

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

2023

1. **Operations and Accomplishments in 2023:**

During this past year, 2023, 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 & 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 2023 the ACCA invested in the following Capital Improvement projects:

- Complete A & E Design for the Repurposing of Stair 1.
- Update design solution for soft surface wall protection.
- Repairs to sound attenuation panels C-2.
- Kitchen & Dishwasher Performance & Efficiency Upgrades.
- Replace, Upgrade and Increase # of AED Units.
- Paint interior HM doors & frames to match revised building standard color.
- HVAC System: Energy Savings and Operation Review with DDC Control Upgrades/Replacement.
- Fire Protection System: Energy Savings and Reliability Review of Variable Frequency Drive
- Additional Carpet Extractor: To Significantly Reduce Cleaning and Prep Time Between Events.
- Replace Point-of-Use Water Heaters Units to Increase Energy Savings & Lower Failure Rate.
- Add chair rail at C-2 Level.
- Install fenced storage enclosures on parking levels G-1, and G-2
- Main Lobby Upgrades including signage, mural enhancement & addition of branding statement.
- Replace all interior trash receptacles.
- Renovate office space for temporary use by ACCA Executive Director and future use by ASM.
- Add reflective high-vis emergency route signage at all interior stairwell doors.
- Purchase new upgraded snow removal equipment.
- Purchase work type pickup truck with plow.
- Replace lighting under NYSEDA/National Grid Program.

Through an expanded social media presence coordinated with the operator ASMGlobal Albany the ACCA in accordance with its mission and the enabling legislation furthered its 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 is due to sunset again on 12-31-24. The ACCA utilized these funds to meet its operational and financial obligations incurred in FY 2023 for the operation of the Albany Capital Center under the management of ASMGlobal Albany LLC.

Financial Reports (Continued):**Operating and Financial Risks (continued):**

In FY 2023 The Albany Capital Center recognized significant improvement in the number of multi-day events and the number of attendees per event. Based upon independent third-party analysis by Discover Albany, while the total number of Events, 135, is less than in past years, the number of Attendees, 114,280 and of Hotel Room Nights, 19,699, the Albany Capital Center is once again approaching those positive economic impact levels experienced prior to 3-15-20 and the start of the pandemic. Importantly, the outlook remains positive for 2024, with 97 Contracted Events, bringing 51,477 Attendees and requiring 8,641 Hotel Room Nights.

- 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 in accordance with GASB-75 from an Independent Actuary that establishes the updated future cost for the purpose of 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 40 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 non-compensated volunteers appointed by various levels of government.

ACCA Board as of 12-31-2023:

1. Michele Vennard, Chair Appt. by the Mayor of Albany
2. Jahkeen Hoke Vice Chair Appointee of the Governor
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. Joseph Bonilla. Appointee of the Governor
9. Daniel P. Lynch. Appointee of the Albany County Executive

FY 2023 ACCA Standing 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 & 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. 2023 was the sixth full calendar year that the Albany Capital Center has been in operation, during which the Authority again oversaw the operations of the facility under the management of ASMGlobal Albany LLC, the 'Operator', under contract through 12-31-2025.
- b. Business at the Albany Capital Center improved greatly in FY 2023, beginning in Q-2, continuing through Q-4, The number of events at the Albany Capital Center remained somewhat lower than in past years however the projected revenue and overall economic impact increased measurably year over year.
- c. Independently the hospitality industry as a whole and specifically the hotel sector in Albany County resulted in the ACCA receiving approximately 125% of the budgeted revenue from the Hotel Occupancy Tax, which was based upon information provided by Discover Albany, as an independent third party, in August of FY 2022 when developing the FY 2023 budget. Recovery in both occupancy and rate generated higher than anticipated Occupancy tax collection.
- 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 its obligations to the facility and the operator along with those unique to this Authority for the entirety of FY 2023.
- e. The ACCA reduced staffing to one position beginning in 2018, limited to that of the Executive Director. In FY 2023, the current Executive Director informed the ACCA Board of his intent to retire from the ACCA. The ACCA Board Chair commenced a search to replace the Executive Director with the assistance of a Focus Group comprised of three Board Members. As a result, a new Executive Director was selected on 11-27-23. Ms. Monica Kurzejeski will assume all responsibilities of the Executive Director on 1-8-24.

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 2024 Budget; Attachment D-1 link:
<https://www.albanycapitalcenter.com/assets/doc/ACCA-FY-2024-Budget-Approved-by-ACCA-Board-9-28-23-07476cab5b.pdf>
 - ii. FY 2024 Assets; Attachment D-2 Link:

<https://www.albanycapitalcenter.com/assets/doc/ABO-Format-FY-2024-Approved-by-ACCA-Board-9-28-23-97210f37c1.pdf>

- b. **Board performance evaluations:** provided, however, that such evaluations shall not be subject to disclosure under FOIL. Board evaluations submitted as per NYS Public Authorities Law.

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:

-as indicated on PARIS Procurement Report

17. Description of material pending litigation:

- a. **Nature of the Matter:** This is a personal injury claim brought against ACCA alleging Plaintiff Adam Dixon was injured on October 16, 2023, when he fell approximately 20 feet while working at the ACCA as a window washer. ACCA received a preservation letter on or about October 23, 2023, and was served with a Notice of Claim on or about November 8, 2023.
- b. **Risk Assessment:** It is too early, at this time, to completely evaluate the risk to the ACCA. However, ACCA's insurance carrier has accepted the claim and is currently providing a defense to ACCA. In addition, ACCA has tendered the claim the ASM Global.

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: 3/28/2024
 Monica Kurzejeski
 Albany Convention Center Authority (ACCA)
 Executive Director/CEO