

URBAN RENEWAL PLAN

NORTHWEST SCHENECTADY
SCHENECTADY, NEW YORK

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March 24, 2010

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February 2010

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1 DESCRIPTION OF THE PROJECT

1.1 Boundaries of the Urban Renewal Area

The Northwest Schenectady Urban Renewal Area is located in the City and the County of Schenectady, and is bounded generally by Union Street, the CSX Rail Line, the Mohawk River, Nott Street, the Mohawk-Hudson Trailway, Gerling Street, Lenox Road, and Seward Place as depicted in Figure 1 and being further bounded and described as follows:

BEGINNING at the point where the Southeasterly line of Nott Street intersects the easterly line of Seward Place, and running the following 13 courses: 1) South approximately 2,128 feet along the eastern edge of Seward Place to the south side of Union Street; 2) West approximately 1,990 feet along the southern edge of Union Street to the western edge of the CSX property; 3)

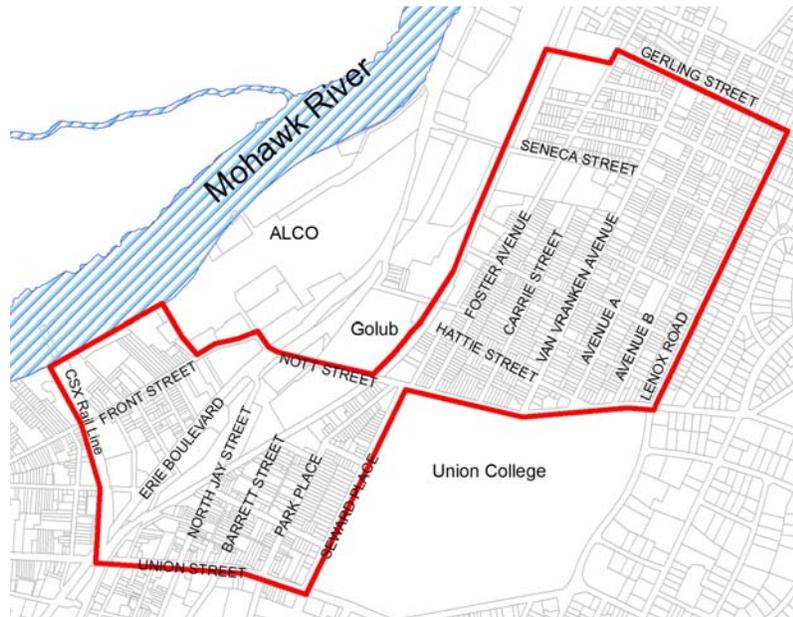


Figure 1 - Northwest Schenectady Urban Renewal Area

North, along the western edge of CSX property approximately 1,918 feet to the Mohawk River; 4) Northeast along the Mohawk River shoreline approximately 1,198 feet to the Nott Street Industrial Park; 5) Southeast along the western Nott Street Industrial Park property line a distance of approximately 555 to the northern edge of Front Street; 6) east along the northern edge of Front Street approximately 615 feet to the eastern edge of Nott Street; 7) South and southeast along the northern edge of Nott Street approximately 1,171 feet to the western edge of the Lands of New York State – Mohawk-Hudson Trail; 8) Northeast along the western edge of the Lands of New York State approximately 3,460 feet to the extension of the division line between 1957 Foster Avenue and the Lands of the City of Schenectady tax parcel 39.27-2-21; 9) East along the extend and actual property line between 1957 Foster Avenue and tax parcel 39.27-2-21 approximately 606 feet to the western edge of Foster Avenue; 10) Northeast along the western edge of

Foster Avenue approximately 140 feet; 11) Southeast along the northern edge of Gerling Street approximately 1,568 feet to a point; 12) Southwest a distance of 2,950 feet on a line separating the rear yards of houses on Avenue A from the rear yards of property on Lenox Road, to lands of Union College; 13) West along the southern edge of Nott Street, approximately 2,128 feet to the point of beginning.

1.2 Urban Plan Objectives

The Schenectady 2020 Comprehensive Plan identified the following goal in the Downtown Neighborhood plan:

Developing a diverse supply of modern housing types is critical to Schenectady's economic revival. Expanding downtown living options will be a central focus over the next fifteen years. Immediate opportunities include housing development adjacent to the Stockade, the East Front Street Town Home project, conversion of upper story uses, artist space and rental apartments.

The Schenectady 2020 Comprehensive Plan identified the following goal in the Northside Neighborhood plan:

Make the Northside a residential neighborhood of choice for current residents, seniors and the disabled, new families and quality tenants.

Action: Improve housing conditions in the Northside neighborhood.

Action: Explore ways to improve or redevelop the area bounded by Van Vranken Avenue, Seneca Street, the Bicycle Trail and Nott Street, to build off of the successful redevelopment of College Park on the Former Big N Plaza site (now Golub Headquarters).

Action: Reduce absentee ownership by creating incentives for homebuyers to rehabilitate and purchase two-family and multi-family buildings, and to reduce the number of units when appropriate.

The successful revitalization of Downtown's Arts and Entertainment District has become a centerpiece around which other redevelopment will follow naturally. Couple this with the new Headquarters of the General Electric's Renewable Energy and the Golub Corporation, and

numerous other businesses locating to the Downtown, there exists an opportunity to create new housing that will appeal to young professionals and seniors.

The basis for the Urban Renewal Plan is that the Northwest URA supplies the most convenient, aesthetic, and logical locations for new housing. College Park and East Front Street are in the Downtown, and they are near major employers, entertainment, and recreational assets including the Mohawk River and the Mohawk-Hudson Trail. Walking between these locations is not impeded by the hills that otherwise surround the downtown. The Northside neighborhood is slightly further away from downtown, but its locations adjacent to Golub, Union College, and Ellis Hospital provide opportunities to attract new residents.

The goal of the Northwest Schenectady Plan is to provide new and rehabilitated housing that offers a quality alternative to suburban living for young professionals, carefree living for seniors wishing to downsize or those looking for urban living, proximity to the arts, or lifetime learning opportunities presented by our colleges.

1.3 Types of Proposed Renewal Activity

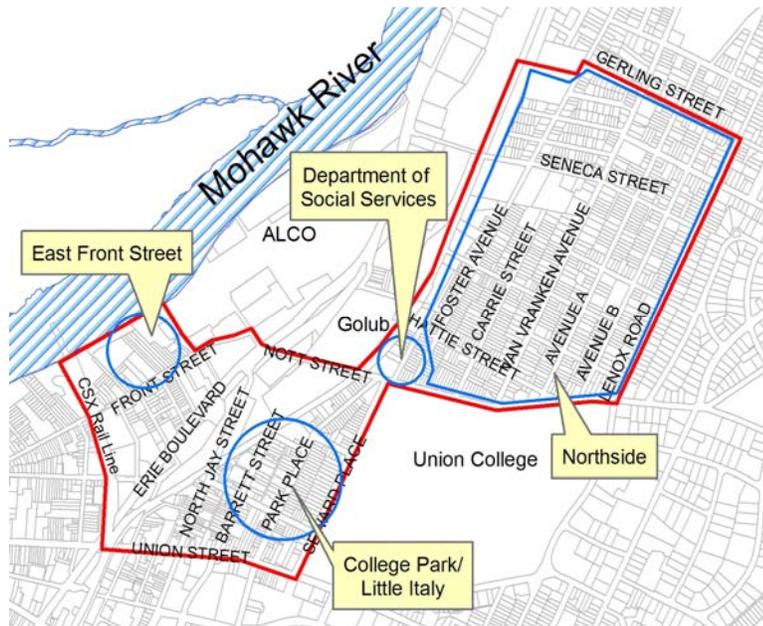


Figure 2 – Northwest Schenectady Area & 4 sub-areas

Within the Urban Renewal Area, are four separate areas with different activities as shown in Figure 2; 1) East Front Street, 2) Little Italy/College Park, 3) Department of Social Services area, 4) Northside.

1.3.1 East Front Street

The East Front Street area consists of approximately eight acres between Front Street and Mohawk River, southwest of the Nott Street Industrial Park. The City owns a one-acre riverfront parcel that would be transformed into public recreation space. New construction will consist of in-fill housing on vacant lots and a major redevelopment at the site of the existing industrial uses. Working with Metroplex, the city will try to relocate the industrial uses to other areas within the city limits.

The East Front Street area will implement residential development recommendations from the Waterfront Market and Feasibility Study of May 19, 2005 completed for this neighborhood and the City of Schenectady. Initially the concept called for creation of 16 new units, a welcome center and restaurant as shown in figure 3. Townhouses are to the left and top of the color section.

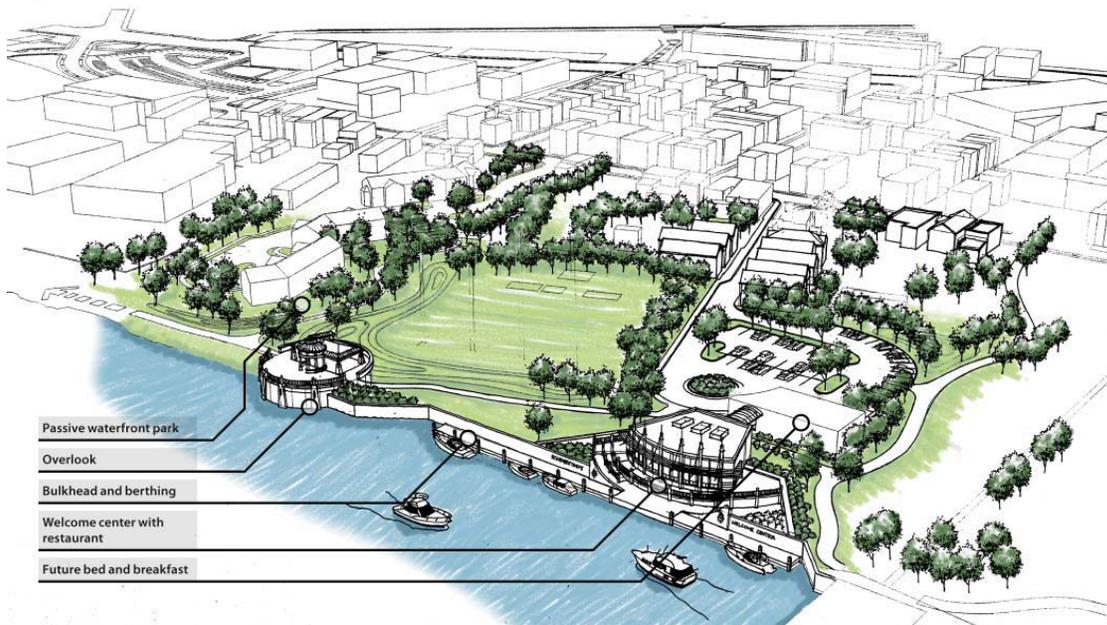


Figure 3 – East Front Street concept from the River.

Figure 4 is a revised and more detailed concept based on the plan. This rendition has 80 new residential units consisting of townhomes and condominium. It uses an additional 3.5 acres of industrial land that was not considered in the original study. Because there are issues with the proximity of the docks to the Canal System, docks would more likely be moved to the east. Phase 1 of the East Front Street redevelopment will focus on the residential units and docks to the right half of Figure 4. Phase 2 will focus on commercial development to the left quarter of the figure.



Figure 4 – Revised East Front Street concept

1.3.2 Little Italy/College Park

This area is bounded by Union Street to the South, Properties on Park Place to the east, Nott Street to the north, and the Mohawk-Hudson Trail/Rail line to the west. There are two separate components for this area: New Housing and renovations.

Figure 5 shows a concept developed in the Little Italy Catalyst portion of the Comprehensive Plan of 2008. The project will create new housing on mostly vacant land off the North end of Barrett Street. This development will consist of owner-occupied condominiums and townhouses to the west of Barrett Street. Redevelopment to the west of Barrett Street will be phase 1.

Phase 2 will occur east of Barrett Street, and will more likely be infill housing on the vacant lots, as opposed to the redevelopment shown below.



Schenectady, NY 2020
Catalyst Project
March 11, 2008

Little Italy
Schematic Site Plan

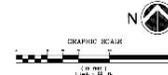


Figure 5 – Little Italy Concept on Barrett Street

On the remainder of Barrett Street and Park Place there are many investor owned properties that have been modified to add additional units over the past 60 years. In these areas efforts will focus on renovating existing structures with a priority on converting them back into their original as-built configurations, and working with businesses and non-profits to create ownership opportunities for their employees, clients, artists, and other live where you work opportunities.

1.3.3 Department of Social Services



Figure 6 – 487 Nott Street (Social Service Building)

With the relocation of the Department of Social Services out of 487 Nott Street in 2009, this building has come into private ownership. Located on the Mohawk-Hudson Trail, it is a very short walk to both the Golub Headquarters and Union College, and is only two-thirds of a mile from Ellis Hospital on a direct CDTA bus route. As such, redevelopment of this site

is ideal for a mixed-use or residential development. The demolition of 487 Nott Street will create a 1.5 acre development site. Additional parcels in the area could also be acquired for the development.

1.3.4 Northside

The southwestern portion of the Northside neighborhood has very low owner-occupancy and the lowest housing values in the northern third of the city. The area is south of Gerling Street, east of the Mohawk-Hudson Trail, north of Nott Street and west of a line at the rear of properties fronting on Avenue B.

This area includes a diverse group of large scale employers such as: the newly relocated administrative offices for Golub Corporation, the private university, Union College, the only local hospital, Ellis and varied businesses located in the Riverside Technology Park.

The City's has also relocated its Bureau of Service department to a newly constructed building on Foster Avenue. This new facility will centralize city employment at this location.

At this time, no formal plan of redevelopment has been established, however, the City will continue to leverage funds from HUD's Home Investment Partnerships Program to foster affordable housing opportunities for low and moderate income families. The City will continue to work with Community Housing Development Organizations to increase the percentage of owner

occupied homes in this area. The City will encourage live where you work programs and other opportunities to improve home-ownership rates and renovate the existing housing stock.

As other efforts in the Northwestern Urban Renewal Area take root, along with the redevelopment of the Nott Street Industrial Park, revitalization of this area should commence in the not too distant future.

2 LAND USE PLAN

The Land Use Plan incorporates the Zoning adopted with Schenectady's 2020 Comprehensive Plan. Zoning on three properties at the corner of Nott Street and Devine will be changed from Light Industrial to C-2 Downtown, a change that was overlooked with the 2020 rezoning.

2.1 Land Use Provisions

The project will be restricted to uses that comply with the City's Schenectady 2020 Zoning Ordinance adopted in March 2008. The ability to convert residentially zoned property into a Planned Residential District will be allowed since this complies with the Zoning Ordinance.

2.2 Existing Land Use Map



Figure 7 – Existing Land Use

2.3 Zoning (proposed land use)



Figure 8 – Schenectady 2020 Zoning adopted in March 2008

3 TIME SCHEDULE

- 3.1 East Front Street – because of the need to fund acquisition and infrastructure improvements through Tax Increment Financing (TIF), and the need for New York State to amend GML Article 18-C to allow for the capture of incremental school taxes attributed to the new development, this time-line will depend on adoption of the Article 18-C amendment.

<u>TASK</u>	<u>After adoption of 18-C amendment</u>
• Notice of intent to issue RFP	1 month
• TIF Public Hearings	2 months
• Project RFP issued	2 months
• City performs due diligence	3-4 months
• Project award	4 months
• TIF agreement completed	6 months
• Land acquisition	7-12 month
• Developer completes Schematic of design	4-10 months
• Planning Review	10 months
• Infrastructure work	1 – 2 years
• Building construction (infill units at first)	1 - 3 years

- TIF Bond issued (estimated, but as Tax Increment starts to produce) Year 2
- City Infrastructure work Year 2

3.2 Little Italy/College Park – while infrastructure improvements will require adoption of Tax Increment Financing amendments, the acquisition component will not require TIF. It is assumed that this project will commence prior to adoption of TIF amendments.

<u>TASK</u>	<u>DATE</u>
• City – Developer land sale agreement approved	March 2010
• City commences land acquisition	April 2010
• Project RFP issued	June 2010
• City performs due diligence	July-Aug 2010
• Project awarded	August 2010
• TIF agreement completed	6 months
• Land acquisition	7-12 month
• Planning Review	December 2010
• Infrastructure work	2011
• Phase 1a construction	Sept. 2011-2012
• Phase 1b construction	2012-2013
• Barrett Street improvements	2012-2013
•	

3.3 Department of Social Services

<u>TASK</u>	<u>DATE</u>
• Planning Commission Review	Summer/Fall 2010
• Construction Commence	Fall 2010/Spring 2011

3.4 Northside

<u>TASK</u>	<u>DATE</u>
• Development of a more detailed plan	2011-2012

4 PROPERTY ACQUISITION

4.1 East Front Street

Up to fourteen properties need to be acquired for this project. Five of these are industrial properties on Mohawk Avenue, four of which are under single ownership. Eight properties are the rear yards of properties on Front Street. The intent is to subdivide the rear portions

off for development leaving the existing structures in tact. It may be necessary to buy the entire property prior to subdivision, and then to sell the buildings after any necessary updating is performed. One vacant lot on Front Street is owned by the Schenectady Industrial Corporation, and one large lot at 219 Front Street and a riverfront parcel are already owned by the city of Schenectady.

The cost to purchase the industrial properties with newer buildings and existing tenants will be too high to provide adequate return on investment for a developer. It is anticipated that Tax Increment Financing will be needed to pay the difference between fair market value for vacant land, and the purchase price. This may also hold true for some of the other properties.

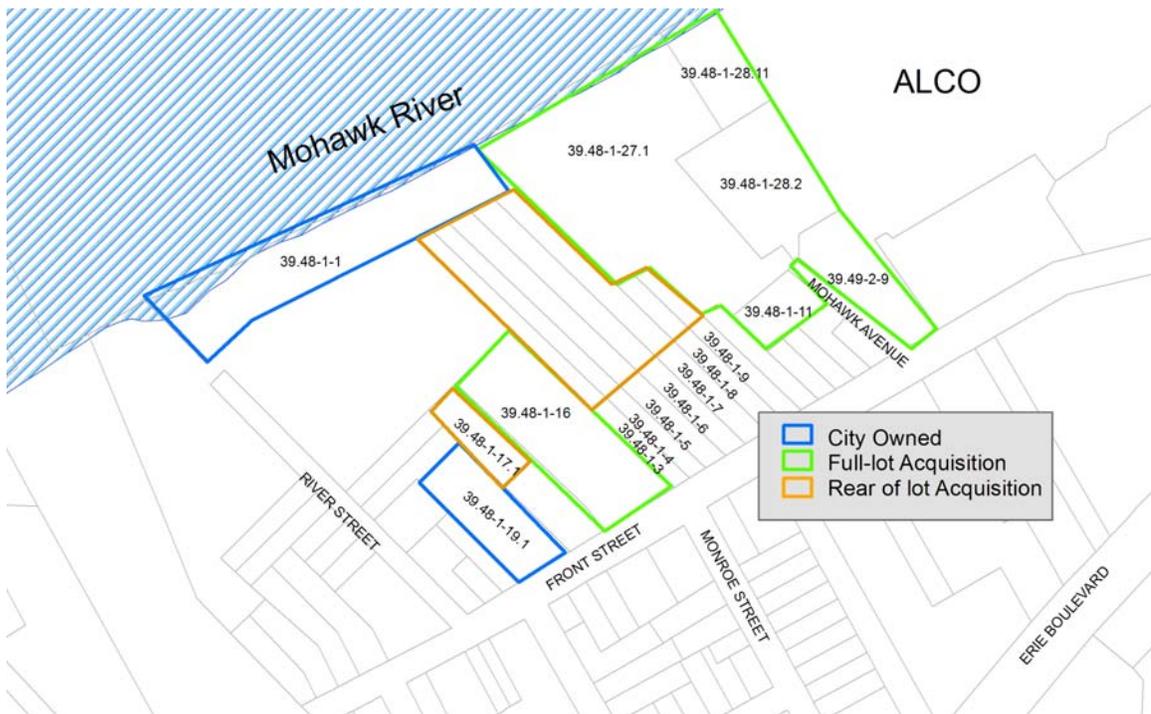


Figure 9 – East Front Street site control

The developer selected for this project will be required to pay for the purchase of these properties at the project inception. The City will, through issuance of a bond, promise future reimbursement to the developer of the difference between the purchase price over fair market value, plus carrying costs, all subject to review and appraisals. The reimbursement will occur after units have been constructed and are producing new taxes that can be used to pay debt service on the repayment bond.

Figure 9 shows the properties that may be purchased to allow this project to move forward. If it is not possible to acquire all properties at fair market value, the project scope will change.

4.2 Little Italy/College Park

The city and a potential developer now control over one-half of the catalyst project site on Barrett Street. Four properties yet need to be acquired, all located off the Paper Street “Seminary Place” and all under



Figure 10 – Little Italy site control common ownership of an estate that is in bankruptcy. Because disposition of this estate may be lengthy, the city will commence a

condemnation hearing to acquire these parcels. Figure 10 shows the site control status and needs for this project.

Properties for renovation will be purchased as they become available through proceeds of Tax Increment bonds. The green triangle at the top of Figure 10 will be exchanged for the violet state-owned trapezoid to the left of the figure to allow for vehicle access from the project to North Jay Street. The Trail terminates prior to this section.

4.3 Department of Social Services

Redevelopment along Nott and Divine Street may or may not be limited to the first three parcels off Nott Street on the west side of Devine Street. The developer may submit a proposal to the City to use Tax Increment Financing for the purchase of more properties if so desired.

4.4 Northside

The city will acquire properties through abandonment procedures for abandoned, vacant and deteriorated buildings, and possibly through foreclosure proceedings. At this time, no specific properties have been targeted.

5 Utilities

Only the East Front Street project envisions development of a new street network. In this instance new utilities will be located as required. All new development will require undergrounding of electrical utilities. As funding is available, electrical utilities at other sites will be relocated underground.

6 Procedure for Change in the Approved Plan

The provisions of this Urban Renewal Plan may be modified or amended or additions made thereto at any time after a Public Hearing is held, by the City Council of the City of Schenectady, upon recommendation of the City planning Commission and Schenectady Urban Renewal Agency, provided that any such changes, amendments or additions made subsequent to the sale or lease of land in the project area by the City of Schenectady shall be concurred on by the owner or lessees of the land affected by such changes, amendments or additions.