

## B. Troy - RESTORE II - Downtown Waterfront Development – City Hall (W082)

September 14, 2010

### General Project Plan

- Grantee:** City of Troy (“Troy” or the “City”)
- ESD Investment:** A grant of up to \$921,000 to be used for a portion of the cost of demolition, remediation, and site work.
- Project Location:** One Monument Square, Troy, Rensselaer County
- NYS Empire Zone (or equivalent):** Rensselaer County
- Project Completion:** May 2011
- Grantee Contact:** William Roehr, Grants Coordinator  
One Monument Square  
Troy, New York 12180  
Phone: (518) 270-4409 Fax: (518) 270-4642
- Project Team:**
- |                    |                 |
|--------------------|-----------------|
| Project Management | Glendon McLeary |
| Affirmative Action | Laverne Poole   |
| Environmental      | Soo Kang        |

### **Project Description:**

#### Background

Incorporated in 1789, the City of Troy is located in Rensselaer County in the Capital Region. During the 1800s, the City saw tremendous growth due to its strategic location on the Hudson River and the success of the iron and steel industry. The opening of the Erie Canal in 1825 further accelerated the growth of the City and it became the 4<sup>th</sup> richest city in the United States by the mid-1800s. Today, the City has approximately 49,170 residents.

As with many Upstate New York communities, the City of Troy faces serious economic distress. The City has suffered from a severe erosion of its economic base and the loss of its population over the past several decades. The City lost 9.4% of its population between 1990 and 2000 and presently 19% of the City’s residents live below the poverty level. To further compound the crisis, many of the City’s residential structures are increasingly owned by absentee landlords and the community’s 19<sup>th</sup> Century economic center currently has large swaths of vacant industrial buildings.

As a part of the City’s plans to redevelop the downtown waterfront, whose economic development potential has remained largely untapped, the City embarked on the demolition of several structures at the north end of the downtown waterfront (the “Hedley District”) to make way for the construction of a hotel/conference center and a parking garage and

**B. Troy - RESTORE II - Downtown Waterfront Development – City Hall (W082)**  
September 14, 2010

demolition of City Hall (One Monument Square) to foster the redevelopment of the site. In 2008, the Hedley District portion of the project was ready to proceed however the demolition of City Hall was still in the planning stage.

On May 22, 2008, ESD approved \$1,579,000 of the \$2,500,000 Restore II award that was allocated the Hedley District portion. This portion of the project is complete and funds have been disbursed.

On July 8, 2010, the City of Troy Planning Board adopted resolutions to demolish the former City Hall and redevelop the site and the adjacent Riverfront Park. The City has prepared a Request for Proposals to undertake demolition activities with bids required to be submitted by October 2010. Restore NY funds will be used to complete the necessary demolition and infrastructure work to leverage additional private investment to redevelop the sites.

The Project

The project includes demolition, abatement and infrastructure improvements of the former City Hall and parking garage. Project activities include: permit notifications; demolition plan for each structure; site mobilization; asbestos abatement and building de-contamination; demolition of each structure; removal of material from site; traffic control and site security; and finish grading. The demolition process will be administered by the City and will be consistent with the New York State Department of Labor and Occupational Safety and Health Administration standards. The project is expected to be completed by May 2011.

The City has also developed a draft Request for Qualification and design guidelines for redevelopment that will direct the developer selection and development process. The City’s key mission is to revitalize the waterfront at the former City Hall site through the creation of a mixed-use development that is harmonious with the historically important surrounding structures and integrates the site with Riverfront Park. The City of Troy expects that this development project will re-orient the downtown waterfront, and make the interface between the land and the Hudson River more beautiful.

Financing Uses	Amount	Financing Sources	Amount	Percent
Demolition/Environmental Abatement	\$650,000	ESD Grant	\$921,000	86%
Site Infrastructure	336,000	City Equity	145,000	14%
Engineering/Administration	80,000			
Total Project Costs	\$1,066,000	Total Project Financing	\$1,066,000	100%

**Financial Terms and Conditions:**

1. Upon execution of the grant disbursement agreement, the City will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The City will be obligated to advise ESD of a materially adverse change in its financial

**B. Troy - RESTORE II - Downtown Waterfront Development – City Hall (W082)**  
September 14, 2010

condition prior to disbursement.

3. The City will contribute at least a 10% match of the grant amount to the Project.
4. Up to \$921,000 will be disbursed to Grantee upon documentation of project costs totaling \$1,066,000 and upon completion of the project substantially as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after January 15, 2008 to be considered reimbursable project costs. Previously expended funds may be applied toward match requirements retroactive to June 23, 2006, when the Restore New York Legislation was enacted.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$921,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the City and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

**Environmental Review: TBD**

**Affirmative Action:**

ESD's Non-discrimination and Affirmative Action policy will apply. The grantee is encouraged to use its best efforts to achieve Minority and/or Women-owned Business Enterprise participation of not less than 5% of the total dollar value of work performed pursuant to contracts or purchase orders entered into in connection with the project, and to include minorities and women in any job opportunities created by the project.

**Statutory Basis – Restore NY Communities:**

Land Use Improvement Project Findings

1. The area in which the project is to be located is a substandard or insanitary area, or is in danger of becoming a substandard or insanitary area and tends to impair or arrest sound growth and development of the municipality.  
The project involves the demolition of vacant commercial and/or residential buildings, which have been deemed by the City to arrest sound growth and development in the area.
2. The project consists of a plan or undertaking for the clearance, replanning, reconstruction and rehabilitation of such area and for recreational and other facilities incidental or appurtenant thereto.  
The project involves the demolition of sites that the City has included in its overall master development plan to redevelop the downtown waterfront known as the Hedley District.

**B. Troy - RESTORE II - Downtown Waterfront Development – City Hall (W082)**  
September 14, 2010

3. The plan or undertaking affords maximum opportunity for participation by private enterprise, consistent with the sound needs of the municipality as a whole.  
The City published a property assessment list and held a public hearing on the project at the time of application. The City will ensure compliance with all applicable local laws and regulations.
4. The requirements of Section 10(g) of the Act are satisfied.  
There are no families or individuals displaced from the Project area.

September 14, 2010

Troy (Rensselaer County) – RESTORE II - Downtown Waterfront Development – City Hall  
– Restore NY Communities 07-08 (Capital Grant) – Determination of No Significant Effect  
on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the Troy – RESTORE II - Downtown Waterfront Development – City Hall Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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