

Department of Development and Planning and Community Development

MAJOR ACCOMPLISHMENTS/INITIATIVES FOR 2010:

Division of Economic Development

1. Downtown Residential Development

The goal of the Downtown Residential development initiative is to realize the redevelopment of vacant or underutilized buildings into new downtown residential units. This year, due to the addition of significant new resources, many new apartments and condos are being developed or have come on line. The 485-a Real Property Tax Program – a 12 year abatement for new investments in building conversions was fully authorized by local taxing jurisdictions which will incent developers and building owners to convert underutilized space into active mixed use facilities – including new downtown apartments. This was a major economic driver for the redevelopment of 17 Chapel Street where construction is underway to bring the first condo project to Downtown Albany. Currently, steel is going up at 17 Chapel to add three floors to the existing structure. This project represents a total private investment of \$12,000,000 and will add 24 new owner occupied units in downtown. In the past four years nearly 50 new units were added to downtown Albany, which includes redeveloping three (8) vacant buildings in downtown, and a total private investment of over \$10 million. In 2010, a \$500,000 Main Street grant from the New York State Division of Community and Homes was secured to help even more downtown redevelopment projects get off the ground. One of the true testaments of the downtown residential development initiative is that as dozens of new apartments have come online 100% of the units are occupied, with more on the way. This complements the mix of uses downtown, including offices, shops, taverns and arts and cultural activities.

2. Industrial Development Agency (IDA) / Capital Resource Corporation (CRC)

The IDA and CRC programs are powerful economic development tools used to leverage large-scale development, business, community and civic projects. Since 2003, nearly 3,200 jobs have been created or retained through project finance assistance offered by the City's IDA. The City of Albany Capital Resource Corporation (CRC) was created in 2010 as a not-for-profit entity through an action of the Common Council when state authorization of IDA assistance for civic and not for profit entities expired.

The CRC was established to provide a local financing solution to the City's not-for-profit community and authorized the organization to offer conduit financing for hospitals, colleges and universities, senior living facilities, and other not-for-profit entities that create new employment and investment opportunities in the city. In the first year of its creation, the CRC has assisted major projects to move forward that will create new economic development benefits. The projects include additional

phases of the St Peters Hospital expansion project, the redevelopment of St Theresa's on New Scotland Avenue and others.

3. Empire Zone Program 1994-2010 – This year marked the NY Legislative expiration of the statewide Empire Zone Program. During the 16 years it was administered in the City of Albany, the local program assisted over 200 businesses and tracked more than \$700 million of investment in new equipment and new or expanded facilities. These companies also created and retained 5,000 jobs in Albany.

Going forward the City is prepared to continue its economic development efforts and make necessary adjustments since Empire Zone Program. The City of Albany will continue to be an advocate for businesses and be at the forefront of new programs and opportunities that can offer assistance to our businesses and that can foster a strong local economic climate.

4. Park South

Park South is undergoing an exciting revitalization – with more than \$135 million invested in less than five years since the Park South Urban Renewal Plan was adopted by the City. The reason for the success is largely due to solid neighborhood planning, which has translated into a blueprint for major development investment in the area. This includes the major expansion project currently underway at Albany Medical Center which represents a \$360 million investment and 1,000 new jobs. This fall, City partners including Albany Medical Center, Columbia Development, Capitalize Albany Corporation, CVS, SEFCU and the neighborhood celebrated the opening of 16 New Scotland Avenue. This project was made possible by a \$3.3 million Restore NY grant secured by Development and Planning. 16 New Scotland brought the revitalization started on Knox Street to the community's commercial heart. It demonstrated the potential of this section of the New Scotland Avenue corridor, and paved the way for Albany Medical Center's multi million dollar expansion. This project, which opened new private medical offices, SEFCU's newest local branch and a new neighborhood pharmacy, jump-started private investment along the corridor, and dozens of renovation projects in Park South's residential core.

The transformation of 70 Morris was celebrated in the Fall of 2010. Morris Street Partners, the Department of Building and Codes, Corporation Council, Development and Planning and the Capitalize Albany Corporation came together swiftly to save this long-abandoned building. A major blight in the community was removed this year with the removal of a 3-story abandoned building at 16-18-20 Morris St. This building had been in deplorable condition for decades, and stood in the way of Park South's revitalization. The demolition makes way for an exciting new development on that corner.

5. Albany NanoTech / College of NanoScale Science & Engineering (CNSE)

The City of Albany is the heart of Tech Valley and is home to Albany NanoTech, a

\$6.5 billion university driven research and development center. This complex and its associated developments, are catapulting Albany and the Capital Region to the center of the global nanotech industry. The primary driver of Albany being the heart of Tech Valley is the development of the College of Nanoscale Science and Engineering (CNSE) of the University at Albany, which has been ranked the world's number one college for nanotechnology and microtechnology. The Albany NanoTech complex has developed to nearly 1 million square feet of research and development space in less than 10 years of operation. It is also home to 25 semiconductor firms and over 2,500 researchers and is proving to be a driving force on our local landscape and economy. This was a major attraction for the \$4.2 billion Global Foundries chip fabrication facility which is currently the largest construction project in North America. When completed, the 1.3 million-square-foot chip fabrication plant located in nearby Malta, NY, is expected to employ over 1,400 people directly and create more than 5,000 spinoff jobs. This demonstrates the dynamic of the City of Albany serving as the economic engine for the entire Capital Region and even beyond.

The impact of this on the local economy, including the opportunity to stimulate additional business development and job creation is significant for the City of Albany. One of the more significant residential development projects in close proximity to CNSE is The Alexander at Patroon Creek. This 300 unit luxury residential project was constructed on land formerly owned by New York State and was sold as surplus to a developer. Spanos Company, a nationally renowned residential developer, has completed construction and fully rented the 300 luxury apartments.

Division of Planning

1. Albany 2030

Albany 2030, the City's first ever city-wide comprehensive planning effort is an exciting, grant-funded project that is soliciting input from thousands of Albany residents, business-owners and other stakeholders to develop an overarching community-wide vision. The goals and recommendations created by the community through Albany 2030 will guide policy changes and project development over the next 20 years. Albany 2030 kicked-off its public process in 2010. Planning staff and the Albany 2030 Board met with more than 1000 community members since the start of the project. New media has enabled hundreds more to participate via text message and online through the website, Facebook and Twitter. We have been dedicated to ensuring that Albany 2030 hears from community members from all neighborhoods and backgrounds. Planning staff have used a variety of public participation methods, developing innovative tools to engage traditionally hard-to-reach populations. The Planning Department is breaking new ground with Albany 2030, learning from other cities' successes and missteps, and building a plan that is both innovative and sound. This effort has been recognized at the national level. Staff has been invited to present on Albany 2030's groundbreaking systems

approach and its new participation methods at two national conferences – teaching professionals from across the country and around the world how to use the tools developed here in our Capital City. Currently, the Albany 2030 team is developing a written plan that will outline strategies and recommendations for achieving the community's vision by 2030. City department heads are involved every step of the way to ensure that this plan can be implemented.

2. Midtown Education District Enhancement Study

The City of Albany partnered with the University of Albany and The College of Saint Rose to address the district where so many of the City's off-campus students reside. A grant from the Capital District Transportation Committee has enabled the City to develop a plan for this unique area. The plan, called the Education District Enhancement Study engaged students, renters, business owners, landlords and homeowners to create solutions that make sense for everyone. We are committed to providing better lighting, improved aesthetics, opportunities for diversified businesses, and other physical improvements to make this district a safe and welcoming activity center that caters to students, businesses and homeowners alike. Midtown has been the focus of the employee assisted housing program which has assisted 75 new homeowners to the Midtown area and attracted nearly \$10 million in new investment.

3. City of Albany Bicycle Master Plan

The Bicycle Master Plan is complete, and is a testament to the fact that the City's efforts in planning are award winning. In 2010, the New York Upstate chapter of the American Planning Association (APA) awarded the City of Albany with the Innovations in Sustainable Places award for the City of Albany's Bicycle Master Plan. Completed in 2009, the bike plan came about as a result of the collaboration between the City of Albany, Capital District Transportation Committee (CDTC) and the Study Advisory Committee. The results of this work has been to install sharrows on new infrastructure projects, like the Delaware Ave, New Scotland Ave, and Holland Avenue districts. Sharrows (also known as Shared Use Markings) are pavement markings placed on the road to guide bicyclists the best place to ride on the road and to remind drivers to share the road with cyclists. Bicycle Racks are turning up all around the City. A total of 167 new bicycle racks have been installed in 2010.

4. 2010 HIGHLIGHTS OF HISTORIC RESOURCES COMMISSION

During 2010, the Historic Resources Commission considered 39 separate matters for the 17 meetings that were held. Staff reviewed over 250 applications for certificates of appropriateness/building permits. Design review was completed for the 5 new row houses to be constructed on the long-vacant lot on Jay Street. This represents the first major market-rate residential infill project in the City's historic areas in quite a few years. Construction is scheduled to begin shortly. Other

interesting or significant projects we worked on with owners/developers include: the rehabilitation of the vacant buildings at 684-690 Madison Avenue into upscale apartments from their former use as congregate housing; substantial masonry work in front of the Masonic Hall at 67 Corning Place to improve safety and ease of maintenance without compromising the historic appearance of the building; and the renovation of a long-vacant former vehicle repair shop at 471 Clinton Avenue to house a new retail establishment.

5. Housing Development & Planning

The Land Use planning team has assisted with site plan review for new housing construction in the City of Albany. The majority of new residential development over the past three years has been rental residential development, including new construction and building rehabilitation. The largest new construction of rental residential has been the construction of the 300 unit building known as The Alexander at Patroon Creek, which is 100% fully occupied. This represents a \$42 million investment, including structured parking internal to the development. New townhouse development has occurred in the City of Albany as well. New town house construction known as Whitehall Point resulted in 52 new single family units. New town houses are currently under construction at Van Rensselaer Blvd which will result in 49 new units and the second phase of Buckingham Muse will produce 18 new construction town house units. The Lofts at Brynmar have produced 14 residential condo's in the City of Albany. In Park South, adjacent to the \$13.5 million Knox Street rehab project that was completed two years ago, a blighted building at 70 Morris Street was entirely rehabbed, producing 9 new market rate units in the community. These projects, in addition to the building rehab projects occurring in downtown Albany, are a strong indication that while the national economy has suffered, based on development activity, the City of Albany clearly remains a destination for quality housing opportunities.

Division of Community Development

1. Neighborhood Stabilization Program I (NSPI)

In 2010, the \$5.1 million Neighborhood Stabilization Program was well underway with the rehabilitation of blighted homes in Arbor Hill. The NSP funding assisted with acquiring the bank foreclosed St Joseph's housing properties in Arbor Hill and rehabbing them for quality, affordable housing. The City, the Albany Community Development Agency, the Albany Housing Authority and community partners celebrated this major investment in repairing access to quality homes in the community with a press event in early November 2010. Fifteen buildings are expected to be completed in 2011.

2. Neighborhood Revitalization and Land Banking, Vacant Buildings

The Albany Community Development Agency (ACDA) is responsible for administering and distributing community development funds received annually

from the U.S. Department of Housing and Urban Development, NYS Affordable Housing grants, City of Albany and other resources. The office also plays an active role in consolidated planning for the utilization of Community Development Block Grant (CDBG), HOME, Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) funds. Each year, the ACDA awards entitlement grant funding to a number of local non-profit service providers through a competitive request for proposals process.

Intensified efforts to address abandoned properties, by reorganizing and refocusing resources are yielding impactful results. Vacant building court is a major success and the Mayor's Block by Block initiative is looking at these properties one by one and addressing their code and safety issues. The Neighborhood Revitalization unit integrates these efforts with citywide policies and new funding opportunities to provide comprehensive solutions. Abandoned property activities are about strategy and finding solutions. Addressing these buildings require a systematic approach, working to provide assistance to cooperative owners, and penalizing those who are not doing the right thing.

3. Stimulus Recovery and CDBG-R

The federal initiative known as the American Recovery and Reinvestment Act has provided funding for a number of projects in the City of Albany. In addition to the first New York State Stimulus Funded project with the \$13.5 million reconstruction of Delaware Avenue, a number of other road and infrastructure projects were funded, including Central Avenue and parts of Washington and Western Avenues. Other neighborhood revitalization programs were also assisted through the American Recovery and Reinvestment Act. The Community Development Block Grant- Recovery (CDBG-R) provided close to \$1 million in stimulus funding. Projects that are currently under way utilizing this funding include, Rehabilitation of 2 Historic buildings in the South End of Albany and in Arbor Hill. A two story demolition in the South End to support a community center of faith, resurfacing Streets, replacing sidewalks and ramps in the Neighborhood Strategy Areas in the City of Albany. Planned projects include, demolition of buildings in the NSA to help with the City of Albany's plan to correct slum and blight and the creation of a minimum of 11 jobs in the NSA in the City of Albany as well as training opportunities for local trades.

4. South End Plan

Since the completion of the Capital South Plan, over \$69 million has been invested in the South End leveraging funding from a variety of sources including the City, County, State, Federal Government, as well as local non-profit organizations. In 2010, the City, Albany Housing Authority and OMNI Housing Development broke ground on South End Revitalization Phase II, a housing development consisting of 43 units of new and rehabilitated affordable housing on Morton Avenue and nearby streets in the South End. The development cost is over \$10 Million. The John A. Howe Library Branch underwent a \$5.2 million renovation project that refurbished

this 81-year-old library. The newly completed branch opened its doors on March 15, 2010.

5. Arbor Hill Plan

Since the Arbor Hill Neighborhood Plan was released in 2003, over \$62 million has been invested in Arbor Hill leveraging funding from a variety of sources including the City, County, State, Federal Government, as well as local non-profit organizations. As a testament, this year, the City of Albany was awarded the Planning Excellence Award for Implementation for the work on the Arbor Hill Neighborhood Plan. In Arbor Hill, citywide partners in neighborhood revitalization are active in deploying two major grants that were secured for revitalization projects in the community. A \$5 million Restore NY award and a \$5.1 million Neighborhood Rehabilitation Program grant will realize sweeping change for some of the most neglected properties in the neighborhood.

Some other highlights in this community include the plans to redevelop North Swan Street Park. The City of Albany, the United Way of the Greater Capital Region, the Arbor Hill Neighborhood Association, along with other interested stakeholders announced a partnership to revitalize the North Swan Street Park. The New York State Office of Parks, Recreation and Historic Preservation has awarded the City, \$318,750 for the park and Albany County Department of Health through their Strategic Alliance for Health has provided \$30,000 for the park.

The Arbor Hill/West Hill Library opened this year to great celebration from the neighborhood. The \$5.7 million Arbor Hill/West Hill Branch Library branch is a new 12,000 building that serves as a symbol of new investment in the community for families and neighborhood residents. Due to safety concerns, the Arbor Hill Pedestrian Bridge was closed and eventually demolished in 2008. Collaborating with the Arbor Hill Elementary School, the bridge was redesigned and opened in September of this year. This project cost \$1.8 Million and included ADA compliant access, as well as new concrete sidewalks, site grading, increased lighting, and enhanced landscape.