Albany Convention Center Authority
Economic Impact Committee Meeting Minutes
April 23, 2024, 9:00 am
Albany Capital Center
Full audio link https://youtube.com/live/p05wqh-P1qM?feature=share

Present: Michele Vennard, Chair, Assembly Member John McDonald, Michael Hoffman
Absent: Steven C. Lerner
Others Present: Jill Delaney, President Discover Albany; Jay Cloutier, Director of Sales Discover Albany; Shannon Licygiewicz ASM Global ACC Gen. Mgr., Monica Kurzejeski, ACCA Executive Director

Call to order:
Ms. Vennard called the meeting to order 9:03. Roll call was completed, and a quorum was present.

Approval of minutes from EI Committee Meeting of 1.23.24.
Ms. Vennard called for a motion. Mr. McDonald motioned; Mr. Hoffman seconded the motion. The motion carried unanimously.

2024 Q1 Economic Impact and Hotel occupancy reports.
Ms. Vennard invited Mr. Cloutier to present the reports to the committee. 1st quarter chart, Mr. Cloutier went through the various categories and their performance for the quarter. The sports category was a pretty diverse selection of events. Reminder of the BAR exam and its importance but fluctuation depending on the time of year it is at the ACC. February is smaller than the July event. July traditionally uses ESP too. Convention highlights the strength of those events. Black and Puerto Rican conference seems to be back to economic impact it once was. Notable event, Women in Sports, and Careers panel during the NCAA event weekend. A cooperate event with many people involved.

Total spend was highlighted.

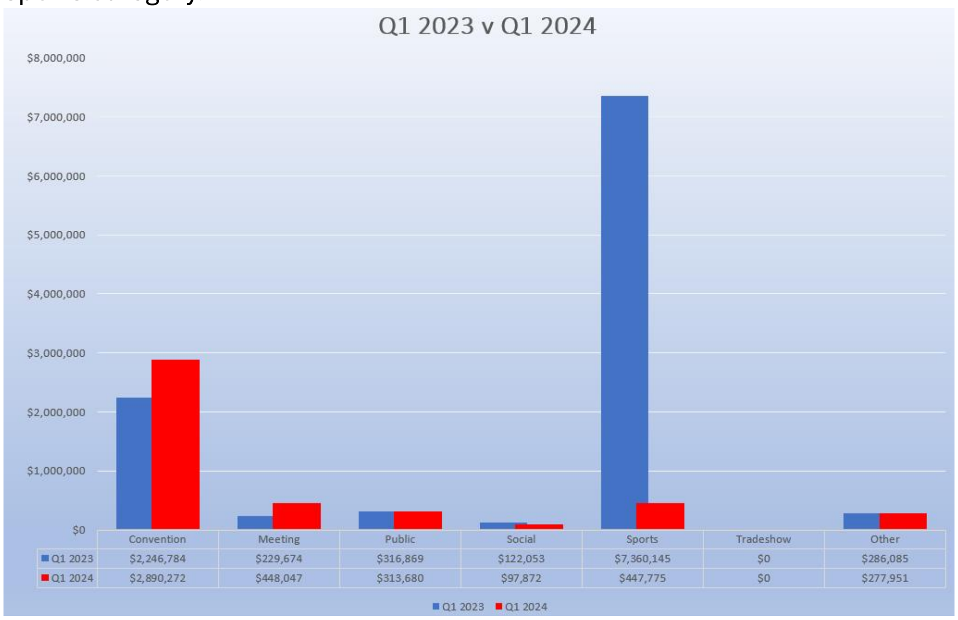
Post event information reviewed.

Post Event:

- Total Visitors Generated: **24,038**
- Total Hotel Rooms Generated: **4,707**
- Total Events: **35**
- Full Time equivalent Jobs supported by Capital Center Activity: **58**

Reminder that the calculation of events is different between Discover Albany and ASM and how they count them. It is discussed quarterly if needed.

Q1 2023 to Q1 2024 – 2023 was okay numbers are trending in the right direction. Looking back at 2019. B&P Caucus is a primary driver of the numbers in this quarter. Recovery. While it seems like we are super busy, numbers are sometimes put through a prism. Reviewed the category comparisons. We did not include the NCAA in 2024 sports category.



	Convention	Meeting	Public	Social	Sports	Tradeshow	Other
Q1 2023	$2,246,784	$229,674	$316,869	$122,053	$7,360,145	$0	$286,085
Q1 2024	$2,890,272	$448,047	$313,680	$97,872	$447,775	$0	$277,951

Economic Indicators – life of the building – Mr. Cloutier reviewed the numbers.

Economic Indicators
Growth and Performance Totals:
March 1st, 2017- March 31, 2024*

Total Spending:	**$84,205,745**
Total Sales Tax:	**$9,331,118**
• State Sales Tax:	**$4,439,899**
• County Sales Tax:	**$4,891,219**

Post Event:

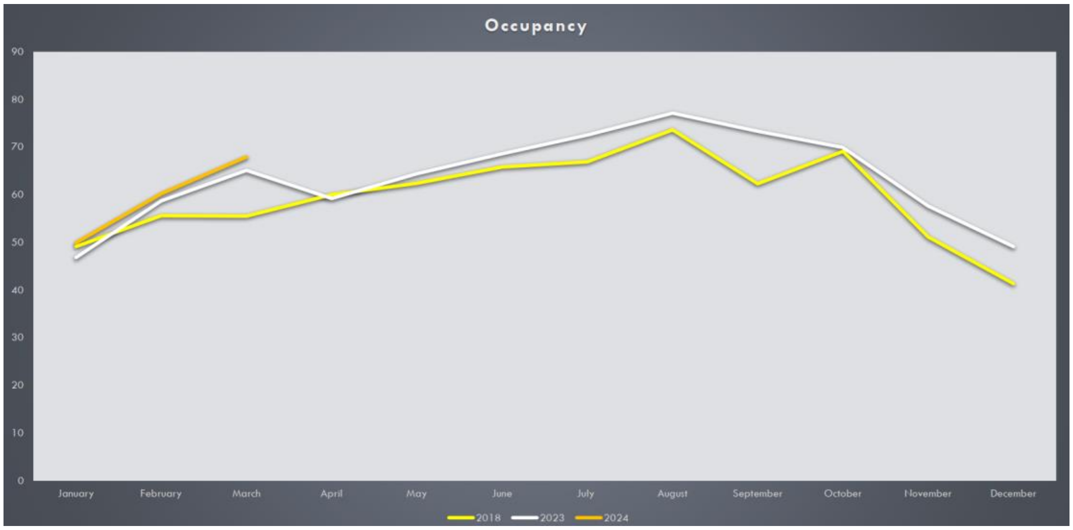
- Total Visitors Generated: **539,259**
- Total Hotel Rooms Generated: **118,736**
- Total Events: **1,002**
- Full Time equivalent Jobs supported by Capital Center Activity: **28,273**

*Life of the building

DISCOVER ALBANY

No further questions from the board on the report.

Hotel Occupancy RevPar report: Mr. Cloutier gave an overview of the report. Took out 2019 – 2022. Looking at 2018 as the marker for our destination. Comparison to 2023 we were very happy with last year's performance and this year is the gold line and we are exceeded to date. Look at the March number and take into consideration that Easter generally falls in April, and they don't feel that April will decline as in years past for the holiday. Having the NCAA over the holiday weekend improved the performance for hotels for the weekend.



Ms. Vennard – how is the destination doing in the number of rooms? Mr. Cloutier - it is in decline. That will be further in the conversation. Closings are adding to that challenge. We are going in the wrong direction. Our inventory is in decline. It is what is driving demand.

RevPar – we are doing very well and don't anticipate that to change. Reviewed data from NYS and other municipalities. "Albany" includes the greater regional area including Saratoga. Ms. Delaney will check on the accuracy of Saratoga being included. Good slide to look at comparison where Albany sits with other areas. Others are on the same trajectory with inventory as we are. Discussion of other areas including Rochester, Buffalo, and Syracuse.
February to February and Year to Date data was discussed. (see full report)
We seem to be doing better than many others.

Statewide data by region

	Current Month - February 2024 vs February 2023											
	Occ %		ADR		RevPAR		Percent Change from February 2023					
	2024	2023	2024	2023	2024	2023	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold
United States	58.9	60.0	158.23	152.30	93.19	91.34	-1.8	3.9	2.0	2.6	0.6	-1.2
Middle Atlantic	56.2	55.3	153.74	150.15	86.35	82.98	1.6	2.4	4.1	3.1	-0.9	0.7
New York	61.7	60.8	177.11	170.90	109.29	103.83	1.6	3.6	5.3	4.0	-1.1	0.4
New York, NY	72.6	70.0	207.72	200.62	150.85	140.42	3.8	3.5	7.4	4.7	-2.5	1.1
Long Island	62.3	60.5	146.49	139.28	91.25	84.29	2.9	5.2	8.3	8.6	0.3	3.3
Syracuse, NY	49.9	49.9	116.92	113.24	58.37	56.45	0.1	3.3	3.4	4.5	1.1	1.3
Albany, NY	57.2	56.3	121.55	116.15	69.52	65.38	1.6	4.6	6.3	4.4	-1.8	-0.2
Buffalo, NY	46.3	47.0	119.27	112.11	55.23	52.73	-1.5	6.4	4.7	3.4	-1.3	-2.9
Rochester, NY	49.5	51.8	111.59	109.00	55.19	56.51	-4.6	2.4	-2.3	-0.8	1.6	-3.1
Lower Hudson Valley, NY	52.4	52.1	147.64	142.42	77.36	74.17	0.6	3.7	4.3	4.3	0.0	0.6
Upstate New York Area	43.0	46.1	149.58	148.19	64.36	68.25	-6.6	0.9	-5.7	-3.6	2.2	-4.5
New York Southeast Area	41.1	42.3	121.94	131.70	50.18	55.70	-2.7	-7.4	-9.9	-10.9	-1.0	-3.7
New York West Area	49.0	46.6	115.15	115.43	56.42	53.75	5.2	-0.2	5.0	5.0	0.0	5.2
Ithaca/Binghamton+	42.7	44.6	110.62	107.91	47.24	48.12	-4.2	2.5	-1.8	0.1	2.0	-2.3

DISCOVER ALBANY

Statewide data by region

Mr. Hoffman – we are all dealing with inflation, when looking at the higher RevPar, as a rule operating revenues are up, operating is flat or dealing with inflation. The point is if you're even, you are getting killed in today's market. Hotels that are in good shape, there are opportunities to convert. Ms. Delaney – we are seeing that at UAlbany, the conversions to student housing. Discussion regarding the percentage numbers showing the decline. Is it also rooms coming offline? Mr. McDonald – are hotels that diligent in reporting what is available? In month end occupancy, the numbers are correct. It affects revenue, but also affects occupancy. There is human error on the reports. Flag and branded hotels are more likely to have accurate reporting due to their requirements.

Mr. Cloutier – new hotels in the pipeline review – taken from the Albany Business Review. Discussed the Glenville moratorium being lifted and a potential hotel there. Schenectady county would be at 1325. They are currently at 1100. The Schenectady project will be built simultaneously with the arena. They will continue to look at future projects. At one time this list was 24 projects in the four-county area.

New Hotels in the Pipeline

Project name	Address	City	Room count	Projected opening
Holiday Inn Express & Suites Malta	530 Route 67	Malta	96	-NA-
AC Hotel By Marriott Saratoga Springs	S Broadway & Lincoln Ave.	Saratoga Springs	120	Construction has begun
Microtel Amsterdam	1393 State Highway 5S	Amsterdam	68	-NA-
Hyatt House at Mohawk Harbor		Schenectady	100	Fall 2025
Hilton (to be determined)		North Greenbush	107	-NA-
WoodSpring Suites	686 Troy-Schenectady Road (Route 7)	Latham	122	Stalled

Ms. Vennard – we are coming up with the 1-year contracts with long term contracts. Extended to August. They haven't reached out to all of them. Discussion of the contract periods. Mr. McDonald – talking with the county about the occupancy tax being paid on these occupancies. We need clarity on this item. Ms. Delaney – talked with one hotel. Doesn't seem any malice just miscommunication between the various parties. Mr. McDonald - who is monitoring the process of checking these residents out at the 30-day mark? Ms. Delaney takes information to the county they see that is out of sorts. Then it is up to the county whether to investigate the situation. Data is provided by the hotels and that information goes to DA in their remittance. It is done when they send in the STR information, and the County provides to DA for their review of the information. There are tracking systems out there that could be used. County, Airbnb and VRBO are looking at having some conversations on an agreement. Without tracking, there needs to be some accountability. This will help level the playing field.

Mr. Cloutier – next slide – highlights the conversions, closings, and long-term contracts. It is an issue at the economy level end with the diversity of events. Extended Stay is not taking reservations. There are 134 less rooms to choose from. What does it do to inventory, pricing, and occupancy overall. Hilton starting a renovation in May. Does not seem to be impacting their bookings. Review of other hotels in the destination.

Final slide – lost business – there is no bar to dictate what is a significant loss. Mr. Cloutier highlighted each event and the reasons for losing the business. Not every client is a good fit for our destination. Keeping an eye on Westin Pittsburgh for lost business and how we can gain that back.

<u>Albany Capital Center Operations, Marketing, & Sales Report</u>

Ms. Vennard invited Ms. Licygiewicz to present her first quarter report.

We've had a lot of fun the first few months. We have booked another 47 events since the last report. Filling the year within the year which isn't always easy. A variety of events is evident. Discussed the highlight of the events on the calendar. Belmont being in town over the next two years will provide challenges on room blocks for events during those weekends. Healthy discussion on the pros and cons of this situation.

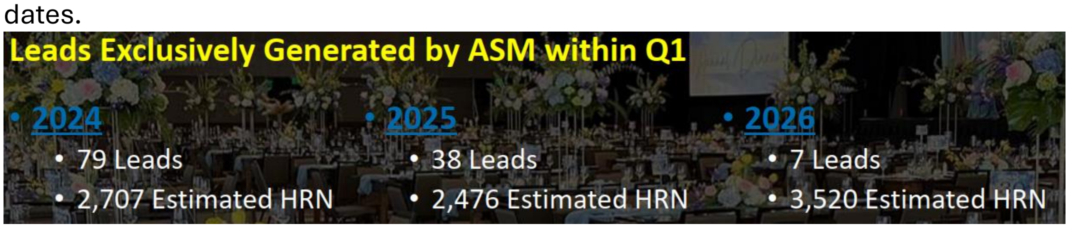
2024 – review of data (insert slide) 85% of goal of 170 events.

Ms. Licygiewicz reviewed the category slides.

Categories	Budgeted # of Events = 170	Actual # of Events as of 4/11/24 = 144
Conventions	8	5
Trade Shows	6	4
Public Shows	11	17
Social	50	26
Meetings	70	64
Sports	23	26
Other	2	2
Total	170	144

2025 events are looking up. A variety of events are already scheduled. Seeing more multi-day events coming in presents a challenge with back filling space. A good problem to have and a consideration when looking at a possible expansion.

ASM Leads – breakdown of data. Q1 this year was a good quarter for bookings. 2024 dates are very limited, but we are seeing at least a 20% conversion rate. Some dates have 3 events in a single day. Only happens when smaller business books and the calendar works out. Encouraging clients to sign multi-year contracts to ensure preferred dates.



ACC Attendance trends – seeing strong numbers. Highlighted various events held during the quarter. March numbers reviewed. March behind numbers, Easter fell on a different date last year. YTD doing very well.

ACC Attendance TRENDS

Month to Date for March:
March 2024 is 18% ahead 2022 attendance numbers.
March 2024 is 1% behind 2023 attendance numbers.

Year to Date:
2024 is 34% ahead 2022 attendance numbers.
2024 is 12% ahead 2023 attendance numbers.

Ms. Licygiewicz highlighted various events through video and pictures. Wine and Dine, The Big Toss, social media video's showing the multi-purpose use of the facility. First time we've had gymnastics in the building.

Ms. Licygiewicz highlighted our 1000th event during April with NEAA. Great signage, social content, and great numbers to report. We've come a long way, and it was a good celebration for the team.

Move on to Public Relations and Marketing – several advisories sent out for events. Ms. Licygiewicz won a Smart Women in Meetings Award. Reviewed marketing data. We were in the news a lot. Reviewed the work with Baker PR.

ASM investment in Concessions. We are seeing an increase in revenues from investing in this opportunity with events. Mazzone been good on dialing in on specific food items. Powerlifting – protein powder and healthy choices. We are looking at tailoring the food to the event.

Sneak Peek at Q2 – 57 events on the books. 25000 people expected through our doors and April was the first month completely booked in history.

Other business:
Ms. Kurzejeski - Reminder for this group that HVS will be attending the board meeting to overview with the board. The timeline for the report is eight weeks.

Adjourn – Ms. Vennard calls for a motion to adjourn. Mr. McDonald made a motion; Mr. Hoffman seconded. The motion carried unanimously. Adjourned at 10:02 am.