

**Summary of the November 2000 Citywide Economic Development Strategy and  
Implementation Plan for the City of Troy, New York**

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## **Introduction:**

The Citywide Economic Development Strategy and Implementation Plan for the City of Troy, New York was prepared by RKG Associates, Inc., a subcontractor to River Street Planning & Development. This report focuses on six neighborhoods in Troy and the citywide initiatives for future growth in the City, these neighborhoods being South Troy (excluding Waterfront), Albia/Heights, Downtown, Sycaway/East Side, North Central and Lansingburgh. The research and analytical basis for this report can be referred to in the “*Economic and Real Estate Market Study for the City of Troy, New York*”, and additional recommendations for the South Troy Waterfront can be seen in the “*South Troy Working Waterfront Revitalization Plan for the City of Troy, New York*” (1).

The implementation plan proposes an approximately \$238 million redevelopment investment in neighborhoods throughout Troy from 2000-2020, exclusive of the South Troy Waterfront industrial area. The investment dollars are to be received from sources such as State and Federal funds, the Troy Housing Authority, conventional mortgages, donations and direct investment from the City of Troy of approximately \$11.5 million. This investment will result in an estimated increase in property valuations and the overall property tax base in the City of Troy from approximately \$250 million to \$405 million (by the year 2020 in 2000 dollars). The plan will also create approximately 520 new employment positions and \$12.73 million in associated wages in the City (2).

The implementation plan calls for several initiatives for the City’s development, including selected demolition of buildings, providing additional open space and recreation, a program to convert rental housing to owner-occupancy, redevelopment of

the Downtown, development of selected neighborhood commercial centers (including the Hoosick Street Corridor), and pedestrian/transportation and signage improvements (2).

### **Recommended Overall Citywide Implementation Plan:**

Three major goals were identified by RKG in conjunction with the City as a basis of the work plan for implementation:

1. Broaden the overall tax base and its component contributions by: (1) a strategic expansion/redevelopment of the commercial tax base within the City; and, (2) by enhancing residential property values.
2. Continue to facilitate the transition of the local economy from an “old-line, heavy industrial” economic base to a more diversified economy, including high-end services, Informational Technology, and retail/restaurant/cultural opportunities.
3. Leverage financial and organizational resources in order to optimize the return on investment (ROI) and in order to sustain the ongoing redevelopment initiatives. This could include leveraging public dollars with private investment and measuring ROI in terms of employment, wages, assessment values, as well as tax revenues (5).

There are also two primary development objectives for the City of Troy: (1) the long term redevelopment of the South Troy Waterfront industrial area, and (2) the repositioning of the City’s neighborhoods to enhance the quality of life and the economic opportunities of Troy’s residents. The implementation plan and funding is presented for the City as a whole and for each individual neighborhood over the twenty year redevelopment period (5).

### **Components of the Plan:**

The first component of the implementation plan is to reduce density within the city. RKG estimates an approximate 30% commercial/industrial vacancy rate, along with an excess of housing units. The plan calls for a reduction of up to 3,000 housing units

that have fallen into disrepair, having a negative impact on neighborhood revitalization and a reduction of over 900,000 square feet of commercial/industrial properties in similar condition. Approximately 75% of the housing reduction would come through zoning changes which would encourage single family occupancy and home ownership, and 750 units would be slated for acquisition and demolition at \$5.00 per square foot, approximately \$3.5 million, these properties could then be transferred to an adjacent residential parcel to be used for greenspace. The 900,000 square feet of commercial/industrial space would be demolished for new development opportunities, open space and site assemblage(s), at an approximate expense of \$4.5 million (6).

The second component of the plan would be to increase single family home ownership in the City. Currently Troy has a 32% home ownership rate, compared to the estimated 52% of total single family parcels in the City. The increase in single family home ownership is not envisioned throughout Troy because of the commercial composition of neighborhoods like Downtown and North Central, but should be targeted to specific blocks in neighborhoods to optimize residential conversion. Over the twenty year time frame, approximately 2,750 residential units are targeted for conversion, an investment of more than \$107 million (7).

The third component of the plan is new commercial development and employment. This development could take form in new “village” type centers for needed services and retail convenience, or as office/research and development related space. The plan calls for 190,000 square feet of this development with an investment of approximately \$15.74 million, and would create approximately 520 new employment positions and \$12.73 million in wages. This section of the plan should focus on

integrating Downtown to the rest of the city and utilizing the Hudson River for economic development to rejuvenate the Downtown area (8).

The plan also calls for increased rehabilitation of buildings, especially buildings with historic and architectural integrity. The City and the private sector should work together to selectively rehabilitate residential and commercial properties to keep the historic architectural feel of Troy. The plan calls for rehabilitation of 1,800 residential units at a cost of approximately \$83.84 million, and 215,100 square feet of commercial properties at an approximate investment of \$14 million (8).

The final component of the plan is to expand the utilization of the waterfront asset in Troy. The waterfront provides opportunity for recreational and cultural amenities, housing, commercial development and tourism. Troy has also unveiled a \$400,000 project for renovations of the Riverfront Park (The Times Union, 16 August, 2000). More information on this aspect of the plan is discussed in “*South Troy Working Waterfront Revitalization Plan for the City of Troy, New York*” (11).

### **Operational Components of the Plan:**

The City of Troy should be the leader in implementing these plans, but there are several other players that are crucial for the implementation of a successful plan. The Troy Housing Authority can be a potential funding partner for housing assistance and home ownership, and area banks can develop market lending programs to encourage home ownership. Educational institutions, local non-profit organizations, the Chamber of Commerce, private developers, neighborhood organizations, and Rensselaer County are

all partners that need to be involved in this process, along with the creation of a Redevelopment Authority (12).

The plan also sets to establish a communication and pro-active marketing plan with two objectives, one to let everyone in the region know that the City of Troy is committed to this plan and that it will be successfully implemented; and two, to reach the target markets which are essential components of the successful implementation of the plan. The components of this marketing plan are to establish a positive image of the city, attract residential owner-occupants, attract developers and investors, attract specific industry clusters, and attracting tourism (15).

#### **Neighborhood Specific Recommendations:**

For each specific neighborhood, RKG has created a development theme and recommended actions for the neighborhood. The South Troy neighborhood has approximately 8000 residents and encompasses 757 total acres of land, excluding the waterfront. The theme for this neighborhood is to upgrade and strengthen through enhancing residential property values, stimulating home ownership, developing a neighborhood retail center, providing recreation, green space and traffic calming. Some of the recommendations for the neighborhood are increasing home ownership to 50%, rezoning the neighborhood to less dense residential uses, and identifying transportation corridors (25).

The Albia/Heights neighborhood consists of approximately 9,000 residents on 1,608 acres of land. The development theme for this neighborhood is one of enhancing residential values and amenities through recreational developments, green space and

neighborhood enhancement. As such, additionally multi-family housing should be discouraged and minimum lot standards revisited as Albia/Heights represents the City's "land inventory" for future residential development. The target rate of owner occupancy for this neighborhood is 65%, and it is recommended to create a trail system through this neighborhood, along with rehabilitation of the housing stock (30).

The Downtown neighborhood has approximately 3,500 residents on only 157 acres, 55% of which is tax exempt. The theme for this neighborhood is to continue to support and facilitate its role as the commercial, cultural and civic center of the City of Troy, while enhancing its potential property values by selective rehabilitation which would encourage new development opportunities. To this end, an increase in property values is sought through stimulating a vibrant and mixed use of downtown properties to include offices, retail/restaurant/tourism, culture, institutional, government and targeted residential (such as artisans and graduate students) and increased linkage to the Hudson River. Downtown Troy should showcase itself as the public image for all of the City through its revitalized mix of uses, activities, amenities and should embody the slogan, "**Troy – the Right Side of the River**". Some recommended actions are beautifying the 787 corridor, improve parking and hiring a downtown development manager (35).

The Sycaway/East Side neighborhood consists of approximately 13,000 residents on 1,278 acres. The development theme for this neighborhood is to continue to improve its residential nature and to enhance opportunities for home-ownership. Also, future commercial development potential needs to be addressed in order to prevent further diminution and disinvestment as witnessed by a decline in assessed value and average assessed values/parcel despite relatively high incomes and low densities. The targeted

owner occupancy of this neighborhood is 60%, and some actions are to convert the entire Hoosick Street frontage to commercial and retail uses, facilitate RPI's expansion needs, and privatizing the public golf course as a means of raising development capital (41).

The North Central neighborhood consists of approximately 4,400 residents on 273 acres of land. The development theme is the need for its repositioning for the 21<sup>st</sup> century in order to improve the quality of life for its residents and to enhance its contributory value to the City as a whole. The former includes an increase in green and recreation space as well as upgraded housing and housing opportunities for low/moderate income households. The latter includes an economic redefinition to the neighborhood, which while maintaining a residential component also vastly expands the neighborhood's commercial development potential. As such, there are several redevelopment options which could assist in facilitating this transition: a business park, retail and a combination of the two. Recommended actions for this neighborhood include demolition of several buildings, reducing residential density and creating parkland (46).

The Lansingburgh neighborhood consists of approximately 12,800 residents on 1,509 acres of land. The development theme for this neighborhood is one of preserving and enhancing its residential nature and of strengthening its existing commercial development, especially its neighborhood retail/service district(s). As such, additional new retail development, other than in-fill, should be discouraged – particularly along the Waterfront. Additionally, buffers need to be developed which can serve to halt the creeping, blighting influence of the North Central neighborhood. Finally, future manufacturing and light industrial uses should be discouraged in Lansingburgh. Assisting some existing users with possible relocation to the South Troy Waterfront

industrial area could also be considered. Some recommended actions are to prevent future large scale retail development, change zoning to reduce density and access views to the riverfront (51).

## **Appendix 1:**

There have been several guidelines proposed to help realize the three major economic development goals for the City.

1. Initiate programs and policies to increase property values throughout the City.
2. Continue to place primary emphasis on downtown revitalization.
3. Increase utilization of the waterfront for recreational, cultural, commercial uses.
4. Increase the retail sales capture rate.
5. Continue to foster partnerships with the local colleges and universities.
6. Develop a strategic plan for property reuse and/or repositioning throughout the City.
7. Recognize that the City, or a non-profit development entity, will need to continue to be a catalyst for this project.
8. Establish criteria for the usage of development incentives.
9. Initiate programs to increase home ownership rates within the City.
10. Develop a pro-active marketing and communication strategy (58).