Agenda

1. Introduction and Welcome
2. Project Status
3. Community Outreach Update
4. Market Overview (RES Group)
5. Discussion of Potential Projects
6. Next Steps
7. Public Questions and Comments
### Project Status

#### Glens Falls Downtown Revitalization Initiative (DRI) Project Timeline

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<th>2016 - 2017</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
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<td>8/31</td>
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<td>11/9</td>
<td>12/14</td>
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Community Outreach Update

**Survey**

- 418 responses
  - Glens Falls - 212 (51%)
  - Queensbury - 111 (27%)
  - South Glens Falls - 27 (6%)
  - Other - 68 (16%)

- 18 Questions

**Q18: What would you most like to see in Downtown Glens Falls?**

- Year-round farmers market
- Partnership with SUNY...
- More mixed-use development
- New hotel
- Theater
- Museum
- More retail space
- More office space
- Co-working office space
- Other (please specify)
Community Outreach

1. Balloon Festival, September 22
2. Taste of the North Country, October 2
3. Farmers’ Market, October 15
4. Online Survey, October/November
5. Design Charrette, December 3
6. Online Tools
   - www.gfdri.org
   - Facebook/Instagram/Twitter: @GlensFallsDRI
Community Outreach Update

Community Engagement Event 2
Design Charrette, December 3

- Objective was to identify details of key project ideas and provide input about project priority.
  - Farmers Market
  - Streetscape Enhancements
  - Downtown Uses
  - Open House on all projects
RESGroup Qualifications

Boutique Real Estate Advisory Firm

- Patricia Adell, Managing Partner; Randy Nigrelli, Director; Bruce Murray, Director; each with over 30 years of real estate advisory and economic development experience.

- Performed market analyses for all asset classes including residential, hotels, office buildings, retail, industrial, museums, convention and conference centers.

- Analyzed hundreds of properties and sites throughout North America with a focus on the northeast US.

- Analysis and projections have supported transactions totaling billions of dollars.

- Completed retail strategies for downtowns including White Plains, Glen Cove, and Brooklyn in NY, Philadelphia, PA and Chicago, IL.

- NY Rising Community Reconstruction Program – Staten Island Proposal resulted in $3 million award for “Best Approach to Resilient Economic Growth”.

- Sample of Recent & Current clients include: Port Authority of NY and NJ; NYCEDC; NY-OGS; NY-ESD; Cities of Newark and Plainfield in NJ; White Plains and Glen Cove in NY; and Philadelphia, PA; Puerto Rico Science & Tech. Trust; Liberty Property Trust; RI CommerceRI; Rider University; Lubert Adler; Princeton University; Advance Development.
Market Overviews – Methodology

Task One Scope of Work: Downtown Profile
- Reviewed data provided in prior studies to avoid duplication of work.
- Physical inspection of downtown and surrounding area (“windshield” survey) to understand existing conditions.
- Considered 3rd party data sources as needed to understand existing conditions and trends – Esri (economic and demographic data), STR (Hotel statistics).

Task Two Scope of Work: Market Overviews, Project Financing Strategies & Action Plan
- To understand retail, hotel, office and rental apartment market trends-
  - Updated market data with secondary sources such as Esri (US Census and ACS data). These estimates provide a base, largely on historic growth patterns, may not reflect recent changes in market conditions. Although they may be less accurate for smaller markets, they provide a context of general trends.
  - Interviewed 28 area stakeholders to supplement our market analysis including: commercial brokers, building owners, developers, major companies, asset managers, retail tenants, major employers, representatives from local cultural organizations, local civic organizations to obtain data on residential, retail, office and hotel markets; understand how of cultural/arts institutions and civic organizations impact real estate conditions within the downtown.
  - Online survey of local and regional residents (418 respondents) to obtain opinions on shopping within the downtown, access within the downtown, downtown’s potential as a residential location, etc.
Market Overviews – ½ Mile Radius

½ Mile Radius Market Area

The “1/2 Mile” from Centennial Circle extends from Grand Street in the north, Leonard Street in the east, Spring Street in the south, and Murray Street in the west.
Market Overviews – 20 Minute Drive

20-Minute Drive Time Market Area

The “20 Min Drive” from Centennial Circle extends from Lake George in the north, to Argyle in the east, just north of Saratoga Springs in the south, and to Corinth in the west.
Market Overviews – Demographic and Demand Trends

Population and Households

- Within the ½ Mile there are 3,888 residents in 1,982 households (“HH”).
- Since 2010, growth has been slow and steady in the ½ Mile, but below levels within a 20 Min Drive.
- Both areas are expected to continue to grow between 2016 and 2021, but at a slower pace than the past 6 years.

- However, Esri only anticipates 22 new households in the ½ Mile between 2016 and 2021. Since this is based on historic trends, recent and anticipated absorption levels of new rental projects are not taken into account & appears conservative.

- Between 2016 and 2021, the 22 Minute Drive is anticipated to add 688 households.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2016(F)</th>
<th>2021(F)</th>
<th>CAGR 2010-2016</th>
<th>2016-2021</th>
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<tr>
<td><strong>1/2 Mile from Centennial Circle</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population</td>
<td>3,805</td>
<td>3,888</td>
<td>3,928</td>
<td>0.4%</td>
<td>0.2%</td>
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<td>Households</td>
<td>1,937</td>
<td>1,982</td>
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<td>Avg. HH Size</td>
<td>1.92</td>
<td>1.92</td>
<td>1.92</td>
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<td>0.0%</td>
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<tr>
<td><strong>20 Min Drive from Centennial Circle</strong></td>
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<td></td>
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<tr>
<td>Population</td>
<td>84,125</td>
<td>86,919</td>
<td>88,622</td>
<td>0.5%</td>
<td>0.4%</td>
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<td>Households</td>
<td>34,642</td>
<td>35,772</td>
<td>36,460</td>
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<td>0.4%</td>
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<td>Avg. HH Size</td>
<td>2.39</td>
<td>2.39</td>
<td>2.39</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Source: Esri
Population by Age

- Both geographies have similar ratio of school-age residents.
- The fastest growing segment in both areas is 65+.
- The ½ Mile has a higher percentage of residents between 20 and 44 than the 20 Minute Drive, combined, represents 37% of the population, reflecting the preference for a more urban living.
- The 20 Minute Drive has a higher percentage of residents 45 years and older.
- Esri anticipates that the number of residents in the ½ Mile between 20 and 44 years old will only increase by 3 persons between 2016 and 2012; which appears conservative given developer’s and investor expectations for the downtown area.
- Stakeholder interviews also indicated interest among older residents (empty nesters) for living in the downtown area. Esri anticipates 60 additional residents in the ½ Mile over 44 years old.
Households by Size

- The average HH size in the ½ Mile has been 1.92 since 2010 and is forecast at that level through 2021.

- The average HH size in the 20 Min Drive is higher at 2.39. It has also been stable since 2010 and is anticipated to remain at that level in the near-term.

- According to the US 2010 Census (the most recent data available), renter occupied HHs are generally smaller than owner-occupied HHs in the ½ Mile and in the 20 Min Drive. Given the relative stability in HH size over the historic period, this data likely reflects current levels.
Market Overviews – Demographic and Demand Trends

Household Income

- Household incomes in the downtown are generally lower than those in the larger area.
  - Over 51% of downtown HHs earn less than $35,000 compared with 32% in the larger area.
  - 34% of 20 Min Drive HHs earn $75,000 or higher, compared with only 20% for the ½ Mile.
  - 2016 median for ½ Mile $33,781 vs $53,978 in the 20 Min Drive. 2016 average for ½ Mile $51,049 vs $70,149.

- Regional household incomes are expected to grow at a faster rate than those in the downtown.
  - HHs earning between $25,000 to $34,999 for the ½ Mile and 20 Min Drive are the two fastest growing income segments in the area, while HHs between $35,000 and $49,999 in the ½ Mile and 20 Min Drive are the two declining the fastest.

<table>
<thead>
<tr>
<th>Income Range</th>
<th>2016(F) #</th>
<th>2016(F) %</th>
<th>2021(F) #</th>
<th>2021(F) %</th>
<th>CAGR 2016-2020 %</th>
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<td>½ Mile Radius</td>
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<td>$0-$24,999</td>
<td>718</td>
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<td>$25,000-$34,999</td>
<td>301</td>
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<td>$35,000-$49,999</td>
<td>260</td>
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<td>180</td>
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<td>-7.1%</td>
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<td>$50,000-$74,999</td>
<td>298</td>
<td>15%</td>
<td>256</td>
<td>13%</td>
<td>-3.0%</td>
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<td>$75,000-$99,999</td>
<td>164</td>
<td>8%</td>
<td>185</td>
<td>9%</td>
<td>2.4%</td>
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<td>$100,000-$149,999</td>
<td>162</td>
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<td>178</td>
<td>9%</td>
<td>1.9%</td>
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<td>$150,000+</td>
<td>79</td>
<td>4%</td>
<td>89</td>
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<td>Average HH Income</td>
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<td>$53,144</td>
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<td>Median HH Income</td>
<td>$33,781</td>
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<td>$31,487</td>
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<td>20 Minute Drive Time</td>
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<td>$0-$24,999</td>
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<td>6,395</td>
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<td>$75,000-$99,999</td>
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<td>$100,000-$149,999</td>
<td>4,828</td>
<td>13%</td>
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<td>$150,000+</td>
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<td>Average HH Income</td>
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Source: Esri
# Market Overviews – Demographic and Demand Trends

## Employment Trends by Sector – Glens Falls Metro Area

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<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Mining, Logging, Const.</th>
<th>Mfg.</th>
<th>Trade, Trans., Util.</th>
<th>Financial Activities</th>
<th>Prof. and Bus. Services</th>
<th>Education and Health Services</th>
<th>Gov't</th>
<th>Other Services</th>
<th>Leisure and Hospitality</th>
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<td>2006</td>
<td>55,900</td>
<td>2,800</td>
<td>6,500</td>
<td>9,800</td>
<td>2,100</td>
<td>5,000</td>
<td>7,700</td>
<td>11,600</td>
<td>2,200</td>
<td>5,200</td>
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<tr>
<td>2007</td>
<td>56,900</td>
<td>3,000</td>
<td>6,600</td>
<td>9,900</td>
<td>2,100</td>
<td>5,400</td>
<td>7,800</td>
<td>11,700</td>
<td>2,100</td>
<td>5,300</td>
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<td>2008</td>
<td>55,000</td>
<td>2,900</td>
<td>6,600</td>
<td>9,700</td>
<td>2,000</td>
<td>5,000</td>
<td>7,700</td>
<td>11,100</td>
<td>2,100</td>
<td>4,900</td>
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<tr>
<td>2009</td>
<td>54,100</td>
<td>2,600</td>
<td>6,300</td>
<td>9,200</td>
<td>2,000</td>
<td>4,700</td>
<td>7,800</td>
<td>11,600</td>
<td>2,100</td>
<td>4,900</td>
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<tr>
<td>2010</td>
<td>54,500</td>
<td>2,600</td>
<td>6,500</td>
<td>9,000</td>
<td>1,900</td>
<td>5,200</td>
<td>7,800</td>
<td>11,400</td>
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<td>5,700</td>
<td>8,200</td>
<td>11,000</td>
<td>2,200</td>
<td>5,300</td>
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<tr>
<td>2013</td>
<td>54,700</td>
<td>2,500</td>
<td>6,000</td>
<td>9,300</td>
<td>1,900</td>
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<td>7,800</td>
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<td>5,700</td>
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<td>2014</td>
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<td>6,100</td>
<td>8,000</td>
<td>10,500</td>
<td>2,200</td>
<td>5,600</td>
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<tr>
<td>2015</td>
<td>55,700</td>
<td>2,500</td>
<td>6,000</td>
<td>9,800</td>
<td>1,900</td>
<td>5,800</td>
<td>8,200</td>
<td>10,800</td>
<td>2,200</td>
<td>6,000</td>
</tr>
</tbody>
</table>

CAGR - 2006-2015: -0.8% -1.3% 0.0% -1.1% 1.7% 0.7% 0.0% 1.6%

Source: Bureau of Labor Statistics

Note 1: Total employment includes small sectors not included in the chart
Employment by Sector – Glens Falls Metro Area

- Glens Falls Metro employment peaked in 2007 at 56,900 but then declined to 54,100 in 2009 at the height of the recession. **Employment has stabilized above 55,000 recently but remains 2% below the 2007 peak.**

- Between 2006 and 2016 sectors with largest declines were Mining, Logging and Construction; Financial Activities; Manufacturing, and Gov’t, with **Professional and Business Services, Leisure and Hospitality, and Education and Health Services having the highest growth.**

- The chart to the right illustrates the relative diversity of the Metro area employment, with no one sector representing more than 20% of the total.

- The largest sectors were the Government; Trade, Transportation, and Utilities; Education and Health Services, Professional and Business Services; and Manufacturing.

Source: Bureau of Labor Statistics
Market Overviews – Demographic and Demand Trends

Largest Private Employers – Glens Falls

- Glens Falls Hospital – Health Services - 2,900 employees
- Finch Paper – Manufacturing - 600 employees
- Glens Falls National Bank – Financial Services - 220 employees
- Hudson Headwaters – Health Services – 80 employees in Glens Falls (760 total)
- Queensbury Hotel – Leisure and Hospitality – 49 employees
- Jaeger & Flynn Insurance – Financial Services – 45 employees
Issues

- Residents in the ½ Mile are younger, less affluent, and living in smaller HHs than those in the 20 Min Drive.
- HH Income growth is slow in the 20 Min Drive, and may be decreasing for the majority of HHs in the ½ Mile.
- Employment in the Glens Falls metro area peaked in 2007, but decreased 5% in the last recession. Approximately half of those lost jobs have been recovered. New jobs will be key to housing and retail market demand.
- The Financial Activities & Government sectors experienced the largest decline since 2006. Since concentrated in the ½ Mile area, continued declines could negatively impact the local office market.

Opportunities

- Growth in population is forecast to continue in both market areas, suggesting an increasing demand for rental apartments and retail, particularly in the 20-45 and over 65 age groups that frequently rent.
- Although the data for population growth in the ½ Mile appears conservative with feedback from Stakeholder interviews indicating higher rates.
- The economy of the Glens Falls metro area is diverse, with no one sector representing more than 20% of total employment.
- Professional and Business Services, Leisure and Hospitality, and Education and Health Services were the fastest growing job sectors since 2006. Two of these sectors are concentrated in the ½ Mile area, providing a potential source of demand for office space in the downtown.
Market Overviews – Residential Supply

Inventory – ½ Mile of Centennial Circle

<table>
<thead>
<tr>
<th>Housing Units by Occupancy Status and Tenure</th>
<th>Census 2010</th>
<th>2016</th>
<th>2021</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
</tr>
<tr>
<td><strong>Total Housing Units</strong></td>
<td>2,200</td>
<td>100.0%</td>
<td>2,278</td>
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<tr>
<td><strong>Occupied</strong></td>
<td>1,937</td>
<td>88.0%</td>
<td>1,982</td>
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<tr>
<td><strong>Owner</strong></td>
<td>654</td>
<td>29.7%</td>
<td>640</td>
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<tr>
<td><strong>Renter</strong></td>
<td>1,283</td>
<td>58.3%</td>
<td>1,342</td>
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<tr>
<td><strong>Vacant</strong></td>
<td>263</td>
<td>12.0%</td>
<td>296</td>
</tr>
</tbody>
</table>

Source: Esri

- Esri estimates 2,278 housing units within ½ mile of Centennial Circle in 2016, increasing to 2,320 units by 2021; approximately 59% are renter occupied, 28% owner-occupied, 13% vacant. The addition of 42 units appears low based on units currently under construction or planned.

- Renter occupied units are the fastest growing segment in the ½ Mile, increasing at CAGR of 0.8% from 2010-2016, or 0.8 units per month. This rate is expected to decrease slightly to 0.4% for 2016-2021, or 0.5 units/month, but will still outpace growth in other housing types.

- Esri’s anticipated increase of 28 rental units by 2021 is well below the actual number of units opening up in the next 12 months. New supply opening in 2017 includes 14 Hudson with 87 units; the 10-unit Smith Flats started lease up in 10/16 and currently have two units left (absorption of 4 units per month).
## Market Overviews – Residential Supply

### Inventory – 20 Min Drive of Centennial Circle

<table>
<thead>
<tr>
<th>Housing Units by Occupancy Status and Tenure</th>
<th>Census 2010</th>
<th></th>
<th></th>
<th>2016</th>
<th></th>
<th></th>
<th>2021</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
<td>Percent</td>
</tr>
<tr>
<td>Total Housing Units</td>
<td>38,019</td>
<td>100.0%</td>
<td>39,598</td>
<td>100.0%</td>
<td>40,556</td>
<td>100.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupied</td>
<td>34,642</td>
<td>91.1%</td>
<td>35,772</td>
<td>90.3%</td>
<td>36,459</td>
<td>89.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner</td>
<td>23,268</td>
<td>61.2%</td>
<td>23,629</td>
<td>59.7%</td>
<td>24,005</td>
<td>59.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renter</td>
<td>11,374</td>
<td>29.9%</td>
<td>12,143</td>
<td>30.7%</td>
<td>12,454</td>
<td>30.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vacant</td>
<td>3,377</td>
<td>8.9%</td>
<td>3,826</td>
<td>9.7%</td>
<td>4,096</td>
<td>10.1%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Esri

- Esri estimates 39,598 housing units within a 20 Min Drive of Centennial Circle in 2016, increasing to 40,556 units by 2021; approximately 60% are owner-occupied, 31% renter-occupied, and 10% vacant.

- **Renter occupied units are also fastest growing segment in the 20 Min Drive**, increasing at a CAGR of 1.1% or monthly absorption of 11 units for 2010-2016. This rate is expected to decrease slightly to 0.4% for 2016-2021, or monthly absorption of 5 units, but will still outpace growth in other housing types.
Market Overview – Residential

Inventory (continued)

- According to the 2011-2015 ACS, rental units in the ½ Mile typically have fewer bedrooms than in the 20 Min Drive.

  - 56% of the rental units in the ½ Mile are 1-Bedroom (50%) or Studios (6%).
  - 2-Bedrooms are the second-most common unit type in the ½ Mile with just under 30%.
  - Nearly 70% of the units in the 20 Min Drive are 2-Bedrooms or larger, likely reflecting the larger HH sizes (2.39 in the 20 Min Drive compared with 1.92 in the ½ Mile)

Note: Due to ACS data limitations, the ½ Mile was estimated by adding Block Groups that were primarily in the ½ Mile area.

Source: 2011-2015 ACS
Market Overview – Residential

Vacancy, Absorption and Demand Segments

- As shown previously, the overall vacancy rate for all types of housing in the ½ Mile was 13.0% and 9.7% in the 20 Min Drive.

- According to the Stakeholder interviews, the vacancy rate for apartments in the downtown is below 10%, with landlords able to re-rent most spaces within a month or two. The discrepancy with the Census data may be explained by lower quality units that are not actively market due to poor condition, as well as less desirable units having longer downtimes between leases.

- Stakeholders estimated monthly net absorption of the new apartments downtown at between 6 and 9 units a month based on market interest levels. This rate is significantly higher than the 0.5 units per month absorption forecast by Esri, which appears highly conservative.

- Stakeholders indicate increasing demand generated by both young and older renters, with most working downtown or seeking more dense residential formats. Residents are looking for pedestrian-oriented, more social lifestyle. Older tenants prefer buildings with elevators and dedicated, covered parking spaces while younger tenants find less expensive walk ups without dedicated spaces acceptable. Interest in living downtown was also indicated by the online survey.
Market Overview – Residential

Historic Supply Trends

- According to the US Census bureau, building permits for 261 units were issued by the City of Glens Falls between 2007 and 2015, or an average of below 33 units per year.

- Over 63% of the units were in single-family homes, with the remaining units in buildings containing 3 units or more.

  - Only one multi-family apartment building (14 Hudson) with 87 units was permitted during this period, and it is located in the ½ Mile Radius. However, this project alone represents 1/3 of the units added during the entire 8 year period.

  - A total of 3 three-family homes were built in the City between 2007 and 2009.

  - The other 165 units were all single-family homes.

Residential Building Permit Activity

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Units Receiving Permits</th>
<th>Units in Structures Containing 3 or More Total Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>24</td>
<td>3</td>
</tr>
<tr>
<td>2008</td>
<td>18</td>
<td>3</td>
</tr>
<tr>
<td>2009</td>
<td>26</td>
<td>18</td>
</tr>
<tr>
<td>2010</td>
<td>22</td>
<td>41</td>
</tr>
<tr>
<td>2011</td>
<td>16</td>
<td>23</td>
</tr>
<tr>
<td>2012</td>
<td>18</td>
<td>3</td>
</tr>
<tr>
<td>2013</td>
<td>17</td>
<td>3</td>
</tr>
<tr>
<td>2014</td>
<td>24</td>
<td>26</td>
</tr>
<tr>
<td>2015</td>
<td>96</td>
<td>48</td>
</tr>
<tr>
<td>Total</td>
<td>261</td>
<td>168</td>
</tr>
</tbody>
</table>

Source: US Census Bureau
Market Overview – Residential

Rents

- Higher quality elevator buildings in the downtown have rents ranging from $12 to $20 per SF annually, or from $1.00 to $1.66 per SF per month.
  
  • In addition to elevators, amenities typically include dedicated parking (1 per unit), 1 bath per bedroom, in-unit laundry, game/public room.

- Rents for upper floors of older walk-up buildings are lower, ranging from $8 to $12 per SF annually, or from $0.66 to $1.00 per SF per month.
  
  • Few amenities, in-building laundry often available, dedicated parking not usually provided.

- Depending on the conversion costs (including code compliance) and developer’s purchase price, current rents for walk-up buildings may not provide an acceptable return for certain investors in the future and may require incentives.
Market Overviews – Residential

Sample Rents for Available Units

<table>
<thead>
<tr>
<th>Building</th>
<th>Address</th>
<th>Studio</th>
<th>1-Bed</th>
<th>2-Bed</th>
<th>3-Bed</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Mill of Glens Falls</td>
<td>20 Elm St.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$2,115</td>
</tr>
<tr>
<td>167 Glen Street</td>
<td>167 Glen St.</td>
<td>-</td>
<td>-</td>
<td>$1,995</td>
<td>-</td>
</tr>
<tr>
<td>Warren Street Square</td>
<td>79 Warren St.</td>
<td>$775</td>
<td>-</td>
<td>$1,395</td>
<td>-</td>
</tr>
<tr>
<td>Smith Flats</td>
<td>55 Bay St.</td>
<td>-</td>
<td>-</td>
<td>$1,195-$1,235</td>
<td>-</td>
</tr>
<tr>
<td>221 Glen Street</td>
<td>221 Glen St.</td>
<td>-</td>
<td>$775-$1,050</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Ordway Hall</td>
<td>221 Glen St.</td>
<td>$1,000</td>
<td>$1,050</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Heritage Apartments</td>
<td>425 Glen St.</td>
<td>-</td>
<td>$850</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>14 Hudson</td>
<td>14 Hudson St.</td>
<td>-</td>
<td>$1,150-$1,380</td>
<td>$1,650-$2,248</td>
<td>$2,075-$2,250</td>
</tr>
</tbody>
</table>

Source: Apartments.com, property websites, Stakeholder interviews

- The rent survey above shows limited availability in the downtown area. With the exception of 14 Hudson (which hasn’t opened) yet, our research revealed only 13 units available for immediate rent.
- Rents varied depending on location, building quality, and in-building and in-unit amenities (if any).
- Studios ranged from $650 to $1,000 per month, with 1-Bedrooms ranging from $750 to $1,380.
- 2-Bedrooms were the most available unit type, with rents ranging from $850 to over $2,000 per month indicating slightly lower demand.
Market Overviews – Affordable/Workforce Housing

- According to the Glens Falls Housing Authority, wait lists at the two senior affordable housing projects in Glens Falls range from 3 to 6 months depending on the time of year.

- At the two workforce housing projects just outside of the DRI (Village Green and LaRose Garden) wait lists are longer, ranging from 9 to 12 months.

- Payment standards including utilities are: $610 for studios; $752 for 1-bed; $914 for 2-bed, $1,182 for 3-bed, and $1,399 for 4-bed units.

- RESGroup is currently performing additional market research for the affordable/working housing segment.
Market Overview – Residential

Issues

- Demographic trends suggest slow population growth, potentially limiting total demand for new residential units downtown.
- Without future job growth, and attraction of renters from outside the market area, the absorption of new residential units may be challenged.
- Older buildings require significant investment to convert for residential use; as a result many upper floors are vacant, requiring financial incentives to promote rehabilitation.
- Rents for upper floor spaces in walk-up buildings may not offset significant redevelopment investments, further supporting the need for financial incentives.
- Older renters generally prefer elevator buildings with dedicated parking spaces, and larger residential projects will need to provide this to attract these less price sensitive renters. Rents in these types of new buildings are at the higher end of the range.

Opportunities

- Renter occupied units are the fastest growing housing type in both the ½ Mile and 20 Min Drive, with 20 Min Drive anticipating 5 units per month from 2016-2012.
- Stakeholders are experiencing & anticipate higher absorption rates & lower vacancies within a ½ Mile than estimates by Esri, which are based primarily on historic trends. Given market interest in residential apartments and living in a downtown, there could be an opportunity to attract absorption from the 20 Min Drive or beyond.
- Residential is considered by Stakeholders to have the highest market potential, with strong interest in living a more pedestrian oriented and social lifestyle.
- Downtown workers have preferences to live downtown and walk to work.
- Vacant upper floor space in existing buildings could be converted to residential use.
- Increased downtown living supports increased demand for retail.
Market Overviews – Office Market

Supply: Inventory

- CBRE estimates 1.1 million square feet of space in the larger Glens Falls market area.

- According to CBRE the office inventory in the DRI is 515,000 SF in 17 buildings, but this total does not include space located in some of the smaller mixed-use buildings in the area.

- The DRI contains approximately 47% of the market area’s total inventory.

- Buildings are concentrated along Glen, South, Warren and Ridge Streets.

- 333 Glen Street (the Travelers Building) is the largest property in the market with 190,000 SF. The next largest building is 101 Ridge Street with 45,000 SF, with the remaining properties between 10,000 and 25,000 SF.

- New office space is being constructed at 14 Hudson, a mixed use building, where 13,000 SF of space will enter the market in 2017. The conversion of the Old Post Office will also add 10,000 square feet to the office inventory. Combined these projects will only increase the local inventory by 5%.
Market Overviews – Office

Supply: Rents

- Higher quality elevator buildings in the downtown have per SF rents ranging $15-$18 net of expenses depending on building location and unit size. These buildings include dedicated parking spaces for tenants.

- Rents for office space in older walk-up buildings is lower and ranges widely depending on building quality, location, and unit size and building floor. Rents for these spaces ranges from $6 to $14 per SF according to Stakeholders.

- Depending on the redevelopment costs and the developer’s acquisition price, current rents in older walk-up buildings may not provide an acceptable return for certain investors without some financial incentives to encourage rehabilitation.

- There has not been significant rent growth in the market.
Market Overviews – Office

Demand

- Stakeholders did not see significant growth in demand in the near-term due to national trends (smaller offices, telecommuting) and regional economic challenges.

- Tenants are typically smaller than 5,000 SF, and include architects, engineers, consultants, insurance brokers, real estate firms, financial advisors, and some medical uses. Banks and financial services firms tend to occupy larger spaces.

- Stakeholders indicate that businesses currently located in suburban office buildings were again considering downtown as a potential location due to improvements in restaurants and retail in the area in the last few years.

- Dedicated parking is optimal for office tenants, which also prevents workers from using street spaces.

- While most stakeholders did not think there was significant demand for co-working space, two buildings are expanding/adding co-working offices due to the higher rents per SF than for traditional office tenants. These projects could add 15 co-working offices to the market in the next two years.
Market Overviews – Office

Demand: Vacancy and Absorption

- According to CBRE, the vacancy for the larger Glens Falls market area is approximately 20%.

- CBRE estimates a 9% vacancy for the DRI, but does not include some of the smaller spaces in the market. According to CBRE, all of the vacant space is at 101 Ridge Street (Ridge Commons Professional Park). Loop.net reports that asking rent here ranges from $12.75 to $16.00 per SF depending on the unit.

- During 2015 and 2016, approximately 40,000 SF in total was absorbed in the market according to Stakeholders.
Market Overviews – Office

Issues

- Nationally, trends such as hoteling and telecommuting have reduced the ratio of office space per employee resulting in lower demand.
- Declines in Financial Activities and Government sectors, which are concentrated in the downtown area, could negatively impact demand for office space.
- Rents for upper floors spaces in walk-up buildings may not offset significant redevelopment expenses or high acquisition costs requiring incentives to encourage rehabilitation.
- Rents have not grown significantly in the near term.
- The lack of retail diversity and activity in the downtown has been a challenge for some DRI employers in hiring employees from outside the area.

Opportunities

- The downtown contains nearly half of the office space in the Glens Falls market area, a critical mass of space with a variety of tenant types.
- Vacant upper floors are an opportunity to attract new smaller tenants without cost of new construction & parking requirements for large anchor tenants.
- Co-working space provides an opportunity for start-ups that could eventually expand in Glens Falls.
- Vacancy rates in the market are below 9% according to CBRE indicating an opportunity for adding inventory.
- Office based job sectors have been increasing in the Glens Falls metro area since 2006, especially in the Professional and Business Services, and Education and Health Services sectors. Large employers in both categories are already located downtown.
- Adding office space drives demand for residential and retail uses.
Market Overviews – Retail Market

Inventory, Vacancy and Rents

- There are approximately 225,000 SF of retail in the DRI, with an approximate vacancy of 14%.
- However, the vacancy rate appears higher due to vacant storefronts that may not be actively marketed or spaces that were formerly used as office space.
- 14 Hudson will add 30,000 SF of ground floor retail to the market in 2017.
- Vacant retail space in the market is typically absorbed within a year, but may require longer for higher-rent units.
- Rents in prime locations downtown and in upscale buildings rent for $15-$18 per SF, while retail rents at other properties range from $10-$15 per SF depending on unit size, address, and building quality.
- Retail in the 20 Min Drive is located primarily in suburban format shopping centers and totals over 2.1 million SF. Major shopping centers in this area include the 630,000 SF Aviation Mall in Queensbury; the 300,000 SF Northway Plaza in Queensbury; the 172,000 SF Outlets at Lake George/Adirondack Factory Outlet Center; the 86,000 SF Hannaford Plaza in Glens Falls; the 58,000 SF Mount Royal Plaza in Queensbury, the 46,000 SF Mt. Royal Shopping Plaza in Queensbury; the 46,000 SF French Mountain Commons in Lake George; the 44,000 SF Log Jam Outlet Center in Lake George; and the 37,000 SF Meadowbrook Plaza in Queensbury.
Market Overviews – Retail

Stakeholder Interviews

- The downtown doesn’t compete directly with malls/shopping centers for tenants, and more likely competes with other smaller downtowns in the region for unique types of tenants.

- Stakeholders believe the downtown isn’t recognized by area residents as a retail location or destination, but is now thought of as a good restaurant and bar location, similar to many small towns. As a result, parking is limited near restaurants between 5 and 10pm.

- Stakeholders were concerned that rushing to fill vacant storefronts could lead to continued turnover, and making sure the right retailers are attracted with the right retail mix was a better strategy.

- Retail and restaurant patrons prefer to park as close to their destination as possible, which can be challenging when the 2 hour parking rule isn’t strictly enforced and downtown workers and shop owners park on the street (instead of in garages or parking lots).

- While the total amount of parking is generally adequate, Stakeholders indicated that improved signage would be helpful.

- Retail stores needed downtown according to Stakeholders, included grocery stores, dry cleaners, liquor, unique gift stores, upscale recreation/hobby, women’s and men’s apparel, specialty retailers.
Market Overviews – Retail

Online Interviews

- 418 responses, with half currently living in Glens Falls. ¼ of respondents were between 25-34 years old, and ¼ were 55-64 years old. Over half lived in the area for 10 years or more.

- When asked “what would you change about GF” nearly 2/3 of respondents wanted a better choice of retail in DT GF, with more parking being the second-most popular response with over 40%.

- Over 80% of respondents visit downtown at least monthly, with over 40% coming weekly. Less than 20% come less than 5 times a year or never.

- When asked “what would make you shop or dine downtown more often” nearly ¾ of respondents said a greater variety of stores. More frequent community events and a greater variety of restaurants were the next most popular responses.

- Grocery stores (64%), apparel (50%), prepared food/takeout stores (31%) were the store types most requested in the survey.

- A year-round farmers market and more retail were the two most popular responses to the question “what would you most like to see in DT GF”, with each receiving about 20%.
Market Overviews – Retail

Retail Gap Analysis: Demand within ½ Mile

- A retail gap analysis was also prepared based on secondary data to provide additional insight into the types of stores that may be supported.

- The gap analysis spending from residents with sales reported by retail stores to understand whether there is unmet demand (or excess supply) for a particular type of store.

- Given that the ½ Mile includes both residential, commercial buildings and cultural venues, resident spending alone doesn’t fully represent demand for stores. Therefore daytime spending was also estimated for employees working downtown and for visitors to attractions.

- In addition, a capture rate was estimated for potential spending from residents within the 20 Min Drive time. As the restaurants, stores and attractions in the area draw customers from outside the ½ Mile, it was estimated that 15% of the excess retail demand reported in the 20 Min Drive was captured in the ½ Mile.
### Market Overviews – Retail

#### Gap Analysis: ½ Mile

<table>
<thead>
<tr>
<th>Store Type</th>
<th>Total Demand within 1/2 Mile</th>
<th>1/2 Mile Store Sales/Supply</th>
<th>Retail Gap/Excess Demand</th>
<th>Excess Supply</th>
<th>ICSC Sales / SF (Mid Atlantic Region)</th>
<th>SF of Demand by Store Type</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Full-Service Restaurants and Fast Food</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-Service Restaurants</td>
<td>$7,605,888</td>
<td>$17,573,450</td>
<td>$0</td>
<td>($59,967,562)</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Fast Food/Deli/Lunch Eateries</td>
<td>$4,658,983</td>
<td>$10,238,161</td>
<td></td>
<td>($5,579,178)</td>
<td></td>
<td></td>
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<tr>
<td><strong>Goods and Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Merchandise Stores (Variety, country general, excluding Dept.)</td>
<td>$5,958,258</td>
<td>$0</td>
<td>$5,958,258</td>
<td></td>
<td></td>
<td>10,273</td>
</tr>
<tr>
<td>Miscellaneous Store Retailers (gift, novelties,galleries)</td>
<td>$1,643,744</td>
<td>$0</td>
<td>$1,643,744</td>
<td></td>
<td></td>
<td>2,834</td>
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<tr>
<td>Food and Beverage Stores (inc. Grocery, Liquor/Wine, excl. Specialty)</td>
<td>$10,240,462</td>
<td>$50,079,725</td>
<td></td>
<td>($39,839,263)</td>
<td></td>
<td></td>
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<tr>
<td>Specialty Food</td>
<td>$13,108,807</td>
<td>$7,024,190</td>
<td>$6,084,617</td>
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<td>Clothing Stores</td>
<td>$2,892,980</td>
<td>$2,853,600</td>
<td>$39,380</td>
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<td></td>
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</tr>
<tr>
<td>Shoe Stores</td>
<td>$649,484</td>
<td>$0</td>
<td>$649,484</td>
<td></td>
<td></td>
<td>1,830</td>
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<tr>
<td>Sporting Goods, Hobbies, and Books Stores</td>
<td>$1,508,825</td>
<td>$1,562,598</td>
<td></td>
<td>($53,773)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronics/Phone/Computer Stores</td>
<td>$8,872,518</td>
<td>$2,236,815</td>
<td>$6,635,703</td>
<td></td>
<td></td>
<td>14,681</td>
</tr>
<tr>
<td>Jewelry Stores</td>
<td>$778,143</td>
<td>$2,372,494</td>
<td></td>
<td>($1,594,351)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Supplies/Stationery/Novelty Gifts/Cards</td>
<td>$1,013,587</td>
<td>$1,918,450</td>
<td></td>
<td>($904,863)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Goods (florist, non-food vendors, etc.)</td>
<td>$561,805</td>
<td>$0</td>
<td>$561,805</td>
<td></td>
<td></td>
<td>854</td>
</tr>
<tr>
<td>Health and Personal Care Shops</td>
<td>$5,106,517</td>
<td>$11,064,757</td>
<td></td>
<td>($5,958,240)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture &amp; Home Furnishing Stores</td>
<td>$1,496,428</td>
<td>$5,864,150</td>
<td></td>
<td>($4,367,722)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Not Including Transportation and Online Sales</strong></td>
<td>$61,437,445</td>
<td>$102,550,229</td>
<td>$21,572,991</td>
<td>($62,685,775)</td>
<td></td>
<td>39,747</td>
</tr>
</tbody>
</table>
Market Overviews – Retail

Gap Analysis: ½ Mile

- Excluded store types that could not be accommodated downtown, such as warehouse clubs, building supplies stores, car dealerships, gasoline stations, etc.

- Potential retail demand was identified for: General Merchandise, Miscellaneous Retailers, Specialty Foods, Clothing Stores, Shoe Stores, Electronics/Phone/Computer Stores, and Other Goods (florists, non-food vendors).

- Surveys supported many of these categories, including specialty foods, unique apparel stores, galleries, gifts, and novelties.

- Average sales per SF from the International Council of Shopping Centers for the Mid-Atlantic Region were applied to each of these store types to provide a broad estimate of the potential SF of new stores that could be supported in the downtown.

- In total 40,000 SF of additional retail supply could be supported downtown according to this analysis.

- This demand may not be realized without a successful retail plan, branding strategies, and incentives to attract these types of tenants to an untested market location.
Market Overviews – Retail

**Issues**

- There is significant retail competition within the market area, limiting the number and types of retailers that will locate in the DRI.
- Most spaces available are smaller than what is available in surrounding malls and shopping centers making it difficult to attract larger tenants to the DRI.
- Although demand is shown in certain retail categories, attracting a mix of unique, credit worthy types of tenants will be challenging due to the perceived lack of a market from residents, office workers, regional visitors and tourists.
- There are many active groups (BID, LARAC, Collaborative, etc.) trying to attract visitors and shoppers to the DRI. Without a coordinated branding campaign this may continue to be a challenge.
- Although a grocery store is desired, the Gap Analysis shows a surplus supply in the ½ Mile. A smaller format food oriented retailer with some fresh produce, prepared foods and convenience items may be possible to attract.

**Opportunities**

- Disproportionate number of entertainment, arts & civic anchors compared to similarly sized downtowns making it a regional attraction, & providing a reason for visitors to stay and shop, or return to shop and eat. Hyde Museum, the LARAC festivals and the Shirt Factory attract tourists from outside the region.
- The number and quality of new restaurants has attracted visitors that would not otherwise have come to the downtown.
- Vacant storefronts at competitive rents are suitable for smaller, unique retailers that can attract shoppers.
- The continuous street front along Glen Street with it’s historic buildings provides an attractive retail environment, although many facades would benefit from improvements.
- Year-round farmers market would help to provide some of the fresh food items sought by those seeking a grocery store.
- Attracting the SUNY Culinary school would provide a driver for new restaurants and entertainment.
Market Overviews – Hotel Market

Inventory

- Downtown Glens Falls includes the Queensbury Hotel, an independent hotel on Maple Street with 124 guest rooms, 12,000 SF of meeting space, and an indoor swimming pool; and two small Bed & Breakfasts (the Bell House Inn, and the Glens Falls Inn) located between ½ and one-mile from the Centennial Circle. The Queensbury Hotel recently renovated its guest room soft-goods (replacing mattresses, adding flat-screen televisions and improving Wi-Fi service), is currently updating its restaurant concept, and is considering expanding its meeting and conference space.

- Two budget hotels, the Super 8 Queensbury and the Days Inn Queensbury, are located at Exit 18 on the Thruway, north of the downtown area.
Market Overviews – Hotel Market

Regional Hotel Market and Performance

- Glens Falls is bounded by two large hotel markets – Lake George to the north and Saratoga Springs to the south. These areas have greater number of leisure attractions, and considered more established hotel markets than Glens Falls.

  - The Lake George hotel market has over 900 guest rooms is currently in 2015 achieved an annual occupancy of 50% to 55% at an average daily rate of $135 to $140.

  - The Saratoga hotel market has over 1,300 rooms, and occupancies and average daily rates are higher, and were 70% to 75% and $165 to $170 in 2015. This market has much less seasonality and more corporate and meeting demand than Lake George and Glens Falls.

  - A number of new hotels have opened or are opening in the Lake George area in 2016 and 2017. Four hotels totaling 467 rooms are opening in the Lake George/Queensbury area. All four are flagged with major hotel brands (Holiday Inn Express, Home2 Suites, Fairfield Inn, and Courtyard), with construction costs per room (excluding land) starting at $120,000. These new hotels will not likely induce significant demand to the market, but will instead draw demand from the older hotel properties (like the Quality Inns, Sleep Inn, Super 8, Days Inn and Ramada). These older hotels have annual occupancies between 40% and 50%, and average daily rates of $110 to $120. Newer, better branded hotels in the market achieve slightly higher occupancies (50% to 65%) at higher average rates ($125 to $200).
Market Overviews – Hotel Market

**Issues**
- Most visitor attractions in the area are highly seasonal, with a significant drop off in visitation during the winter months.
- Glens Falls is bounded by two well-established hotel markets: Saratoga Springs and Lake George.
- New hotels have recently opened or are under construction in these markets, with 4 hotels in 2016/2017 in Lake George.
- As a result, hotel construction in downtown Glens Falls could face challenges in attracting private sector investment.

**Opportunities**
- The Adirondack region has a large number of leisure oriented attractions that draw visitors from throughout the northeast US.
- Downtown Glens Falls has impressive historic architecture, is physically attractive, and is generally well maintained.
- The City has cultural institutions and entertainment venues that could justify an overnight visit.
- The number and type of restaurants in the downtown could appeal to visitors.
- The proposed expansion of the meeting space at the Queensbury hotel could drive additional room night demand for downtown lodging facilities.
Potential Project Incentives: Retail Attraction (1A)

Program Objective: To attract new retail uses to fill vacant space ground floor spaces along Glen and South Streets

- Business types: retail uses identified by market study, surveys, interviews (e.g. grocery, unique gift/craft stores, art galleries, upscale apparel and accessories, hardware, prepared and specialty foods, bookstore, etc.)
- Priority given to Glens Falls residents or new businesses committed to living in here.
- Application process could require business plans, leasing and capital improvements plan, budget.
- May require some investment by retailer (own resources, kick starter, other investors)
- All programs require participation and “buy in” from building owners.
- Once programs selected, amount of funding, program design and method/responsibilities of implementation will be determined.
Potential Project Incentives - Retail Attraction (1A)

**Rental Subsidy: Recoverable Grant**
- Rental subsidy to the building owner, passed on to the tenant to subsidize the first five years of market rate rents.
- Could be recoverable at sale of property if developer receives agreed upon market rate IRR.
- Maximum annual subsidy decreasing from $5-$4-$3-$2-$1 per SF of rentable space.
- Building owner must show that tenant would not otherwise consider the location without the subsidy.
- Effective in attracting tenants, particularly ones requiring large investments in TI’s or start-ups with limited credit.
- Benefit of annual subsidy is if tenant fails, there will be remaining funds to attract additional tenants.

**Grant - Race for Space Opportunities**
- One-time competition encouraging businesses to open or expand in vacant retail storefronts.
- Successful applications eligible for matching funds (up to 50%) to support leasing & capital improvement costs.
- Grants awarded on a first-come, first-served basis to all qualified entries until grant pool is exhausted.
- Funds awarded when business opens its doors.
- Approach provides immediate impact of filling space but if retail unsuccessful, would increase turnover.
- City forgoes benefit of selecting most desirable businesses over time.
Potential Project Incentives- Retail Attraction (1A)

Grant: Rental Assistance
- Rental assistance grant of lesser of 50% of monthly rent or a set amount, for the first rental year.

- Similar to 5-4-3-2-1 rental subsidy but provided to tenant not landlord.

- Similar to race for space but allows more time to review potential applicants and choose the most preferable over time.

Revolving Loan Program
- Loans for tenant fit-out and working capital for tenants without access to capital.

- Tenants must show investing own equity in the project.

- Loan pool could be leveraged by local bank participation to increase available funds.

- If loan pool, DRI funds buy participation in each bank’s loan to offset risk. DRI funds could either be in form of a grant or set at an interest rate below the bank’s lending rate resulting in a lower blended rate.

- If the City funds are grant, it would leverage the private funding and provide credit assurance.
Potential Project Incentives: Façade Improvement (1B)

Program Objective: To improve facades of older buildings along Glen and South Streets

- Matching grant program to provide financial assistance to private businesses for interior and exterior storefront improvements.
- The program could provide a matching grant to help cover some of the design and construction costs, up to a predesignated maximum amount.
- Property owners would submit an application to the program and would be selected based on strength of application.
- Note: Criteria for determining strength of application will be based on the City's prior facade improvement program and/or further developed during the DRI process.
Potential Project Incentives: Start-up Glens Falls (3A)

**Program Objective:** To attract new start-up companies and increase employment

Alternative #1 Objective: Targeted grant competition to promote entrepreneurship and start-up businesses in a specific area building on strengths, such as Craft Foods - complements relocation of SUNY Culinary School & Year Round Farmers Market.

- Below market rent provides for collaborative co-working, located in Year Round Farmers market or other space managed by co-working company (e.g. Saratoga CoWorks).
- Entrepreneurs from Glens Falls & nationally could be attracted to competition through grant award.
- Companies required to locate any expansion of offices or production in Glens Falls for a period of time.
- DRI grant could leverage local Investors interested in “social investments” to create angel investment fund
- Requirements for applications could include a business plan, a stage one product, evidence of fund raising, and some percentage of matching funds.
- SUNY could provide mentorship and assistance.
- If in Farmer’s market could use test kitchen and help provide revenue to support operations.
Potential Project Incentives: Start-up Glens Falls (3A)

Program Objective: To attract new start-up companies and increase employment

Alternative # 2: Cleveland Hustles – A reality show on CNBC where aspiring entrepreneurs compete for funding from a panel of investors. After competing in initial challenges, each of the investor works with the selected businesses. The winner receives investment capital and works with the mentor going forward.

- Similar in concept to Alternative #1.
- Requires the commitment of located investors to oversee the process and act as mentors.
- Alternative would be to coordinate with SUNY as in #1 as mentors rather than local investors.
- DRI funds could be used for the investments and supplemented by local businesses.
Program Objective: To Coordinate with SUNY Adirondack to bring Culinary School into downtown Glens Falls

- Work with SUNY to identify a potential location. SUNY is evaluating their space & location requirements, then preparing an RFP to select a site for the school.
- Explore tie-in to year round Farmers Market & potential new start ups (if above program adopted).
- Identify amount of needed capital improvements required by SUNY to assist offset cost of tenant improvements (kitchen equipment, etc.)
- Encourage SUNY Adirondack to locate student housing downtown, if possible
Program Objective: To renovate upper floors of vacant buildings on Glen and South Street with residential and office uses.

- Renovations of upper floors of buildings along Glen and South Streets are financially unfeasible for many owners due to cost of modernizing older buildings (new plumbing, electrical, elevators, communications, windows, etc.) and code compliance issues.
- Programs provide incentives to bridge financial gap, making private investment more feasible for office or residential conversions.
- All alternatives could require inclusion of workforce housing for residential project (20% reserved for residents earning up to 80% of the AMI). Conditions of the grant/loan would require a cap on future rent increases.
- Resident or office tenant must be moving from outside the downtown area.
Potential Project Incentives: Renovate small-scale buildings (6B)

Grant Program

- #1: Reimbursement after project completed and inspected, with maximum grant based on percentage of project costs or the lesser of a set amount.
- #2: Grant up to a maximum amount based on “financing gap” needed for owner to receive pre-determined fair market return on investment. Requires more staff review & oversight.
- #3: Flat amount for each project per unit or square foot renovated. Establish a maximum amount per building.
- Incentives are paid within 30 days of final inspection and issuance of CO
- This approach spreads the funds over more projects but may have too low an impact on feasibility.
- Grants paid upon completion and inspection.

Rent Subsidy

- Building owners receive set amount per month towards rent for a period of 1 year. Application must be approved before move-in, only one incentive per dwelling unit or office tenant. Tenants must show investing own equity in the project.
- Grant is recaptured from landlord based on scale if the tenant leaves the program before one year.
- Landlords receiving the funds must have no code violations, be current on real estate taxes, and rent must be reasonable based on comparable properties.
- If successful, City could require repayment of all or a portion of these funds upon sale of building, after allowable return on investment.
- Would attract potential workers/residents) and office tenants that may not have considered locating in Glens Falls.
Potential Project Incentives: Renovate small-scale buildings (6B)

**Revolving Loan**
- Loan at below market rate for projects lacking access to capital or high cost capital.
- Amount either based on flat amount per unit/office tenant space or based on financing gap.
- Repayment terms to be determined- may have maximum amount of 10 years or more.
- Could be interest only with principle to be repaid upon expiration of term for most critical buildings.
- These funds can be used in perpetuity assuming a low default rate.
- Would need to be subordinated to primary debt.

**Tax Abatement**
- An abatement of all or a portion of real estate taxes on improvements to buildings for 10-15 years.
- No DRI funds needed for this program which could be used to supplement other grant programs.
- City loses property tax revenues on improvements for a period of time but gains overall economic benefits of improved buildings, new residents or office tenants.
Goal 1: Strengthen the Vibrancy of Glens Falls’ Mixed-Use and Walkable Neighborhoods

1a. Glens Falls Retail and Office Race for Space

- Competitive program to encourage businesses to open or expand in vacant retail and office space.
- Goal is to attract new businesses and generate new opportunities for existing businesses.
- Successful applicants would be eligible to:
  - Match funds (up to 50%) to support leasing and capital improvement costs up to a maximum amount.
  - Grants available for new property owners to make improvements to an eligible property within the grant period.
- Potential criteria for consideration of applications:
  - Business owned by a Glens Falls resident
  - Business type that is in demand in Glens Falls
  - Successful cover of existing space

1b. Facade Improvement Program

- Matching grant program to provide financial assistance to property owners for exterior and industrial improvement investments.
- Program would provide a matching grant to help cover some of the cost of design and construction projects, up to a pre-determined maximum amount.
- Property owners would submit an application to the program and would be selected based on strength of application.
- Criteria for determining strength of applications could be based on the size of the project, economic benefit, and potential for long-term sustainability.

1c. Downtown Streetscape Improvements

- Contextual streetscape improvement to increase safety, accessibility, and green space, and support beautification efforts to improve the appearance of mixed-use areas.
- Focus areas: Park Street, Elm Street, Washington Street, School Street.
- Streetscape improvements could include:
  - Sidewalk widening
  - Trees, plantings, benches, stormwater management
  - Bike-share infrastructure
  - Digital kiosks
  - Lighting and signage
  - Improved accessibility for sidewalks, parking areas, and building entrances
- Coordination with Complete Streets Improvements

1d. Warren St-Glen St Redevelopment Feasibility Study

- Feasibility study to evaluate potential redevelopment of the Warren Street-Glen Street area.
- Study would evaluate potential to replace existing buildings with a mixed-use building that enhances street frontage and creates a better intersection between Consenipal Street and the Core District.
- Study would require coordination with the related property owner to develop a plan that is supported by the community.

City of Glens Falls
Downtown Revitalization Initiative
Goal 2: Support and Expand Local and Regional Resources that Improve Public Health

2a. Complete Streets Program

Implement Green Rails complete streets policy to connect downtown with specific routes through new paving and improved landscaping.

Some examples of complete streets improvements include:
- Construction of the Green Rail complete streets policy to connect downtown with specific routes through new paving and improved landscaping.
- Improved accessibility for people with disabilities
- Bike lanes and shared lanes on Main and Warren Streets
- Public transit improvements (e.g., roundabout times at Market Street Terminal)
- Development of the Green Rail complete streets policy to connect downtown with specific routes through new paving and improved landscaping.
- Improved connections to Station Island
- Parking management plans
- Greenways on complete streets initiative with parallel improvements

2c. Hudson Headwaters Health Network, Women's Health Center

Internal reorganization of existing facility.

Consolidated Funding Revitalization (CFR) priority project.

CFR announcement expected in late November/early December.

Funding to be used only if CFR grant is not successful.

2b. Year-Round Farmers Market at 25-33 South Street

Construction of a building to allow the City to expand the Farmers Market to remain at the 25-33 South Street location year-round. Components of the project could include:
- Outdoor market area for farmers' market and indoor area for water market
- Year-round expansion to provide storage/distribution space for vendors
- Potential to coordinate programming with food pantry
- Addition of a public space for community events
- Plaza adjacent to site parking and ideally located past parking to the South Street area

Your Comments Here:

2d. Capital Projects Fund for Non-Profit Organizations

Provide matching grants or matching funds for local non-profit organizations to invest in capital improvements.

Funding would be available on an application basis for local non-profit organizations to implement the City's existing community development capital grant program for operating costs.

The capital projects fund would be available for non-profit organizations that provide educational, community, and other cultural organizations, groups that provide resources for the community residents, and improving infrastructure.

Your Comments Here:

2e. Implement Redevelopment and Connection Plan for Pruyne's Island

Implementation of requirements from the Redevelopment and Connection Plan for Pruyne's Island.

- Downtown connections
- Pruyne's Island Downtown Gateways
- Railroad Bridge Connection to Main Street
- Metcalf Way Enhancement Project
- Public Pedestrian Connection
- Light Industrial Park
- Pedestrian Footbridges
- Parkway Gateway and Station Center
- Streetscape Enhancements
- Mixed-use Recreation Hall

Your Comments Here:
Goal 3: Generate Opportunities for Next Generation Workforce

3a. Start Up Glens Falls

- Local grant competition to promote entrepreneurship and start-up businesses. Modeled after Cleveland Hustles.
- Coordinate with SUNY Adirondack business incubator.
- Incubation would receive:
  - Membership program for new small businesses.
  - Below-market office space in a collaborative working environment (Program would partner with a coworking company, e.g., Grameen America, who would lease committed space downtown).
  - Business plan assistance.

3b. SUNY Adirondack Culinary School

- Coordinate with SUNY Adirondack to bring Culinary School into downtown Glens Falls.
- Work with SUNY to identify a potential location.
- Explore potential tie-in to revitalized Farmers Market site at CP Frank Corso
- Identify potential capital improvements and program components.
- Coordinate with SUNY Adirondack to locate student housing downtown, if possible.

3c. Workforce Training and Apprenticeship Programs

- Program to link high schools with local businesses and cultural organizations.
- Develop educational programs in entrepreneurship for high schoolers (link with SUNY Adirondack).
- Establish internship/apprenticeship program to teach students in local businesses and cultural organizations.
- Provide educational programming that links public schools and local institutions.

What are your innovative ideas?

Land, Test & Build for Land This

More trolley or bus transit from SUNY to Downtown

City of Glens Falls
Downtown Revitalization Initiative
Goal 4: Provide Infrastructure that Supports Existing and New Residents and Businesses

4a. Green Infrastructure Program
- Need to identify locations (Elm Street LoLa)
- Examples of green infrastructure include:
  - Green roofs
  - Bioswales
  - Rain gardens

4b. Remove Zoning Code Barriers to Sustainability
- Amend zoning code to include regulations for solar and wind.
- Promote Mixed-use development throughout.

4c. Electric Vehicle (EV) Charging Stations
- Install electric vehicle charging stations at public parking lots and garages.

City of Glens Falls
Downtown Revitalization Initiative
Goal 5: Promote Glens Falls as a Regional Destination for the Arts, Entertainment, and Culture

5a. Park Theater Redevelopment
- Renovation of former Park Theater into a performing arts venue.
  - Conceived based on funding application (CPA) priority project.
  - DBI funding to be used only if CPA grant is not successful.

5b. Adirondack Film Festival
- Identify funding needs for 2017.
- Capital funding to assist venues in implementing necessary upgrades to existing venues.
- Funding to establish Film Commission.

5c. Downtown Marketing / Branding
- Marketing campaign to recruit businesses.
- Program to promote arts and entertainment, dining, and shopping.
- Develop logo and website to promote downtown.
- Issue RFP to identify marketing/branding firm to work with the City in developing the program.

5d. Art District Improvements and Public Art Trail
- Implementation of an Art District of Glens Falls plan to improve wayfinding and marketing of arts organizations in the city with matching fund component.
- Encourage arts and cultural tenants in vacant spaces along the Art Trail.

5e. STEAM Museum Feasibility Study
- Feasibility study to evaluate the potential creation of a Science, Technology, Engineering, Arts, and Mathematics (STEAM) interactive museum.

City of Glens Falls
Downtown Revitalization Initiative
Goal 6: Provide High Quality Housing at Varying Levels of Affordability and Type

6a. Zoning Revisions to Promote New Development

Revise the zoning code to encourage development in accordance with the Downtown Vision and Development Strategy.

- Master plan: Potential zoning changes would require review and assessment through the city's standard process, involving both the city council and planning board.

Your Comments Here:

- Expand the zone to all of the Red zone.

6b. Residential Renovation Assistance Program for Existing Buildings

- Rehabilitation assistance program or involving loan program to facilitate conversion of existing upper-floor residential buildings to mixed-use use.
- Program could include inclusion of workshops for residents.
- Program could also include training and technical assistance to facilitate repairs of small-scale rehabilitation
- Conversions of upper floors would encourage new rental units.

Your Comments Here:

- Need to encourage basic mechanical improvements (e.g., red, red for) in buildings - e.g., turning:
  2 am.

What are your innovative ideas?

- Vacant storefronts should be "staged." This will make the city more vibrant and feel safer during the evening. All storefronts should be lit during the evening. Provide workshops to help residents find new uses for storefronts.

- Consider cooperative office space. Make it affordable - shared resources (WiFi, janitorial).

- Artists' KITE City Lights/Hub, Park on 2nd and 7th Streets at City Park.

- Start developing ideas for future depth. Share ideas for the future.

- Code enforcement of buildings over 75.

- Police/mats

- Consider KITE City program. Use the hospital model for this type of project. Start with one area and then expand.

- Share ideas for the future. Any ideas for new uses for storefronts?

- Consider a neighborhood program. Use the hospital model for this type of project. Start with one area and then expand.

- Code enforcement of buildings over 75.

- Start developing ideas for future depth. Share ideas for the future.

- Code enforcement of buildings over 75.

- Police/mats

- Consider KITE City program. Use the hospital model for this type of project. Start with one area and then expand.

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- Consider KITE City program. Use the hospital model for this type of project. Start with one area and then expand.

- Share ideas for the future. Any ideas for new uses for storefronts?
Next Steps

Continue Work on Project Profiles and Action Plan

Committee Meeting #5

- January 11, 2017 from 2:30 – 4:30
- Committee Project Prioritization

Community Engagement Event #3

- January 25, 2017 from 6:30 – 8:30
- Public Project Prioritization

Committee Meeting #6

- February 8, 2017 from 2:30 – 4:30
- Final Priority Project Selection and Voting
Public Questions and Comments