



## **DOWNTOWN REVITALIZATION INITIATIVE – CREDC**

The Capital Region Economic Development Council (CREDC) is accepting applications from qualified applicants for the Downtown Revitalization Initiative (DRI).

Please refer to the attached Downtown Revitalization Initiative Guide for further information on the DRI program.

Each applicant must complete this application and include the requested Appendices.

Applicant responses for each section should be as complete and succinct as possible.

Applications must be **received** by Empire State Development’s Capital Region Office **by 4:00 p.m. on June 1, 2016.**

Applications are to be submitted by email to [Heidi.Pasos@esd.ny.gov](mailto:Heidi.Pasos@esd.ny.gov). Files should be named in the following format: “Downtown\_Municipality\_Date”.

If you have questions about the Downtown Revitalization Initiative, contact the ESD Capital Region Office at (518) 270-1130.

### **BASIC INFORMATION**

**Regional Economic Development Council (REDC) Region:** Capital Region

**Municipality Name:** Schenectady

**Downtown Name:** Schenectady Arts, Entertainment and Technology District

**County:** Schenectady

**Point of Contact:** Ray Gillen

**Title:** Chairman, Schenectady County Metroplex Development Authority

**Phone:** 518-377-1109 ext. 1

**Email:** [rgillen@schenectadymetroplex.org](mailto:rgillen@schenectadymetroplex.org)

**Downtown Description:** Provide an overview of the downtown and summarize the rationale behind nominating this downtown for a DRI award:

Downtown Schenectady lost 25,000 jobs at GE during the 1980’s and 1990’s. No community in NYS was hit harder by the loss of jobs as a percent of total population. The core area of downtown was literally vacant and hollowed out by 2004 as a result of this massive job loss. A concerted, focused revitalization effort has been in place since 2004 resulting from a strong partnership between the City, County and the Metroplex Development Authority. This effort has attracted over \$800 million in new investment and created strong momentum in downtown Schenectady. Redevelopment of the downtown as an arts, entertainment and technology district has received strong support from Governor Cuomo, Empire State Development and the Capital Region Economic Development Council. However, the job of rebuilding downtown Schenectady is far from complete. The DRI program will allow Schenectady to expand its

revitalization efforts to parts of the downtown core that remain severely distressed. The continued resurgence of downtown Schenectady is vital to the overall prosperity of the Capital Region due to the presence of major employers that directly surround downtown. The vibrancy of downtown is a contributing factor in the continued expansion and success of these major employers. The downtown core is defined by the major employers that surround it including GE Power headquarters, MVP headquarters, Price Chopper headquarters, Ellis Hospital, the new \$480 million development at Mohawk Harbor and Union College. Together these major employers account for 15,000 good paying, family supporting jobs.

## **DOWNTOWN IDENTIFICATION**

This section should be filled out with reference to the criteria set forth in the DRI Guidelines.

- 1) Boundaries of the Downtown Neighborhood.** Detail the boundaries of the targeted neighborhood, keeping in mind that there is no minimum or maximum size, but that the neighborhood should be compact and well-defined. Core neighborhoods beyond a traditional downtown or central business district are eligible, if they can meet other criteria making them ripe for investment.

Downtown Schenectady is comprised of 469 acres (.07 square miles) bordered by Nott Terrace, Nott Street, Washington Avenue and I-890. This is the area where focused redevelopment efforts continue. Phase I of downtown development work focused on the area from I-890 down Broadway past Proctors up State Street to Jay Street continuing to the Price Chopper Headquarters. This area has been successfully redeveloped. Phase II is the corridor along Erie Boulevard from GE Power to Mohawk Harbor. Phase III is Lower State Street connecting GE, Schenectady County Community College and the Stockade Historic District. The focus of the DRI effort is Phase II and III where considerable work remains to be done in redeveloping downtown Schenectady. The DRI focused program will focus on a well-defined and compact area that will build off the success of the redevelopment work done in Phase I.

- 2) Size.** Outline why the downtown, or its catchment area, is of a size sufficient to support a vibrant, year-round downtown, with consideration of whether there is a sizeable existing, or increasing, population within easy reach for whom this would be the primary downtown.

Downtown Schenectady is the business, arts and government hub for Schenectady County. It is the seat of both city and county government. It is a compact and well defined area that is home to a number of theaters including Proctors, which is the leading entertainment and cultural institution in the Capital Region. As stated previously, the downtown area is also a major hub for business led by GE's 650-acre tech campus located in the heart of the city which is one of the leading employment centers in New York State with over 4,000 jobs. There is also a growing population base in the downtown area due to construction and renovation of buildings now used for loft housing and upscale apartments. Downtown is also home to the first historic district in NYS -- the Stockade neighborhood which provides a built-in customer base for downtown as well as Union College, Schenectady County Community College and Clarkson University's graduate school. As a result, over 10,000 students are located in the downtown area.

**Past Investments (past Five (5) years) & Future Investment Potential.** Describe how this downtown will be able to capitalize on prior, and catalyze future, private and public investment in the neighborhood and its surrounding areas. Please use the chart to total Past Investments and provide a narrative further describing the investments and future potential.

<b>Leverages Resources:</b>	Public: \$10,458,522 CREDC funding	Private: \$500 million
<b>Prior NYS Funding/REDC Funding:</b>	Amount: \$0	Amount: \$10,458,522 CREDC funding

**Please identify use(s) of prior funding:**

**\$5,000,000 Schenectady Riverfront Revitalization Project/Mohawk Harbor:** Funds were used to support the multi-year, multi-phase waterfront brownfield development project at the former site of the American Locomotive Company (ALCO).

**\$555,000 Proctors Interior Finish Restoration:** Building on past restoration efforts that have earned state and national recognition, Proctors used REDC funding to complete the restoration of the theater that has been a key catalyst for downtown redevelopment.

**\$2,903,522 Proctors Downtown District Energy Expansion In Schenectady:** REDC investment in the Downtown District Energy (DDE) Expansion project at Proctors provides heating and cooling to seven historic buildings in downtown Schenectady, in addition to the five that are currently serviced by Proctors combined heat and power system. This will simultaneously benefit downtown while lowering greenhouse gas emissions.

**\$ 1,200,000 Downtown Robinson Block Redevelopment/Electric City Apartments:** This mixed use development project includes demolition of old buildings, construction of mixed-use retail space, market rate apartments and parking in Downtown Schenectady.

**\$400,000 Schenectady Gateway Park:** The reconstruction of Schenectady’s Gateway Park increases safety and access to a critical public transportation hub, implements green infrastructure improvements, and creates an important flood retention area. REDC funding is supporting the Park's redevelopment, which has been identified as critical to revitalizing Lower State Street, flood water management concerns, and new economic investment/revitalization.

**\$ 250,000 Challenger Learning Center Capital Improvements:** REDC funds allowed for renovations and asbestos removal at the Museum of Science and Innovation in Schenectady to establish an interactive space flight themed exhibit – the Challenger Learning Center which attracts school groups and other organizations to downtown Schenectady while promoting STEM education efforts.

**\$150,000 Kindl Workforce Development Building Capital:** REDC funding was used to renovate and fit-up a building on Lower State Street to serve as the new office for Schenectady County Community College’s Workforce Development Division, creating

space for a workforce development training center including a computer lab and classroom space for students enrolled in non-credit vocational and workforce development programs. This project is a catalyst for additional investment in the lower State Street area.

- 3) Job Growth.** Describe how recent or impending job growth within, or in close proximity to, the downtown will attract professionals to an active life in the downtown, support redevelopment, and make growth sustainable in the long-term.

GE moved the headquarters for its largest business -- GE Power -- from Atlanta to Schenectady in 2012. GE's downtown Schenectady campus also contains major operations for GE Renewable Energy and GE is one of the largest green energy/renewable energy companies in the world. Together these two developments at GE have created more than 1,000 new jobs. Schenectady worked closely with Governor Cuomo and ESD to land these new investments that brought job growth to GE's tech campus in Schenectady after many years of job losses. The continued growth of GE in Schenectady depends upon a vital and attractive downtown area which is one of the reasons why we are pursuing DRI funding. In addition to growth at GE, Schenectady has worked closely with other major employers to attract jobs to the downtown core including Price Chopper's new 240,000 square foot headquarters, Transfinder's new headquarters, Flextronics, MVP Health Care, Siemens, AAA Northway, Institute for Clinical Pharmacodynamics (ICPD), Utech, M/E Engineering, Bechtel and many more. Schenectady has effectively used the START-UP NY program to attract four early stage tech companies to downtown with several additional applications pending. A business accelerator, the New York BizLab is home to all four START-Up NY companies. A new tech oriented shared work space has also opened in downtown called the Electric City Innovation Center. Schenectady has also benefitted from the relocation of the headquarters of the NYS Workers Compensation Board (300 jobs) to downtown and the expansion of the NYS Gaming Commission. A \$480 million waterfront project called Mohawk Harbor is under construction in downtown with more than 1,200 new jobs at a new regional casino to be called the Rivers Resort & Casino at Mohawk Harbor. All of these new jobs in the downtown area are easily accessible to employees. For those who want to live and work downtown, there are many new residential options available. CTDA also provides excellent bus service to downtown via its bus rapid transit line.

- 4) Attractiveness of the Downtown.** Identify the properties or characteristics the downtown possesses that contribute or could contribute, if enhanced, to the attractiveness and livability of the downtown. Consider, for example, the presence of developable mixed-use spaces, housing at different levels of affordability and type, healthy and affordable food markets, walkability and bikeability, and public parks and gathering spaces.

To attract and retain skilled workers, the downtown area needs to contain key amenities such as parks and green spaces, public transit, walking paths, waterfront accessibility -- plus entertainment, dining and fitness options all contained in an interesting urban setting. Schenectady is well on its way to presenting such options but needs assistance from the DRI to complete this vision. Already downtown is home to a very popular year round greenmarket, two public parks and a third under development, a new YMCA, a six screen first run movie theater, multiple stages at Proctors, coffee spots, downtown bike trails with direct connections to the NYS Canal Trail, a new 1.5 mile trail along

the riverfront at Mohawk Harbor, one new hotel that just opened and three more under construction and a new regional casino that is under construction and ahead of schedule. Schenectady is also committed to maintaining diversity and affordability in downtown including several workforce housing projects under development and a 61 unit active senior housing development being built at the former YMCA. Our experience is that growing tech companies want to explore interesting urban office spaces for their employees but need the area surrounding these office spaces to be safe, interesting and fun. The DRI will allow Schenectady to continue its effort to create urban spaces that attract and keep talented employees in the Capital Region especially recent college graduates. We are also very pleased with the success of the START-UP NY program which has allowed us to link growing tech firms with college students creating opportunities to retain students that did not exist previously.

- 5) Policies to Enhance Quality of Life.** Articulate the policies in place that increase the livability and quality of life of the downtown. Examples include the use of local land banks, modern zoning codes, complete streets plans, or transit-oriented development. If policies achieving this goal are not currently in place, describe the ability of the municipality to create and implement such policies.

Schenectady is committed to smart growth and quality of life enhancement efforts. The downtown area has an active business improvement district (Downtown Schenectady Improvement Corporation) that provides clean-up and fix-up functions seven days a week. The BID fills the downtown area with flowers each summer and decorates for the holiday season sponsoring many seasonal events and activities. The BID publishes a weekly on-line newsletter that summarizes activities and events in downtown. The City Mission sponsors the Ambassador Program with the help of downtown businesses and Metroplex. This program employs and trains Mission residents to patrol downtown offering directions, security and assistance to residents and visitors alike. The Ambassador Program has proven to be a creative job training effort that also improves quality of life in the downtown arts, entertainment and technology district. Schenectady also has an active Land Bank which works with Metroplex to remove blighted buildings that are beyond repair and renovate others structures especially historically significant buildings. The downtown district has benefitted greatly from the CTDA's bus rapid transit line and all of downtown can be considered a transit – oriented development. SCCC was one of the first colleges in the Capital Region to offer an all access bus pass to its students. The downtown area also features a district heating and cooling plant operated by Proctors that services many buildings including a hotel, cinema/office building and the Center City complex which is home to many tech jobs. This energy facility located in the heart of downtown helps build Schenectady's brand as a leader in green energy and it strengthens the resiliency of the downtown against future storms/natural disasters. The energy plant also provides heated sidewalks in the main area of downtown making the area more accessible and user friendly during the winter. With the support of Metroplex, the downtown area is home to a large network of security cameras. The camera program is operated by the District Attorney's office. To build on the success of the camera program, Schenectady has recently launched a major Smart Cities program headed by Mark Little, GE's former Chief Technology Officer. This effort has already resulted in the installation of energy efficient lighting in downtown. Schenectady has always been a city of immigrants and the development of downtown has been designed to encourage investments by new Americans including the use of the EB-5 program and efforts to attract and retain students from overseas to local colleges especially SCCC. GE also actively recruits globally to staff operations

in Schenectady including the company's world headquarters for Research and Development in Niskayuna.

- 6) Local Support.** Set forth the local and community support that exists for the revitalization of this downtown and the commitment among local leaders and stakeholders to building and implementing a strategic investment plan. Identify an initial local lead for the program that will work with outside experts to convene a local DRI Planning Committee to oversee the plan.

Due to the extreme level of economic distress that occurred in Schenectady, city and county leaders resolved to working closely together to rebuild the community. This has resulted in the creation of a unified economic development team that replaced a fractured program of dozens of competing groups and organizations. The unified team is staffed by the Schenectady County Metroplex Development Authority. Metroplex is a one of a kind public authority in NYS that uses sales tax proceeds to fund economic development efforts county-wide with a special focus on renewing and rebuilding the downtown core. The sales tax produces over \$11 million annually that is invested in economic development activities aimed at creating jobs, attracting private investment and building tax base. This level of funding commitment is available to support and enhance DRI focused efforts in Schenectady. The point of contact for local DRI planning and redevelopment effort is Ray Gillen, who chairs Metroplex. Ray has more than 30 years of front-line economic development experience working at the federal, state and local level to create jobs and bring investment to distressed regions.

- 7) Challenges.** Identify current challenges or other impediments facing downtown development initiatives.

While Schenectady has realized considerable success in redeveloping Phase I of its downtown core, the remaining two sections that need development pose a considerable challenge. Phase II runs along Erie Boulevard from the front gate at GE to Mohawk Harbor. While these two anchors are strong contributors to downtown and the entire Capital Region, the Erie Boulevard corridor is one that needs considerable attention. A strong positive factor is the \$15 million streetscape improvements already completed on Erie Boulevard from I-890 to Union Street. This effort will be expanded upon next year when additional streetscape work will be completed from Union Street to Mohawk Harbor. In addition, a new \$15 million train station will be constructed by NYSDOT on Erie Boulevard. The new train station coupled with streetscape improvements provide strong building blocks for this corridor which includes many buildings ripe for redevelopment as loft housing and/or tech office space. The Phase III area of downtown development also poses challenges. This area is being boosted by the \$20 million Electric City Apartments and ground floor retail complex which received strong support from the Capital Region Economic Development Council. The lower State Street area is still in need of considerable development activity due to a number of derelict buildings. Again, the next two phases of downtown development are poised for growth due to infrastructure work and CREDC's investment, however considerable attention and efforts need to be paid to these areas to successfully complete redevelopment efforts in the downtown core.

- 8) **Other.** Provide **WEB LINKS** to any other relevant information. For example: plans, reports, news articles etc.

[www.schenectadymetroplex.org](http://www.schenectadymetroplex.org)

[www.downtownschenectady.org](http://www.downtownschenectady.org)

<http://downtownschenectady.org/wp-content/uploads/2015/04/Visitor-Guide-2016-17sm.pdf>

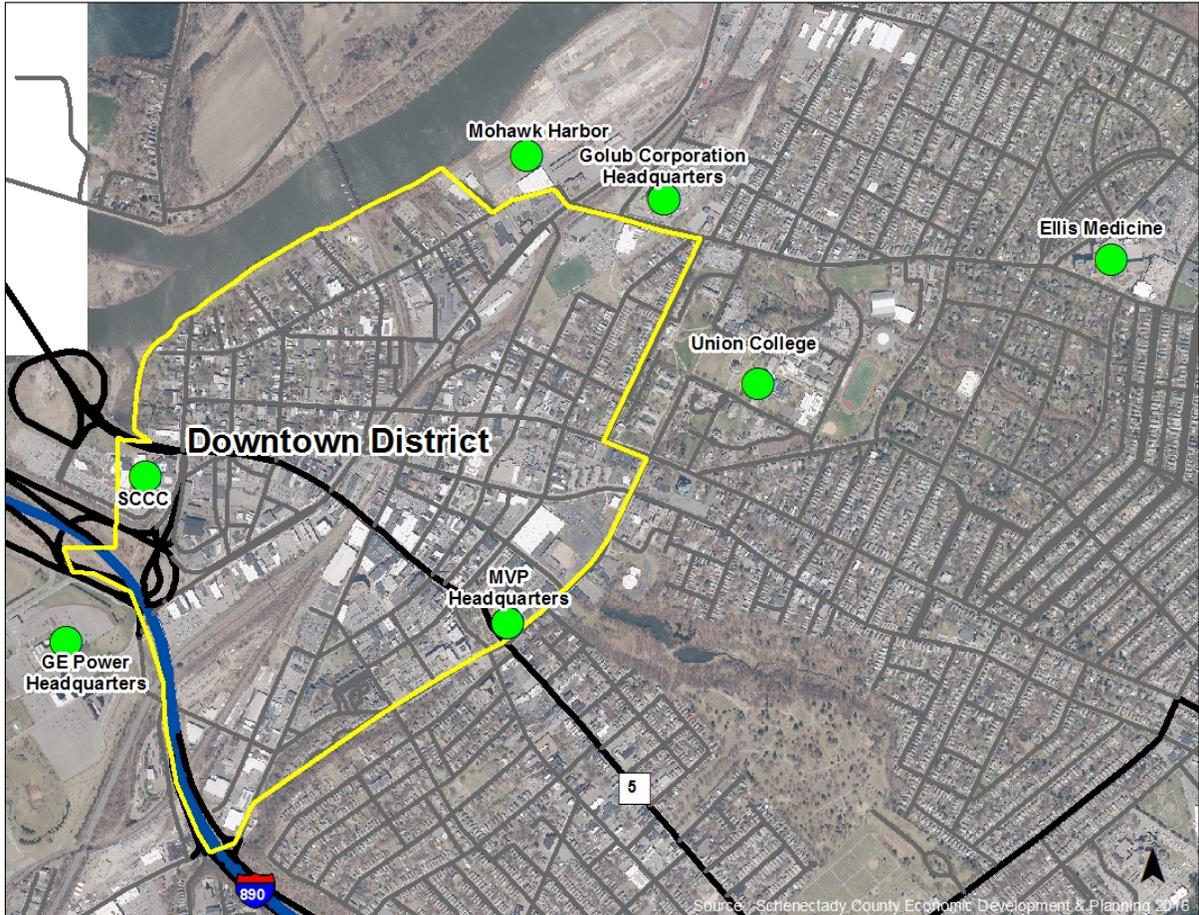
<http://downtownschenectady.org/wp-content/uploads/2015/04/Dining-Guide-2016.pdf>

**\*\*Please complete Appendix A-C on pages 4-6 (below)\*\***

**Appendix A: Executive Summary (not to exceed 3 pages).**

Downtown Schenectady is requesting support from the DRI program. This support is warranted due to the extreme level of economic distress realized in Schenectady after the loss of 25,000 jobs at GE which hollowed out the downtown area. Since 2004, a well-focused revitalization effort has been underway that is strongly supported by local leaders and the business community. This effort has had great success, but more needs to be done to complete the revitalization process. The downtown core is a compact and well-defined area. It has the critical mass in terms of jobs and population base needed to be a successful commercial district. It increasingly has the quality of life and levels of attractiveness needed to become a highly desirable area for tech companies to cluster helping the Capital Region retain college graduates who want to live and work in interesting spaces and interesting places. The DRI process would help Schenectady continue to refine its product offerings downtown and boost our place-making activities in the Phase II and Phase III areas of downtown where much work remains. This redevelopment effort will help the Capital Region retain over 15,000 high-paying jobs that are located in the downtown and build on previous investments by the State and by CREDC.

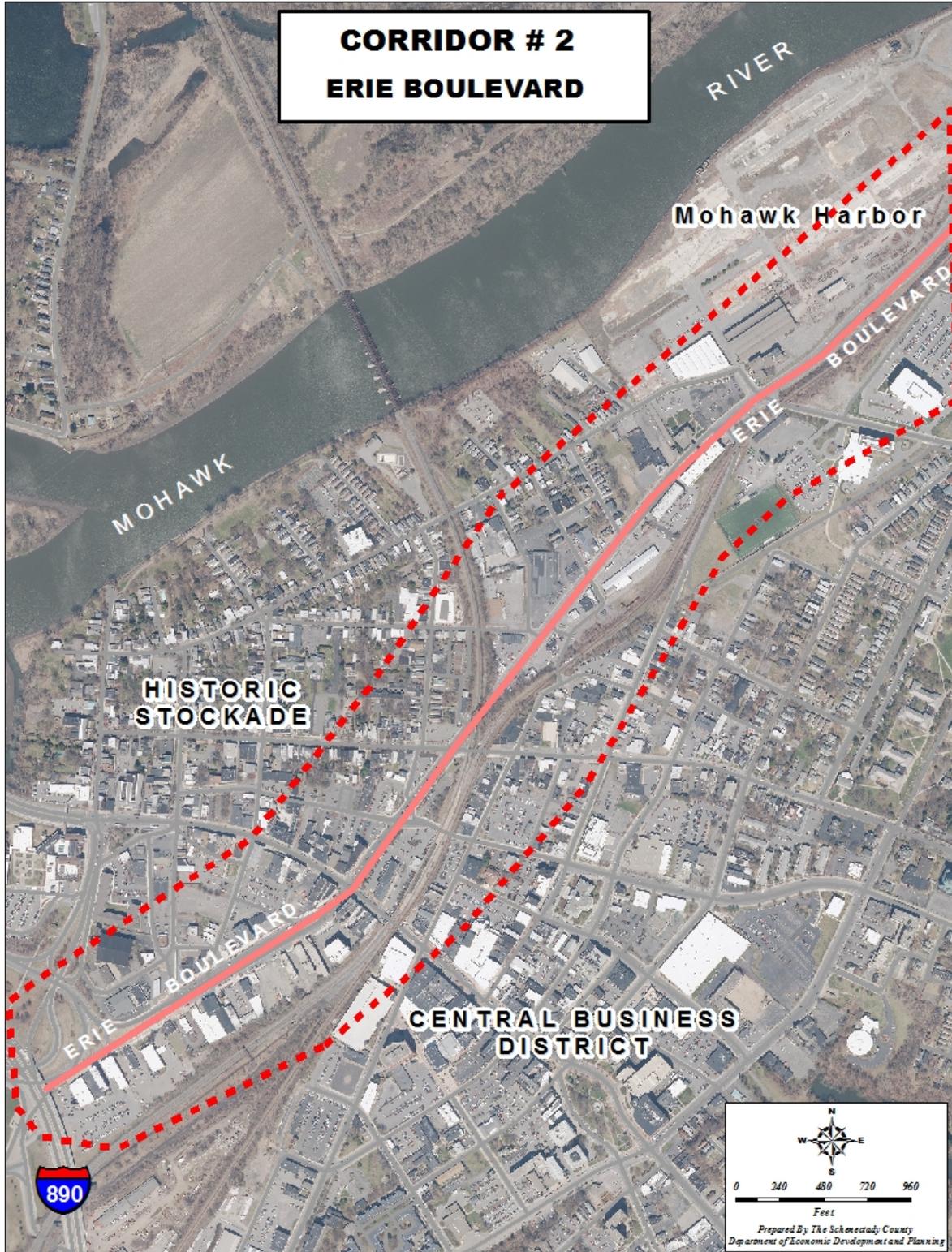
**Appendix B: Map of location indicating specific boundaries (color, clearly identify boundaries, surrounding communities, census tract boundaries, key features, etc.).**

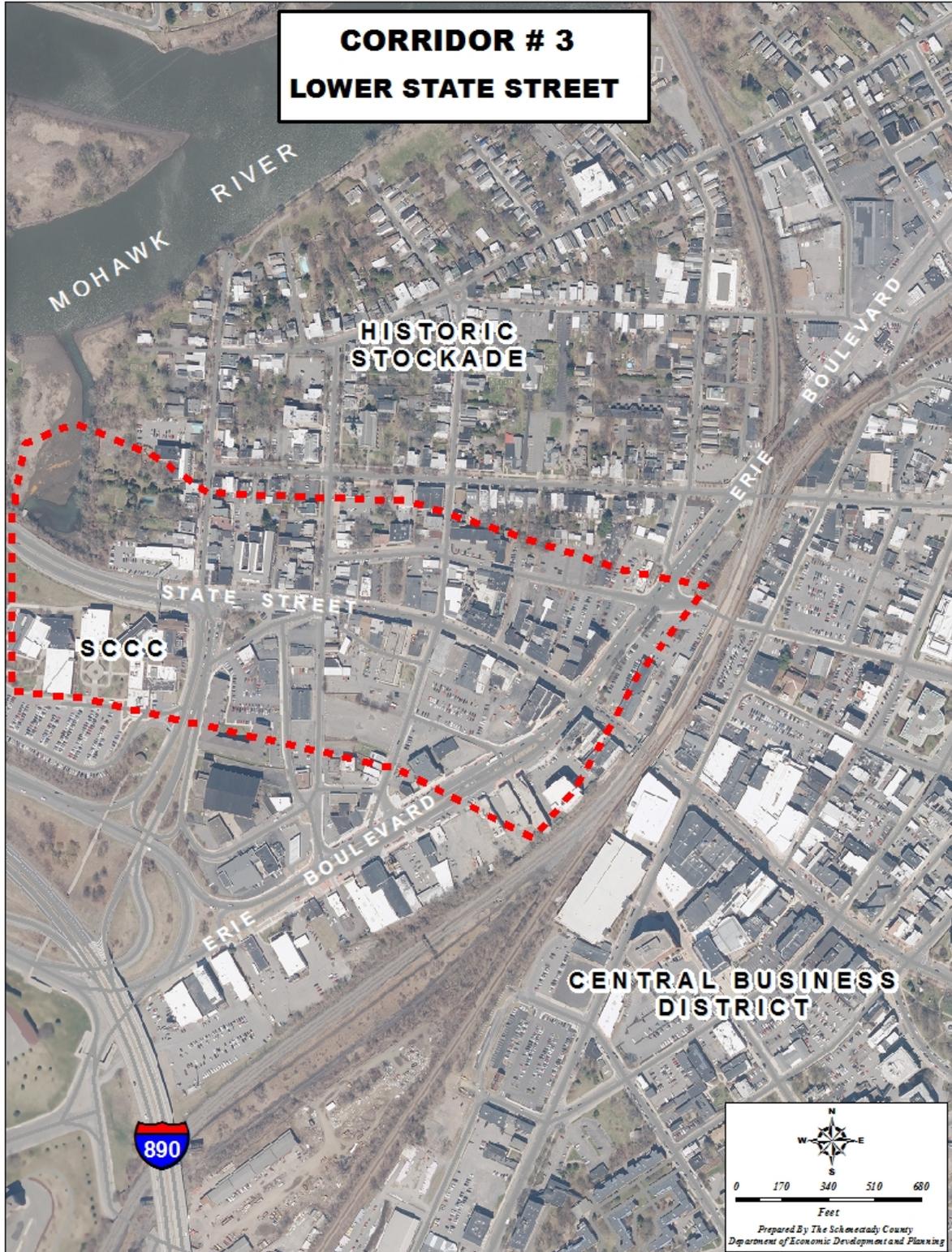


**Downtown Schenectady Arts, Entertainment and Technology District**

**Major Regional Employers Surrounding Downtown**









Appendix C: Current photos of the downtown area. Please clearly label each photo.



Golub Headquarters



MVP Headquarters



Capital Region  
Regional Economic  
Development Council



Bow-Tie Cinema



Center City



Downtown Schenectady



Proctors Theater



Capital Region  
Regional Economic  
Development Council



GE Theater



Parker Inn



Key Hall



Aperitivo



Wolff's Biergarten



Zen



Mexican Radio



Jay Street



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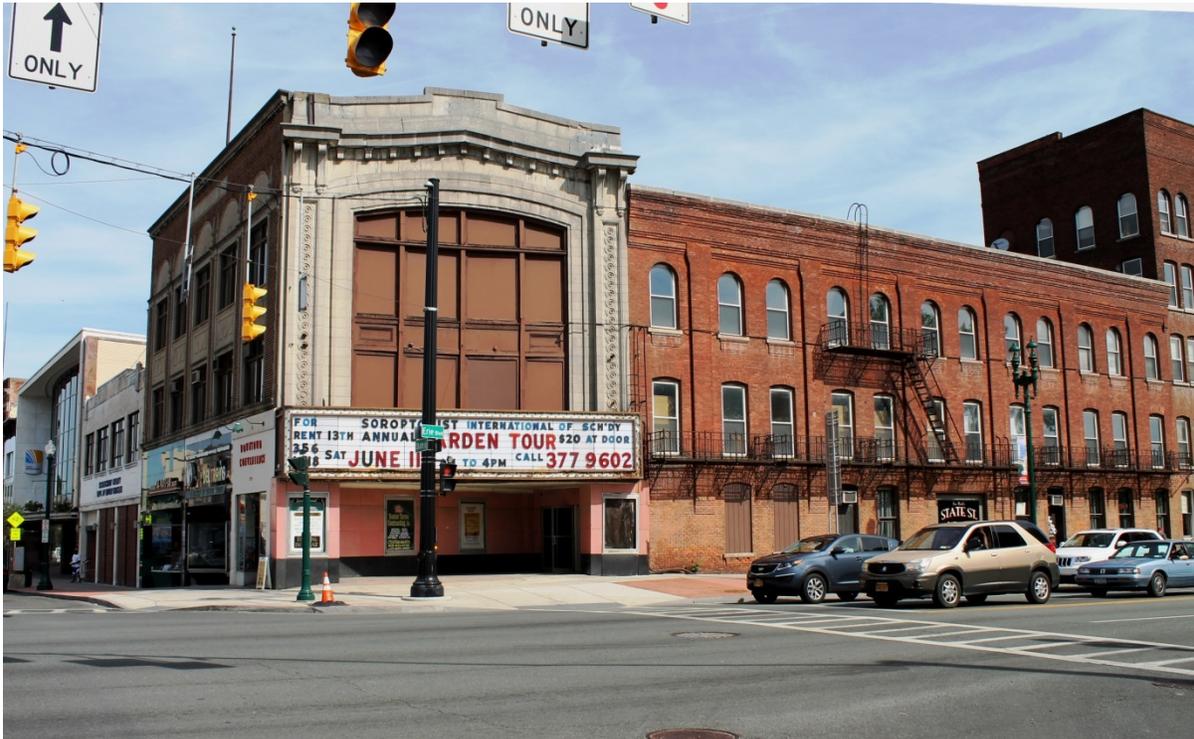
State Street



GE Campus



Mohawk Harbor



Building that Needs to be Redeveloped in Phase II Corridor



Block House in Phase III Corridor that Needs to be Redeveloped



Lower State Street in Phase III Corridor



Former YMCA in Phase III Corridor Being Converted into 61 Senior Housing Units



Lower State Street in Phase III Corridor



State Street at Ferry Street to Erie Boulevard in Phase III Corridor