

ATTENDANCE:

Frank O'Connor, III  
Elizabeth Young Jojo  
Ken Counterline  
Lisa Reddy Farrell  
Riley Ackley  
Leola Edelin  
Lena Hart  
Lucas Rogers  
Benn MacDonald  
Angelo Maddox  
Neil McGreevy  
Hon. Darius Shahinfar  
Josh Wainman  
Frank Zeoli

ABSENT:

Mohamed Hemmid  
Leyla Kiosse

STAFF PRESENT:

Georgette Steffens  
Rebecca Hughes  
Jason Bonafide  
Don Wilson  
Jevan Dollard

ADDITIONAL ATTENDEES:

Robert Palmerino, CPA

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Georgette Steffens  
EXECUTIVE DIRECTOR

Frank O'Connor, III  
PRESIDENT

Elizabeth Young Jojo  
VICE-PRESIDENT

Ken Counterline  
TREASURER

Lisa Reddy Farrell  
SECRETARY

The meeting was called to order by Board President Frank O'Connor at 4:05 PM.

Mr. O'Connor called for a motion to approve the Consent Agenda | Ms. Jojo motions | Ms. Edelin seconds | All Approve.

**CHAIRMAN'S REPORT**

**Audit**

Mr. O'Connor noted that Mr. Palmerino presented the draft audit and financial statements to the Audit and Budget & Finance Committees. Mr. Palmerino has been doing the BID's audit for over 15 years. Both committees had several questions that Mr. Palmerino answered thoroughly, and the committees voted in favor of bringing the draft audit to the full board. Mr. O'Connor asked Mr. Palmerino to share his report with the board.

Mr. Palmerino highlighted the following from the financial statements:

- The Auditor's Report has been expanded from last year. It includes all of the same aspects as last year, but now incorporated a lot of what is communicated in the Management Representation Letter, the Management Comment Letter and the Governance Letter.
- The Audit Report is the only thing that is Mr. Palmerino's. The financial statements are Management's representations. After consulting with the Committees, Staff and the Board, Mr. Palmerino ensures that the financial statements are saying what the Board wants to say as long as it's within generally accepted accounting principles.
- This year's numbers are compared to last year's numbers and Mr. Palmerino checks to make sure things are consistent with previous years. The inconsistencies found in 2021 are easily explainable because of COVID in 2020. Coming out of COVID in 2021 showed increased activity and additional special events. All of those variances will be seen in the Statement of Financial Expenses and are explainable.
- The allocation of program expenses and general administrative expenses going into total expenses is looked at. Historically, program expenses have been about 85% of total expenses and general administrative expenses have been 15%. Those percentages held again this year so there are no issues there.
- The notes to the financial statements are pages 8 through 16 and those add verbiage to the numbers. A lot of them are carried forward from last year. Some are more important than others. The bottom of page 9 regarding management estimates is an example of this. A significant estimate is the Reserves for Assessments. Each year Management goes through and estimates what they think the SCOs will be going forward and decides on an amount for the Reserves which is currently \$50,000. The Stabilization Grants and the forgiveness of those and the two PPP loans taken out are included in the notes. There is some description added to the Board designated net assets as to what will be done with the Reserves, Special Projects, and Operating Reserves.
- The Audit Report is an unmodified report which is the highest level you can get. It's been unmodified as long as Mr. Palmerino has been conducting the BID's audits.

- Two letters are issued by Mr. Palmerino every year.
  - One is referred to as a Governance Letter. This is a benign letter that talks about what's gone on during the audit. There were no difficulties encountered or disagreements with Management. At the top of the second page, there is an item called Corrected and Uncorrected Misstatements. Each year Mr. Palmerino records a series of journal entries. Things like depreciation or liabilities that were not reported are recorded. Those are not considered correcting misstatements. They're more of a bookkeeping/accounting service that's provided along with the audit. This paragraph has been expanded to say that. There was recently a 2021 expense that was paid in 2022. It was a dumpster at The Palace Theatre that the BID's Clean Team had used at a cost of \$2,100. It's immaterial to the financial statements, but the Board should just be aware.
  - The other letter is the Management Letter. If there are certain observations during the audit, they must be reported to the Board. One of those observations is the BID's system of internal control. In small organizations there's not a complete system of internal controls that we can rely on. The BID has done the best it can with what it has to work with as far as staff and resources go. It's not considered a material weakness or significant deficiency, but it is important to note, so it's added to the letter. The BID should continually be looking at segregation of duties and identify where duties can be segregated without adding a significant amount of time to people's schedules.
- We're still waiting for a bank confirmation where we have not received the original yet, as well as the confirmation from National Grid for the \$250,000 grant they awarded.
- If the Board is comfortable, they can approve the financial statements.

Mr. O'Connor invited the Board to ask questions and hearing none asked for a motion to approve the 2021 Audit | Mr. Maddox motions | Mr. Shahinfar seconds | All approve.

Mr. Palmerino left the meeting at 4:22 PM.

#### **ARPA Grant**

Mr. O'Connor noted that he and Ms. Steffens have been discussing the following regarding the ARPA funding:

- The BID has been awarded and \$838,000 grant for a wayfinding and ambassador program and the City has provided the contract that outlines the terms and conditions of the program and of the payment and reimbursement.
- One of the terms in the contract is that the City has the right to terminate with 3 days' notice in which event the funding has ended.
- There are provisions that would require the BID to liquidate its damages in the event of contract termination. We would have to stop all contracts, stop spending money, and stop making commitments.
- It doesn't specifically state it, but it's understood that any expenses committed before termination and properly incurred would be reimbursed. However, if the U.S. Treasury were to cut off the City's funding and the City had to give the money back to the Treasury, the City would not be able to fund the full program.
- The BID will be entering into contracts and service agreements to provide the necessary attributes of the program so we can put in a provision that states that if there were to be termination of the program by the City, those contracts and agreements will also be terminated, and the vendor or contractor will have to cease doing any more work. That way the damages are limited, and the BID's exposure would not be in excess.
- There is some risk associated with receiving this grant. If the contract were terminated, the BID would have some monetary responsibility. Mr. O'Connor and Ms. Steffens agreed that going forward the Board should approve any grant monies awarded seeing as how there is a financial risk to the BID.

Mr. O'Connor asked if there were any questions regarding the ARPA grant or the terms stated in the contract from the City. Hearing none he called for a motion to approve the acceptance of the \$838,000 grant for the wayfinding and ambassador program | Mr. Maddox motions | Ms. Edelin seconds | Mr. Shahinfar abstains | All others approve.

### **Employee Handbook**

Mr. O'Connor noted that the Employee Handbook has been updated by Staff with guidance from GTM, our payroll company. They inform us annually of any changes to state and federal regulations as well as best practices to incorporate into the handbook. The COVID Emergency Paid Leave, Sick Leave and Paid Family Leave are all being moved to an appendix. The COVID vaccine leave has been extended to December 31, 2023. There is information on a new sexual harassment hotline, the HERO Act has also been moved to an appendix and there is an update for nursing mothers for lactation accommodation. All of these have been incorporated into the current handbook and this will be distributed to the staff if approved by the Board.

Mr. O'Connor calls for a motion to approve the updates to the Employee Handbook | Mr. Countermine motions | Ms. Edelin seconds | All approve.

### **Committee Assignments**

Mr. O'Connor stated that one of his duties as President is to appoint Board members to committees. As such, he has appointed Lisa Reddy Farrell to serve as Chair of the Audit Committee and Neil McGreevy to sit on the Budget & Finance Committee. Both have graciously accepted those appointments.

### **TREASURER'S REPORT**

#### **Funding Requests**

Mr. Countermine noted that the Budget & Finance Committee met and reviewed and approved to move \$4,100 worth of funding requests to the full board:

- \$2,000 for removal of the closet in Ms. Medhus' office to make room for Mr. Dollard to have a desk in there as well.
- \$2,100 to pay The Palace Theatre for sharing their dumpster. This will be placed into the annual operating budget going forward. The price was negotiated based on how much garbage we place into the dumpster and the cost of emptying it.

A brief discussion was held on the office renovation, and it was noted that the quote was received 2 months ago. The Board agreed to approve \$2,200 for the renovations so that there is a 10% buffer in the event the costs run over what was originally quoted.

Ms. Steffens shared a slide showing that we have already spent \$25,000 from the Special Projects Reserves and then after the \$4,100 comes out we will be left with about \$28,000 in those Reserves. \$18,000 has been raised through sponsorships and ads, \$125,000 has been approved for us on the wayfinding and ambassador program and the Board voted to cover Mr. Dollard's new position for about a year and a half, so there is just under \$500,000 remaining in the Unrestricted funds. Ms. Steffens reminded the Board that those funds carry no restrictions.

Mr. Countermine calls for a motion to approve the above-mentioned funding requests in an amount not to exceed \$4,300 | Ms. Edelin motions | Mr. Shahinfar seconds | All approve.

### **EXECUTIVE DIRECTOR'S REPORT**

#### **CDTA Bus Pass Program**

Ms. Steffens noted that we launched the CDTA free monthly unlimited bus pass program for Downtown employees on September 1<sup>st</sup>. The purpose of the program is to assist our restaurant and hospitality businesses who were the hardest hit by the impacts of COVID and continue to be hit the hardest by the employee shortage. 165 employees have signed up for bus passes from about 20 businesses. When Ms. Medhus returns, she and Mr. Dollard will reach out to the businesses that are eligible to participate and who do not have any employees participating yet to make sure they are informed of the program. The BID's total cost for the year-long program was a maximum of \$5,000, and in just the first month the cost of the bus passes has exceeded \$10,000. Staff has received extremely positive feedback from both business owners and employees who are very appreciative of the program. The program will continue running through August of 2023.

A brief discussion was held on where employees can get discounted parking and what the possibilities are on the south side of Downtown. Ms. Steffens noted that Matt Peter, the Executive Director of the Parking Authority, will be at our next Board meeting and will be able to give us more information about that then.

### **Recent and Upcoming Events**

Ms. Steffens provided an update on recent and upcoming events in Downtown:

- The City recently did a proclamation honoring Ralph Spillinger for all of the work he did for Pearl Street and PearlPalooza. He was honored on stage at this year's PearlPalooza event.
- Attendance at PearlPalooza was not the biggest, but it was higher than it has been in recent years. YogaPalooza had their second largest attendance. Staff had the event geofenced in Placer and will need to check the data from that, but it's estimated that we had about 5,000 people throughout the day. Many of the vendors sold out before the event was even over. The restaurants on North Pearl Street had a great day of business.
- Next Friday is the last outdoor movie, (Encanto), at SUNY Plaza for this year.
- Hounds of Halloween, our dog trick-or-treating and costume contest event, will be Saturday, October 22<sup>nd</sup>. If any business owners on the Board would like to participate, please contact Mr. Bonafide.
- Small Business Saturday is always the Saturday after Thanksgiving.
- The Hot Chocolate Stroll will be held on Saturday, December 10<sup>th</sup>. Staff is looking at ways to build and enhance that day. We sold out all 400 tickets last year and are looking into what else people can enjoy in Downtown on that day besides the Hot Chocolate Stroll.

### **Clean Team Services**

Ms. Steffens noted that the Clean Team has been having a difficult time finding employees. New employees have gone through the interview and drug testing processes only to not show up for their first day or work, or complete one day of work and then not show up for any subsequent days. It is a very physical job that is outside all day, every day and is certainly not for everyone. Normally there would be 3 full-time employees during the week and one on the weekends, but right now there are only 2 full-time employees. The supervisor has been working 7 days a week for quite some time now because he is very conscientious. We recommend going down from 7 days to 6 days a week of service for the time being to avoid burning out the 2 employees that are there. Sunday seems like the optimal day to not have their services and the team is aware that this could leave slightly more work for them on Monday mornings when they return.

A discuss was held regarding what happens if there's an event on a Saturday night or Sunday which could result in the need for cleaning on a Sunday. It was agreed that Mr. Wilson will communicate and work with the Clean Team to flex their schedules a bit when events are happening. Staff will inform event venues, bars, and restaurants to let them know about the reduced clean team hours and ask them to make sure their staff is cleaning up their outdoor areas well.

### **Homelessness**

Ms. Steffens initiated a discussion with the Board regarding the homeless population in Downtown:

- Downtown has gone from having roughly 2 regular homeless individuals to about 10 regular people who are living here.
- Ms. Steffens has asked to set up a meeting with the APD to come up with a strategic plan to address the issue.
- Some people are asking the BID to address the issue, while others say that those individuals should be left alone as they are part of the community.
- The BID hosted a safety meeting in July with the Mayor, the DA's office, the LEAD program and HATAS, amongst others, to start a discussion around this issue.
- While attending the International Downtown Association conference last month, Ms. Steffens learned that homelessness is the number one challenge for cities right now and it doesn't seem that anyone has found an ideal way to handle it yet.

A discussion was held about the encampment that's been set up in Liberty Park, the outreach vans that come to Downtown, the mental health issues that many of the homeless individuals are facing, and the exponential growth in number of the homeless population living in Downtown Albany.

It was discussed that this is a societal problem, but the Board is wondering what they can do to help.

Ms. Steffens noted that part of the problem may be due to the fact that so many services for the homeless are in or around Downtown. Another issue is that many of these people want to be living outside, they don't want to go to shelters or receive services and since they are in public spaces, there's not much that either the BID or the APD can do because they're not doing anything illegal.

A discussion was held on how some other cities seem to have specific areas where the homeless can congregate and/or live and then it's forbidden in other, more public areas. Closing the parks in the evening was discussed. It was also discussed that from a PR standpoint, we don't want Downtown Albany to be known for mistreating the homeless population.

Ms. Steffens added that there has been an increase in complaints by office employees due to the homeless which is a newer problem. This is causing office tenants to re-think being in Downtown when it's time to renew their leases.

Mr. Ackley asked whatever happened to turning on the lights in vacant storefronts at night as the Board has previously discussed. Ms. Steffens noted that the Clean and Safe Committee will be meeting again soon and will add that to their agenda to ask property owners about.

It was agreed that this is not something the BID can solve on their own, but we do need to continue to work on adding value to being in Downtown and safety is a big part of that. This conversation will continue both in the Clean & Safe Committee meetings as well as in future Board meetings.

With no further business to discuss, the meeting was adjourned at 5:30 PM.

**Next Meeting**

**Wednesday, September 28, 2022, at 4:00 PM**

**21 Lodge St., Second Floor Conference Room**