

**ALBANY CONVENTION CENTER AUTHORITY  
MEETING MINUTES  
CAHILL ROOM, ALBANY COUNTY OFFICE BUILDING  
MAY 18, 2006 – 8:30 AM**

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**ATTENDEES:** GAVIN DONOHUE, JOHN HARRIS, GEORGE LEVEILLE, HON. JOHN MCENENY, BRAD ROSENSTEIN, JOSEPH PENNISI, MICHELE VENNARD, LLOYD STEWART. SUZANNE MORRIS WAS ABSENT.

**CALL TO ORDER AND ROLL CALL:**

Meeting was called to order at 8.33 am and a roll call was taken by Chairman Leveille.

**PUBLIC COMMENT PERIOD 8:30-9:00:**

The following is the list of speakers who made public comments at this meeting. The entire meeting is on audio tape and the public comments are available to anyone requesting to hear them.

Ellie Pepper – Arbor Hill Development Corp.  
Mark Yolles – Mansion  
Yakob Williams – Arbor Hill Development Corp.  
John Schnebly – U.S. Energy Independence Const., LLC

At 9:00 am there was a motion to suspend the Public Comment period by Mr. Donohue and seconded by Mr. Pennisi. All agreed.

**APPROVAL OF PREVIOUS MEETING MINUTES:**

Minutes from the April 27, 2006 meeting were approved on a motion by Mr. Donohue and seconded by Mr. Rosenstein. All agreed.

**ORGANIZATIONAL ISSUES:**

⇒ **MEETING SCHEDULE**

The following ACCA meeting schedule was set for the remainder of 2006. A motion to accept this schedule was put forth by Ms. Vennard and seconded by Mr. Harris.

Friday June 23, 2006  
Friday July 28, 2006  
Friday August 25, 2006  
Friday September 22, 2006  
Friday October 27, 2006

Friday November 17, 2006  
Friday December 15, 2006

This schedule will be posted on the ACCA website and the schedule for 2007 will be drawn up at the end of 2006.

⇒ **INTERIM EXECUTIVE DIRECTOR SEARCH UPDATE**

An ad was run in the Times Union and the Business Review for the position of Interim Executive Director for two weeks. 6 or 7 resumes have been received to date. It is hoped that by next month these can be put before the board and the interviewing process can begin.

⇒ **ALDC MEMORANDUM OF UNDERSTANDING**

Mr. Joseph Rabito of the Albany Local Development Corp. (ALDC) provided the Authority with a proposal to supply working capital (\$100,000 with 0% interest for one year with a possible 12 month extension) and office space (21 Lodge St.) to the Authority. Mr. McEneny noted that the Authority is very fortunate to have this cooperation from the ALDC and was appreciative of the fact that they moved along so quickly with this. A motion to accept the proposal was put forth by Mr. Pennisi and seconded by Mr. Rosenstein. All Agreed.

⇒ **ALBANY COUNTY MEMORANDUM OF UNDERSTANDING**

Joe Pennisi advised that the County has drawn up a draft proposal which is also for \$100,000. The agreement will need to be approved by the Albany County Legislature.

⇒ **AUTHORIZATION TO OPEN BANK ACCOUNTS**

A discussion was held with regard to opening bank accounts for the funds that will be received shortly. A motion was made by Mr. McEneny and seconded by Mr. Rosenstein to authorize Mr. Leveille and Mr. Pennisi to be authorized signatories to the accounts.

⇒ **LOBBYING COMMISSION, MAINTAINING RECORDS OF "CONTACTS"**

Mr. Harris spoke regarding the process of recording contacts and to the kinds of things we all need to be cognizant of with regard to project contacts. There were public statements made by the Lobbying Commission focusing on the Authority and essentially defining the Authority as a State entity. They suggested that this might be a good place for them to watch the entire process unfold so they can identify potential short comings in the current law. The Commission has sent a letter to Ms. Vennard requesting a list of contacts. This statute was signed in to law in January 2006. Due to lack of staff and legal counsel we should address this with an abundance of caution. Currently the law states that once the Authority has made a determination with respect to procurement of legal counsel for example, any contact from potential law firms etc. must be recorded.

Mr. Harris advised that the Lobbying Commission has offered to speak to the Authority regarding this law. Mr. McEneny suggested that the Commission address the Authority and we should have everything in writing. Mr. Harris will create an official form for keeping track of contacts for the record. He also advised that on the OGS website you can view the Executive Order 127 which is a contact record compilation form which may be a good template to work from.

Mr. Pennisi also questioned what contacts they should be keeping records of and it was decided this will be made clear with a set of rules. Mr. Donohue would like the Lobbying Commission to attend the next meeting to explain the obligations of the Authority regarding contacts.

⇒ **MWBE/EEO CONSULTING SERVICES**

Mr. Leveille advised that the Authority needs to consider what types of services can be procured to assist in developing and implementing an effective MWBE/EEO program for the project. Mr. Stewart provided a detailed overview of the types of services that such a consultant could provide to the Authority and strongly recommended that the Authority proceed in this manner.

Mr. Harris addressed the possibility of taking the County's affirmative action plan and adopting it as our own and having a consultant assist us in implementing and managing it as an extension of staff. Mr. Stewart emphasized that the Plan needed to be the Authority's, not just a replica of another organization's policy.

Mr. Leveille reminded the Authority that a more global question we need to address is the relative benefits of retaining staff as opposed to independent contractors to fulfill its obligations. He suggested that the Finance and Operations sub-committee could provide some recommendations regarding this particular matter for consideration of the Board at its next meeting.

Ms. Vennard reminded everyone of the Authority's mission to economically impact a broader area than just the convention center site, not that we can take on everything but we should keep that in mind because her concern is that we're putting onus a "A" convention center and "A" hotel that may not represent the full opportunity that this project will bring to the community.

Mr. Leveille expressed a reservation about entering into financial obligations at this point in the absence of a definite funding stream. In approaching this issue his suggestion is to decide what are the critical things that we need right now to help us come out of the box in the strongest possible way towards achieving our objectives here and what are the longer

term services that we need as we move forward with additional resources in developing the project.

Before moving on Mr. Donohue thanked Mr. Pennisi and the staff at Albany County for their time and great work they've done on the ACCA website.

**FINANCE AND OPERATIONS SUB-COMMITTEE REPORT:**

⇒ **OUTSIDE COUNSEL RFP**

Mr. Harris advised that as of today (May 18, 2006) the RFP for legal services is available. Notice of the RFP will also be published in the Times Union and The Evangelist for the next two weeks. He encourages all law firms to apply and all questions should be forwarded to Mr. Leveille. Mr. McEneny asked if it was allowed to publicly encourage anyone to apply and was told that would be fine.

⇒ **DORMITORY AUTHORITY UPDATE**

Mr. Harris advised that the Dormitory Authority does not have the statutory authority to assist the convention center. Assemblyman McEneny has graciously offered to try to introduce legislation that would rectify this. Mr. Harris indicated that in the long run it might be useful if we had the Dormitory Authority as an entity we could turn to.

⇒ **CONFLICT OF INTEREST POLICY OR CODE OF ETHICS**

Mr. Harris spoke about the conflict of interest and code of ethics policy that relates to the discussion we had earlier about contacts, recording contacts and the lobbying commission. Under the public officers law we're all essentially operating under a law that's encouraging us to avoid the appearance of improprieties. Mr. Harris has provided each member with a copy of a Code of Ethical Conduct and he encourages the board to adopt this as an interim code, short term and once legal counsel is on board we will have them review. A motion was made by Mr. McEneny and seconded by Mr. Pennisi to adopt an interim Code of Ethics policy.

A question was put forth as to the definition of "immediate family". Immediate family was defined as spouse and/or children.

**SITE-SELECTION SUB-COMMITTEE REPORT:**

⇒ **PUBLIC WORKSHOP**

Ms. Vennard advised that a public workshop will be held at the Crowne Plaza Hotel on June 27, 2006 from 4:00pm to 6:00pm. The main subject of this meeting will hinge on site selection but any pertinent topic regarding the Convention Center will be allowed. Hopefully we will have legal

counsel by this time and we will draw up an agenda or outline for Authority members. We will also set up an orientation for attendees.

⇒ **ENVIRONMENTAL CONSULTANT RFP STATUS**

Ms. Vennard advised that legal counsel would need to be on board to help draft the RFP for Environmental Consultant

⇒ **MEETING WITH NEW YORK STATE OFFICE OF GENERAL SERVICES**

Ms. Vennard indicated that a meeting had been scheduled for this month that had to be moved to mid-June. The site selection sub committee can all attend and the meeting is scheduled. This meeting will be prior to the public meeting. She reminded all that OGS's interest in this project was more than just the land adjacent to the Empire State Plaza. It also relates to Plaza infrastructure that runs between the Plaza and the Hudson River.

Michele put a recent Trade Show Industry outlook information sheet in everyone's packet to attempt to keep everyone up to date on trends etc...

Mr. Rosenstein asked if we could set up a schedule as to when we eventually will be able to make a final decision on the site. Maybe we could have a meeting in executive session to go over all the pros and cons of the individual sites. Since all Authority members will have a vote he feels that everyone should know as soon as possible what the choices are come up with a time structure to have a site decided on. He also feels that it would give the Legislature a good idea that we are actively pursuing this site selection and it would give them a date so they can start getting the additional funding to us. Mr. Leveille stated that the goal will be to take the swath of land indicated in the map that was unveiled at a previous meeting and narrow it down. One of the difficulties with this is what are the requirements? We haven't established yet what the facility requirements are with regard to size, hotel, parking etc. Mr. Leveille requested that the site selection committee try to narrow down the area they're looking at and come back to the next meeting with information.

**BUDGET AND LEGISLATIVE UPDATE:**

⇒ **NEW YORK STATE BUDGET**

Assemblyman McEneny advised that the Budget has been passed and the Legislature has approved \$75 million dollars for the convention center component so we should continue to move forward with selecting a site and hiring staff. The Legislation is pending and should pass which will allow the extra percentage for the hotel tax which will take effect within a few months after it passes. Mr. McEneny spoke about the 19-A (payment in lieu of taxes) aid to the City of Albany that has not yet been approved by the Legislature. Governor Pataki has proposed a substantial increase in the City's 19-A aid with the caveat that the aid would be used to provide credit

enhancement on the bonds sold by the Authority for the hotel component of the project. This is a form of insurance policy for anyone purchasing the bonds. This was not acceptable to the Senate but was passed by the Assembly. Mr. Stewart asked if the \$75 million dollars will be cash or bonds and Mr. McEneny replied that he was not sure and didn't think that it was spelled out yet.

**OTHER BUSINESS:**

Mr. Harris stated that historically the State issues bonds for these economic development funds and the \$75 million falls under that category. The bonds are historically issued in the fall (October/November). If the bonds are tax exempt there are obviously some restrictions on how the proceeds can be used and he believes that they issue a taxable component and that is the money we would be allowed to use for administrative expenses, operation, working capital. The tax exempt financing is more for construction costs. It might be advisable to meet with Empire State Development Corp. or with someone from the Governor's office to help us understand how do we go about accessing this \$75 million. Mr. Leveille stated that he and the treasurer, Mr. Pennisi would try to develop some kind of a cash flow projection for the timing in receiving the funding.

Mr. Pennisi asked Mr. Leveille about the status of the feasibility study. Mr. Leveille stated that we have deferred that based on other pressing needs such as staff, counsel and the uncertainty in the timing of receiving the funds. Mr. Pennisi suggested that it will be difficult to select a site if there are questions about the feasibility of that particular site. It was discussed that once a smaller site area has been chosen we will then have the feasibility study done. Mr. Leveille stated that we presently have about a 30 block area to work with but should be able to hone it down to about a 5 block area. Mr. Harris stated that a draft of the RFP for a Market Study is in the works but Mr. Leveille stated that the financial advisor would need to review this and we do not have one yet. When he and Mr. Pennisi go through the cash flow schedule they can look at the sequence of what we need. It seems there are many "chicken and egg" situations and Ms. Vennard asked that it be woven into the timeline.

**ADJOURN:**

Meeting was adjourned at 9.56 am.

**The next meeting will be held on Friday June 23, 2006  
at 8:30 am at 112 State St. in the Cahill Room.**