

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

2022

1. Operations and Accomplishments in 2022:

During this past year, 2022, 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 MVP Arena and directly connected to the Empire State Plaza Walkway.

The ACCA remains committed to maintaining the efficiency and appearance of the Albany Capital Center. In recognition of the significant investment by New York State and the important ongoing funding source that is the ACCA share of the Albany County Hotel/Motel Occupancy Tax. During FY 2022 the ACCA underwrote the following capital improvement projects:

1. Employee breakroom @ LD Level adjacent to command.
2. Relocate & Upgrade Security Monitors @ command.
3. Remove & replace fabric, repair wall & install chair rail East wall C-2.
4. Storage carts for Easels and F & B tray stands.
5. Increase secure storage @ G-3 & G-1.
6. Install AC @ Level 1 Main Tech Room L-1 24.
7. Increase racking and storage capacity @ LD Level:
8. Install epoxy flooring:
9. Exterior Foundation Coating:
10. LD protection wall.
11. Cable Storage C-2.
12. Move Monitors @ command.
13. Change charging stations @ LD.
14. Renovations to Facilities Shop.
15. Cleaning and restriping parking levels and ramp
16. Fire Extinguisher & AED wall signage.
17. Parking Booth Upgrades.
18. Additional Material Carts.

Through an expanded social media presence coordinated with the operator ASMGlobal Albany, and updates to its website, the ACCA in accordance with its mission and the enabling legislation furthered the promotion of Albany as a destination and the Albany Capital Center as a premier meeting and convention space, producing response metrics that continue to exceed industry averages. Additionally, the ACCA sought opportunities to participate in cooperative print advertising and the sponsorship of community events as a responsible public partner.

2. Financial Reports:

a.) Audited Financials:

FY 2022 Link: <https://www.albanycapitalcenter.com/acca/about-acca/financial-information>

b.) 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.

Financial Reports (Continued):

The ACCA utilized these funds to meet its operational and financial obligations incurred in FY 2022. The ACCA's efforts in 2022 were directed to the operation of the Albany Capital Center under the management of ASMGlobal Albany LLC.

Due to the direct and significant financial impacts from the COVID-19 pandemic upon the Albany Capital Center, The Albany Convention Center Authority working directly with ASM applied to the US Small Business Administration for grant funding under the SBA Shuttered Venue Program. The Albany Convention Center Authority was awarded grant funds in August of 2021 which were applied to operational costs incurred that year and during FY 2022

The downturn in meeting and convention business, that occurred after 3-15-2020, the ACCA and the Albany Capital Center has begun to reverse. In FY 2022 The Albany Capital Center recognized significant improvement in the number of events, event days and attendees. While the number of events, 167, the number of events days, 252, the total of 77K plus visitors and 9K plus hotel rooms all remain below the positive economic impact levels prior to 3-15-20, the outlook remains positive. Cancellations have greatly reduced in number and those clients seeking to move dates within the calendar related to COVID-19 concerns are fewer which has resulted in more open dates and opportunity to add business, all of which is reflected in the improving numbers noted herein.

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

-N/A-

d.) **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 to ACCA employees with 10 or more years of services. As of the date of this report the ACCA has one qualifying employee. Subsequently, to address concerns for the future cost of this benefit, on 9-23-2021, the ACCA Board elected to change the healthcare program and provider thereby significantly reduce the amount of the future OPEB cost. Each year the ACCA secures an updated OPEB report from an Actuary that establishes the future cost for the audit.

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. The Authority accomplished its mission by taking the necessary actions during and post-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 T. Stewart, Executive Director/CEO.

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

- a. Mr. Duncan Stewart has over 38 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:

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

9. Code of Ethics:

- a. Board Member Code Link: <https://www.albanycapitalcenter.com/acca/about-acca/policies-procedures>
b. Employee Code Link: <https://www.albanycapitalcenter.com/acca/about-acca/policies-procedures>

10. Assessment of Internal Control Structure and Procedures:

Our independent auditor found no material weakness in the Internal Control Structure and Procedures during the 2022 Audit.

- a. Link: <https://www.albanycapitalcenter.com/acca/about-acca/policies-procedures>

11. Enabling Legislation:

- a. Link: <https://www.albanycapitalcenter.com/acca/about-acca/policies-procedures>

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. As of the date of this report, the board has 1 vacancy.

FY 2022 ACCA Board: *

1. Michele Vennard, Chair Appt. by the Mayor of Albany
2. Daniel C. Lynch Vice Chair Appt. by the Albany County Executive
3. Steven C. Lerner, Treasurer. Appt. by the Albany County Executive
4. Sarah Reginelli. Secretary. Appt. by the Mayor of Albany
5. Hon. John T. McDonald III RPH Appt. by the Speaker of the NYS Assembly
6. Michael Hoffman Appt. by the President Pro-Tempore of the NYS Senate
7. Dominick Purnomo. Appointee of the Governor
8. *Francisco Calderon. Appointee of the Governor *(Resigned: 1-1-23)
9. Jahkeen Hoke. Appointee of the Governor

FY 2022 ACCA Committees:

- Audit & Finance Committee – a committee of the Board
 - Governance Committee – a committee of the Board
 - Economic Impact Committee:
 - Michele Vennard, Chair
 - Hon. John T. McDonald III RPH
 - Steven C. Lerner
 - Michael Hoffman
- b. Board Meetings and Attendance:
Link: <https://www.albanycapitalcenter.com/acca/meeting-records>
- c. Description of Major Authority Units or Subsidiaries:
-NONE-
- d. Number of Employees: The ACCA has one (1) Fulltime Employee

13. Charter and by-laws:

- a. Link: <https://www.albanycapitalcenter.com/acca/about-acca/policies-procedures>

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

- a. 2022 was the fifth full calendar year that the Albany Capital Center was in operation, during which the Authority again oversaw the operations of the facility under the management of ASMGlobal Albany LLC, the 'Operator', which is under contract through 12-31-2025.
- b. Business at the Albany Capital Center improved greatly in FY 2022, beginning in Q-2, through Q-4, however, due to the continued impacts of the world-wide COVID-19 pandemic, the number of events at the Albany Capital Center remained somewhat lower than in past years and the projected revenue and overall economic impact while significant was less in FY 2022 than in the past.
- c. Independently the hospitality industry as a whole and specifically the hotel sector in Albany County resulted in the ACCA receiving approximately 150% of the budgeted revenue from the Hotel Occupancy Tax which was based upon information available in August of FY 2021 when developing the FY 2022 budget. Recovery in both occupancy and rate generated higher than anticipated Occupancy tax collection.

Listing of material changes in operations and programs during the reporting year (continued):

- d. The Albany Capital Center facing significant increases in operating costs related to energy and overall inflation for both goods and services, never-the-less held to the operating budget by increasing efficiencies, and aggressively seeking discounts from vendors and outside contractors. Through careful management of cash flow, the ACCA met all of its obligations to the facility and the operator along with those unique to this Authority for the entirety of FY 2022.

15. Minimum of a 4 year financial plan including:

- a. Current and projected capital budget, operating budget report, including an actual versus estimated budget with an analysis and measurements of financial and operating performance:
- i. FY 2023 Budget; Attachment D-1 link:
<https://www.albanycapitalcenter.com/assets/doc/ACCA-FY-2023-Budget-Approved-by-ACCA-Board-9-29-22-1-5c4fce2c01.pdf>
 - ii. FY 2023 Assets; Attachment D-2 Link:
<https://www.albanycapitalcenter.com/assets/doc/ABO-Format-2021-2026-Approved-by-ACCA-Board-9-29-22-1-a2c3202a7c.pdf>
- b. **Board performance evaluations:** provided, however, that such evaluations shall not be subject to disclosure under FOIL. Please see: Attachment E

16. Description of the total amount of:

- a. 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:

-No qualifying purchases of Assets and/or Services occurred in FY 2022-

17. Description of material pending litigation:

-None-

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



Date: 3/27/2023

Duncan Stewart

Albany Convention Center Authority (ACCA)

Executive Director/CEO

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