 2020. The ACCA's efforts in 2020 were initially directed to the operation of the Albany Capital Center under the management of SMG, now ASMGlobal. Then with the onset of the COVID-19 pandemic and subsequent implementation of public health and safety guidelines, the focus shifted to cost containment and cash flow management due to the reduction in occupancy tax receipts related to low hotel occupancy and the absence of off-setting event revenue due to cancellations and a lack of new business.

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

N/A

c.) 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:

Performance Measures: The performance of the Authority can be measured by its ability to administer and manage the operations of the Albany Capital Center within its allocated resources and in accordance with its approvals.

Results: The Authority accomplished its mission by taking the necessary actions during the pandemic for the Albany Capital Center to remain open, including cost cutting measures, repurposing, and strategically timing certain planned improvements.

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 36 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

10.) Assessment of Internal Control Structure and Procedures:

Our independent auditor found no material weakness in the Internal Control Structure and Procedures during the 2020 Audit.

Link: http://www.albanycapitalcenter.com/acca/financial_information.cfm

11.) Enabling Legislation:

a.) Link: 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. Michael Hoffman Appt. by the President pro-tempore of the NYS Senate
8. Joseph Rabito Appt. by the Governor
9. Daniel C. Lynch Appt. by the Albany County Executive

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

Board Meetings and Attendance:

Link: http://www.albanycapitalcenter.com/acca/meeting_records.cfm

c.) Description of Major Authority Units or Subsidiaries:

-NA-

b.) 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.) 2020 was the third 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.
- c.) At its quarterly meeting, 7-30-20 the ACCA Board approved a 5 year renewal of the operator agreement with the new management entity, ASM Global, through 12-31-2025.
- d.) Due to the effects of the world-wide COVID-19 pandemic, the number of events at the Albany Capital Center was greatly reduced, event revenues were less than budgeted, and the projected overall economic impact of this facility upon the Capital Region was not achieved in 2020. The corresponding negative impacts to the hospitality industry as a whole and specifically the hotel sector in Albany County resulted in the ACCA receiving 47.54% of the budgeted revenue from the Hotel Occupancy Tax. The Albany Capital Center remained open and by reducing operating costs, increasing efficiencies, and carefully managing cash flow, the ACCA met all of its obligations.

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

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 2020.
- 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
- c.) All qualifying services/equip. purchased in 2020 by the ACCA were competitively bid or purchased under the NYS contract.

18.) Description of material pending litigation:

-None-

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.

_____ Date: 3/25/2021

Duncan Stewart
Albany Convention Center Authority (ACCA)
Executive Director/CEO

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