STATE OF DOWNTOWN TROY REPORT
SURROUND YOURSELF WITH PEOPLE WHO CHALLENGE YOU. WHO INSPIRE YOU. SPEND YOUR TIME WITH THEM. TEAM WITH PEOPLE WHO MAKE YOU GREAT.

TROY INNOVATION GARAGE

22 Fourth Street
Troy, NY 12180
troyinovationgarage.com

CREATIVITY COMING SEPTEMBER 2016

This report has been prepared to showcase life in Downtown Troy by

GRAMERCY COMMUNICATIONS

CULTIVATING STORIES | RAISING REPUTATIONS | LEAVING LEGACIES

225 River Street • Troy, NY 12180 • (518) 326-6400
www.gramercycommunications.com

FOR EVERYWHERE YOU GO.
Capital Region Transit is now smarter, faster & better than ever.
Proud to support Troy’s Renaissance!

enjoy troy.
Helping you be your healthiest you

CDPHP® is proud to support

**Free Fitness in the Park.**

Join us every Sunday, June 26 through August 28, at Riverfront Park in Troy.

[CDPHP.com](http://www.cdp.com)
We are very pleased to present the first ever State of Downtown Troy Report, prepared by Gramercy Communications in partnership with the Downtown Troy Business Improvement District (BID) and Groff Networks. This report provides a detailed analysis of Downtown Troy’s economy by examining many factors and statistics that contribute to the area’s overall well-being, including employment figures, office market and residential statistics, primary and higher education, retail, tourism, parking and transportation options, rebuilding and repurposing projects, special events, and overall quality of life. This report is meant to not only highlight the great strides Downtown Troy has made, but also to give a glimpse into what is to come and even advise us on areas of potential improvement to continue our community’s renaissance.

Downtown Troy has undeniably been on the rise in recent years. The area has cultivated a diverse economic climate, developed a bustling and eclectic variety of shopping and dining options, become a destination for residents of the Capital Region and beyond, and embraced the innovative, driven, and creative entrepreneurial spirit of its community members. We hope that after reading this report you will be both thrilled with the current state of Downtown Troy, and hopeful for the bright future our community holds.

The State of Downtown Troy Report represents the culmination of many months of hard work. Compiling the data needed to put together such an extensive analysis would not have happened without the help of Richard Sleasman and his firm CBRE, the City of Troy, the Capital District Regional Planning Commission, The John F. Finn Institute for Public Safety, and the many respondents to this year’s Troy BID Survey. Of course, we would be remiss not to thank the generous contributions of our sponsors, without whom this report would not have been possible.

As proud members of the Downtown Troy business landscape, we can only describe creating the State of Downtown Troy Report as a labor of love. We have all been deeply affected by the prevailing sense of community among the businesses and residents we see in our city on a daily basis. With that sentiment in mind, we hope you find this report informative, enlightening, and helpful in your future endeavors.

Sincerely,

Erin Pihlaja
Executive Director
Troy Business Improvement District

A special thank you to Richard Sleasman and CBRE for providing us with data to make this report a success.

All photos courtesy of the Downtown Troy BID unless otherwise specified.
As the economic landscape of Downtown Troy continues to expand, the area’s capacity for providing gainful employment opportunities has grown as well. Being home to two higher education institutions, including top technology research university Rensselaer Polytechnic Institute (RPI), Troy’s demographic makeup has driven growth in both highly-skilled and service industry areas. Downtown Troy’s Business Improvement District boasts a high quantity of legal, government, higher-education, technology, and financial service firms, all of which are supported by Downtown’s small, creative class oriented dining and shopping destinations. In 2015, 50 new businesses opened in Downtown, creating new opportunities within the BID and providing a remarkable testament to the growing economic landscape of Downtown Troy.

Many factors seem to be drawing both driven entrepreneurs and educated consumers to conduct business in Downtown Troy. Perhaps the most profound of these reasons is the area’s ever-expanding creative class and its impact on the area’s business environment. As Downtown Troy’s recent renaissance continues to bring in new businesses and draw more and more people here to spend their time and money, the oft-repeated mantra, “Troy is the new Brooklyn,” seems to become more true by the day. While the New York City borough holds an insurmountable size advantage over the Collar City, Troy’s mixture of established businesses, historic architecture, hip new boutiques, restaurants, and bars has fostered a sense of possibility that continues to draw entrepreneurs and businesses from both nearby local markets and beyond. This has prompted a Brooklyn-esque change in the city’s reputation in recent years, from an area on the decline, to one of the Capital Region’s most appealing destinations for both small and large new businesses.

To get an idea of the diversity of Downtown Troy’s new businesses, one needs to look no further than the Troy BID Census’ New Downtown Business Industry Make-Up graph. Of the 50 new businesses that opened within the BID between 2014 and 2015, over half fell into the accommodation, food services, and retail trade categories. This data indicates the growing demand for these types of visitor-friendly businesses within the Business Improvement District, and clearly illustrates Downtown’s transformation into one of the Capital Region’s recreational and commercial destinations. The employment opportunities provided by these new businesses have both increased work opportunities for BID residents, and given out-of-town job seekers yet another reason to explore Downtown Troy’s many offerings.

A Troy Business Survey provided another interesting look into the employment structure of Downtown Troy’s new businesses, this time by investigating the different workforce sizes of businesses within the Business Improvement District. This data unequivocally shows that Downtown Troy has not only established itself as a desirable destination for small businesses, but also as a nurturing community within which these businesses can truly thrive. With over 90% of the businesses within the Business Improvement District reporting an employee force of 20 or less, it is clear these small businesses are the engine that drives the economy of Downtown Troy.

“Troy is the new Brooklyn,” seems to become more true by the day. Additionally, this survey revealed encouraging statistics regarding the length of business operations within the BID. The data shows that not only have close to 40% of downtown businesses been operating for five years or less, but also that 29% have been in business for more than 20 years. This impressive combination of a start-up friendly environment, alongside longtime community mainstays illustrates this area as some of the Capital Region’s most fertile ground for businesses, both new and old, and all but ensures that additional employment opportunities will continue to present themselves here.

When examining the state of Downtown Troy, the recent meteoric rise of the area’s creative class is undeniable. This increase is clearly reflected in the increasing number of creative economy based businesses moving into the area. For example, the Creative Communications Agency relocated to the PFar Building in 2014, citing the area’s revitalization as a major contributing factor to the decision. The CCA is not alone. In recent years, several companies, including Gramercy Communications, Smiths Jones, id29, Boogie, and Burt Marketing, have all made the decision to conduct their business in Downtown Troy.

Additionally, Troy’s residents seem to be embracing this business landscape, choosing to shop small at Downtown Troy’s many boutiques and restaurants. This shift has had a profound, positive impact on the city’s atmosphere, and has helped establish Downtown Troy as one of the Capital Region’s premier destinations for shopping and dining.
Downtown Troy’s business environment has developed into one of the Capital Region’s premier marketplaces. One company who has contributed considerably to the city’s business landscape is **Apprenda**, a software developer located at 433 River Street in the Hedley Building.

Apprenda’s work in their field has positioned them as an industry leader, and distinguished the company as one of New York State’s greatest beneficiaries of venture capital investments. In fact, last summer Apprenda held its largest round of funding, raising $24 million dollars. This investment allowed Apprenda to double its employee count, and make substantial improvements to its software products.

Their platform allows customers to create computer applications, an extremely valuable asset to many organizations, notably JP Morgan Chase, McKesson and AmerisourceBergen. In 2013, Forbes recognized the company as, “the anti-Silicon Valley start-up,” due to its success raising venture capital. Tech Valley is greatly happy to have Apprenda as a resident, and Downtown Troy has certainly benefitted from the jobs software developers have brought to the area.

$ Is Troy the new Brooklyn? Many have uttered this turn of phrase in conversation around the city. While Downtown Troy certainly differs from the New York City borough in many ways, the fact remains that the area’s vibrant shopping, dining, and entertainment options, paired with an ever increasing number of quality living arrangements within walking distance, certainly have made it increasingly easier to draw this comparison.

In fact, Troy’s business landscape offers enough of an opportunity in some cases to lure Brooklyn entrepreneurs to the Collar City. For example, **Vic Christopher**, former Brooklynite and co-owner with wife **Heather Levine** of **Peck’s Arcade** and **The Lucas Confectionary**, recognized Downtown Troy’s potential when the time came for him to start his business. The community embraced Christopher’s restaurants immediately, and Peck’s has received national recognition, as OpenTable named the eatery one of their 100 Hottest restaurants in the country.

In 2016, **Cory Nelson**, also of Brooklyn, opened his gourmet food court, **Troy Kitchen**, to early acclaim. Nelson’s business model reads almost like a business incubator for restaurants, renting counter and kitchen space to start-up culinary ventures in the hopes they will garner enough of a following to find success on their own, while ensuring his establishment always has a delicious variety of dining options. While Troy and Brooklyn differ in many ways, residents and visitors of Downtown Troy have certainly reaped the benefits of the area’s improved downtown brand identity.
As the buzz surrounding the Downtown Troy area increases, more and more individuals are seeking residences within the BID. This increasing demand has both raised rental rates and encouraged the development of additional living spaces within the downtown area. Some of Troy’s many historic buildings are proving to be perfect homes for these new residential options. This offers a beneficial combination of the renovation of some of the city’s older buildings, many of which were previously vacant, new and affordable housing options within Downtown Troy and the repurposing of some of Troy’s beautiful architecture into apartments which have proven quite desirable to members of the city’s growing creative class.

According to Trulia, the median rental rate for the City of Troy is $1,250 per month. This figure represents a 39% increase over the past year. It would be logical, given the current economy, to assume that Downtown Troy’s lower-priced apartments would be in high demand compared to the more expensive options. However, research shows that this is not the case. In fact, the area’s higher-end apartment buildings, such as the Dauchy Building, River Triangle and the Conservatory, have very low vacancy rates compared to their less expensive competition. These figures, when examined alongside the BID’s growing higher-end dining and shopping options, clearly illustrate that the Downtown Troy area is trending upwards. As such, developers have explored many ways to offer more of these premium living spaces using Troy’s existing infrastructure.

Successful residential development is happening throughout downtown, including riverfront properties such as The Hudson Arthaus, apartments close to Monument Square, such as the Dauchy and Keenan Buildings, as well as north and south on River Street, with properties such as the former Nelick’s Furniture store. One way developers have found success in this regard is by adding apartment spaces in the upper levels of commercial buildings. Above the ground level home of restaurant Slidin’ Dirty at 9 First Street are three, 1400-square-foot loft apartments, all of which are currently rented. In addition, similar setups have found success at 5 State Street, 16 First Street and above the commercial and office space at the ground level of the Dauchy Building, the latter of which contains 29 apartments offering studio, one-bedroom, and two-bedroom options.

One of the larger recent residential projects involved the Vecino Group’s $19.4 million renovation of a vacant six-story clothing manufacturing building. This massive undertaking resulted in the development of new and affordable residential space just north of the downtown area. The building, rechristened as The Hudson Arthaus, offers 80 new one-, two- and three-bedroom units, as well as studio space, a workshop, and an art gallery. Rents range from $773 to $1,069 a month. This successful project not only greatly increased the number of new apartments in the downtown area, but represented a positive and productive repurposing of this previously defunct building.

Due to Downtown Troy’s proximity to both RPI and Russell Sage College, a premium has been placed on student housing options. As such, developers have explored various ways to improve housing options for area college students. In 2014, United Group opened the College Suites at City Station East, West, and South to offer housing for RPI students. City Station East and West offer a total of 341 beds for single students. The rooms are ideally suited for roommate situations, offering two bedrooms and bathrooms for $895 per student per month, three bedrooms and bathrooms for $825 per student per month, or four bedrooms and bathrooms for $760 per student per month. Additionally, City Station South offers 55 premium apartments for married RPI students with children. These spaces range in cost from $1,230 for a one bedroom and bathroom apartment to $1,639 for three bedrooms and one bathroom.
Of the many major players in Downtown Troy’s business landscape, developer Sam Judge of Judge Development Corp. stands out as one of the community members making the biggest difference. Since 2004, Judge has invested over $14 million on projects in Troy. His massive renovation of The Hudson on River Street provided a considerable improvement to the 66-apartment complex, which consistently hovers around a 100% occupancy rate. Judge’s commitment to using his influence for the benefit of Downtown Troy has not only led to the revitalization of many historic buildings in the city, but has also brought new residents to the area, increasing business and foot traffic in the Business Improvement District.

As demand increases for higher-end apartments and retail space in the Downtown Troy area, more and more established developers have been drawn to the area. Sonny Bonacio, one of the Capital Region’s top developers based out of Saratoga Springs, has agreed to purchase the former Hendrick Hudson Hotel building at Second and Broadway from its former owner, Pioneer Bank. Bonacio plans to convert the space into luxury apartments, while retaining the building’s current business tenants. This $2.4 million purchase is only one of Bonacio’s many investments in the Downtown Troy area. He has developed extremely successful mixed use spaces at the Keenan Building, 33 Second Street, and the Dauchy Building, as well. Bonacio’s projects have both revitalized the downtown area, and drawn numerous businesses and residents to the city. Bonacio’s continued involvement in the landscape of Downtown Troy promises to be a mutually beneficial relationship.

In recent years, our society has made several beneficial advances in environmentally friendly technology, and Downtown Troy is no exception. With that in mind, Redburn Development designed the River Street Lofts by renovating the Nelick Furniture building to contain 21 upscale apartments, all of which are outfitted with high efficiency appliances, lighting, and temperature control. Additionally, rooftop solar panels provide The Lofts with 40% of its required power. These luxury apartments are walking distance from many of Downtown Troy’s vibrant restaurants, shops, and bars, offering tenants the convenient opportunity to fully integrate themselves into the community, a feature that has proven quite desirable for the growing number of young professionals living and working in the area.

Of the many major players in Downtown Troy’s business landscape, developer Sam Judge of Judge Development Corp. stands out as one of the community members making the biggest difference. Since 2004, Judge has invested over $14 million on projects in Troy. His massive renovation of The Hudson on River Street provided a considerable improvement to the 66-apartment complex, which consistently hovers around a 100% occupancy rate. Judge’s commitment to using his influence for the benefit of Downtown Troy has not only led to the revitalization of many historic buildings in the city, but has also brought new residents to the area, increasing business and foot traffic in the Business Improvement District.

As demand increases for higher-end apartments and retail space in the Downtown Troy area, more and more established developers have been drawn to the area. Sonny Bonacio, one of the Capital Region’s top developers based out of Saratoga Springs, has agreed to purchase the former Hendrick Hudson Hotel building at Second and Broadway from its former owner, Pioneer Bank. Bonacio plans to convert the space into luxury apartments, while retaining the building’s current business tenants. This $2.4 million purchase is only one of Bonacio’s many investments in the Downtown Troy area. He has developed extremely successful mixed use spaces at the Keenan Building, 33 Second Street, and the Dauchy Building, as well. Bonacio’s projects have both revitalized the downtown area, and drawn numerous businesses and residents to the city. Bonacio’s continued involvement in the landscape of Downtown Troy promises to be a mutually beneficial relationship.
Downtown Troy’s retail environment has become one of its most active features. Even more impressive is the growing trend of new businesses finding their homes in Troy’s beautiful and historic buildings. The diverse and ever-growing number of shopping destinations within the BID has been a major factor in not only many of the city’s recent economic successes, but also the development of the area’s creative class, which has become a prevalent guiding force in the city’s overall development. This phenomenon is clearly reflected in the many grassroots boutiques and restaurants setting up shop in renovated, turn-of-the-century buildings throughout Downtown Troy.

For example, architect David Bryce purchased the Market Block Building in 2008, the last of developer John Hedley’s converted historic properties in Downtown Troy. The space has proven to be a successful home for business ventures, currently housing multiple retail outlets including the popular Spill’n the Beans coffee shop, and Market Block Books, a boutique bookstore. Additionally, in 2013, Sequence Development renovated three historic buildings at 9 First Street, 16 First Street and 5 State Street. This beneficial project yielded two commercial spaces and several one-bedroom luxury loft apartments. Currently, Shakin’ Dirty – a successful food truck venture turned restaurant – occupies one of these spaces. The other is being utilized by the newly opened Balance Loft, an infrared heated boutique yoga studio offering many specialized classes.

The following year brought with it a number of additional retail development projects. United Group opened two mixed-use, five-story buildings on Sixth Avenue, College Suites on City Station West at 1521 Sixth Avenue added eight ground-floor commercial spaces, four of which are occupied by Subway, Supercuts, Miracle Nails and Plum Dandy. Directly across the street, City Station East developed five ground-floor commercial spaces, of which two are currently being utilized by Birkmayar Travel and City Station Dental. The remaining spaces for both buildings total over 13,000 square feet of available retail space.

Another productive 2014 commercial real estate development was spearheaded by Bonacio Construction. These developers performed an extensive renovation of the historic Dauchy Building on River Street. The project saw to the creation of five commercial spaces that are presently occupied by Artcentric, FunCycled, Canvas Corks and Forks, and JJ Young.

The growth of Downtown Troy’s economic landscape does not end there. A number of miscellaneous improvements include new business openings, existing companies expanding into larger buildings, and the introduction of several unique and high quality offerings to the area. The following are examples of these retail expansions, all of which have not only benefitted Downtown Troy’s economy, but have also made significant contributions to the city’s creative class focus and overall well-being:

- MudPaddy Flats, a specialty quesadilla eatery, moves into former pawn shop on Third Street in 2012.
- Collar City Sweet Shoppe, a boutique candy store, opens on Third Street in 2015.
- The Greek House, a family style Greek restaurant, opens in a vacant building on Broadway.
- The popular chain restaurant Dinosaur Bar-B-Que opens a Downtown Troy location on River Street in 2010.
- B-Rads Bistro and Catering, a local favorite eatery, opens on Fifth Avenue in July of 2012.
- The Shoppe – a boutique fashion staple of Saratoga – opens in the Keenan building.
- Wolff’s Biergarten opens in place of the recently renovated Bonnette’s Burrito Bar in April of 2016.
- Superior Merchandise Company, a unique lifestyle design shop and specialty coffee bar, opens on Fourth Street in September of 2015.
- 2012, Vic Christopher and Heather LaVine renovate 12 Second Street and open Lucas Confectionary, a downtown Troy favorite. They also renovated 217 Broadway into Peck’s Arcade and The Grocery, but reimagined the Grocery as Little Peck’s Café. The entrepreneurs also opened the Twenty-Two Second Street Wine Shop.
- Henry Loves Betty, a pet boutique, opens on River Street.
- Ballston Spa-based café and tea room Whistling Kettle opens a second location in the Keenan Building in 2014.
- Rare Form Brewing Company, a craft brewery, opens in a vacant portion of the former Troy Hardware Store.

It is clear that the business community’s focus on expanding the area’s retail options have both benefitted the area and helped establish Downtown Troy as one of the Capital Region’s premier destinations for high quality shopping and dining. This trend of renovating older buildings to house new businesses has successfully ushered in a new business atmosphere focused on the creative economy for the downtown area without compromising the city’s historic architecture.
Perhaps one of the most profound and significant Downtown Troy revitalization projects in recent years took place at the historic Quackenbush Building in 2014. Local architect David Bryce took this elegant 1857 Victorian building, vacant since 2001, and performed a dramatic $2.5 million renovation, restoring the façade and rebuilding the space’s interior. Now, the basement and first floor of the Quackenbush Building are occupied by the Tech Valley Center of Gravity, the area’s premier high-tech makerspace, offering entrepreneurs a rental workshop space ideally suited for the creation of a vast array of products. Laban Coblentz, the Center of Gravity’s chairman, made this move out of necessity, after watching his venture outgrow its previous home in the Uncle Sam Parking Garage. Yet another example of Downtown Troy’s extraordinary existing infrastructure being repurposed and successfully brought into the 21st Century.

Since opening a Downtown Troy location on River Street in 2010, popular restaurant chain Dinosaur Bar-B-Que has become a favorite amongst residents, and a draw for out-of-towners. Dinosaur’s delicious smoked meats have garnered them a national reputation, earning the chain recognition as Good Morning America’s “Best BBQ in America,” in 2009. Troy’s Dinosaur location was named a top 30 barbecue restaurant in America by OpenTable, a popular online reservation system. Most Troy residents would not be inclined to argue, and the general consensus is the only thing better than Dinosaur Bar-B-Que’s delicious food is the positive impact the restaurant has had on Downtown Troy.

When Slidin’ Dirty, a massively successful food truck run by Brooke and Tim Taney, decided it was time to find a more permanent home in 2013, Jeff Buell, president and CEO of Sequence Development, knew he had make them part of the Downtown Troy community. One year and a $250,000 renovation later, Slidin’ Dirty opened its doors in a freshly refurbished 150-year-old building at 9 First Street, much to the delight of their many fans throughout the Capital Region. Today, Slidin’ Dirty is a community favorite, offering delicious food and a vibrant atmosphere to patrons on a daily basis, as well as illustrating Downtown Troy’s significant capacity for fostering successful small business ventures.

Since opening a Downtown Troy location on River Street in 2010, popular restaurant chain Dinosaur Bar-B-Que has become a favorite amongst residents, and a draw for out-of-towners. Dinosaur’s delicious smoked meats have garnered them a national reputation, earning the chain recognition as Good Morning America’s “Best BBQ in America,” in 2009. Troy’s Dinosaur location was named a top 30 barbecue restaurant in America by OpenTable, a popular online reservation system. Most Troy residents would not be inclined to argue, and the general consensus is the only thing better than Dinosaur Bar-B-Que’s delicious food is the positive impact the restaurant has had on Downtown Troy.

When Slidin’ Dirty, a massively successful food truck run by Brooke and Tim Taney, decided it was time to find a more permanent home in 2013, Jeff Buell, president and CEO of Sequence Development, knew he had make them part of the Downtown Troy community. One year and a $250,000 renovation later, Slidin’ Dirty opened its doors in a freshly refurbished 150-year-old building at 9 First Street, much to the delight of their many fans throughout the Capital Region. Today, Slidin’ Dirty is a community favorite, offering delicious food and a vibrant atmosphere to patrons on a daily basis, as well as illustrating Downtown Troy’s significant capacity for fostering successful small business ventures.

Downtown Troy’s retail environment has become one of its most active features.
O F F I C E M A R K E T

Downtown Troy experienced a notable increase in construction and occupancy of commercial and office space in 2014 and 2015. CBRE, a worldwide commercial real estate service, found that vacancy of downtown buildings offering more than 10,000 square feet of functionally available space was just under 5%. In comparison, Troy’s citywide vacancy rate for these buildings is about 6%, while the Capital District’s is about 13%. Troy's office property rental rates are $11.90 per square foot each year. This is well below the statewide average of $25.75, the Capital District average of $14.10, and the Rensselaer County average of $14.72.1

Troy has also experienced a considerable growth in commercial space. City Station East and West, two, five-story mixed-use buildings on 6th Avenue built in 2014, brought approximately 34,000 square feet of commercial space to the area, slightly less than half of which remains vacant. The Dauchsley Building and River Triangle Building, also completed in 2014, brought in around 25,000 combined square feet of commercial space. Between the two buildings, only 1,576 square feet is still available for lease. Furthermore, the City of Troy awarded a $3.3 million Restore New York Grant to be split between Proctor’s Theater and the Chasan Building. The renovation of the 33,500-square-foot Chasan Building was completed in 2012 and now houses RPI’s Offices of Institute Advancement. An additional 22,000 square feet of commercial space in Proctor’s Theater was later made available for lease in 2014.

Several major Downtown Troy office market leases have been signed in recent years. Of note is developer First Columbia’s role in the Hedley District’s quick turnaround from state offices to private business space. In early 2014, the Capital District Educational Opportunity Center relocated its facility to Hedley Park Place. The new, roughly 50,000-square-foot space is considerably larger than its previous location on 6th Avenue. Appenda Inc., a leading enterprise software company that has raised $56 million in venture capital investments, moved its corporate headquarters to the 4th Floor of the Hedley Building in August of 2015. The remaining 30,000 square feet of space will be occupied by Viral Vio, Daydream.io, the New York State Technology Enterprise Corp. (NYSTEC), ChannelEyes, and Axios North America LLC. In 2014 the Rensselaer County Regional Chamber of Commerce moved into the 22,000 square feet of commercial space at Proctor’s, recently revamped by Columbia Development, followed by the RPI Department of Finance and Procurement Services and Christopher Brian Saloon in 2015, leaving 1,900 square feet vacant.

Downtown Troy is quickly becoming a hub for business incubation spaces in which aspiring entrepreneurs are offered the tools, mentorship opportunities, and financial and networking support necessary to successfully guide their start-up venture through its formative stages. The Emerging Venture Ecosystem (EVE) was launched in 2011. EVE allows students to develop their businesses by offering a qualified advisory board, assistance in seeking patents and funding, as well as academic resources through student and faculty research and dedicated laboratories. Center of Gravity’s move into the Quackenbush Building on Broadway was significant as it marked the expansion of Troy’s second high-tech business incubation space. The $2.75 million renovation of the building was supported by a $550,000 State of New York Grant to be split between Proctor’s Theater and the Chasan Building. The $60 million renovation of the building was supported by a $550,000 Capital Grant of the Regional Economic Development Council Initiative. Center of Gravity’s technology support structure caters to over 170 active individuals and 20 company members.

Two developers are in the planning stages for two new expansionary development projects in Downtown Troy. United Group has received a $1 million state grant to expand City Station to include the new City Station North, a fourth building on Congress Street. The project, which would bring 90,000 square feet of Class A office space to the BID, as well as new apartments and additional underground parking, is expected to cost $55 million. The second project is being spearheaded by First Columbia, which owns the 280,000-square-foot Hedley Park Place on River Street. They have proposed the Hedley District, a $65 million development project that would include a 650-space parking garage, a 120-room Courtyard by Marriott Hotel, and a renovation of 50,000 square feet of retail and office space. In addition, this project will replace parking lots with retail and service businesses. To help finance the investment, First Columbia is seeking a Payment in Lieu of Taxes agreement of $430,000 in property tax.

Future Business Development Plans, 2016
(Troy BID Survey)


<table>
<thead>
<tr>
<th>Plan for Change</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I plan to expand products/services or square footage downtown</td>
<td>29%</td>
</tr>
<tr>
<td>I don’t have any plans for change</td>
<td>4%</td>
</tr>
<tr>
<td>I plan to expand products/services or square footage at a location outside the downtown area</td>
<td>67%</td>
</tr>
<tr>
<td>I plan to reduce products/services or square footage downtown</td>
<td>2%</td>
</tr>
</tbody>
</table>


29% | Lease
4% | Lease, but want to own
67% | Own
Watching the growing prevalence of the creative class-led economy in Downtown Troy gave Tom Nardacci, founder and CEO of local strategic communications firm Gramercy Communications, an idea. Motivated by his own experiences starting his business, Nardacci purchased the long defunct former home of the Troy Automobile Exchange at 22 and 24 Fourth Street, and began construction of The Troy Innovation Garage. The Garage, a co-working and business incubation space, will support the area’s start-up culture by offering creative economy businesses the physical space and necessary resources, both monetary and intangible, to guide them through their formative stages. This unique creative focus ensures that the $1 million project will serve as a fantastic compliment to the Capital Region’s business landscape, offering creatives the tools they need to turn their business ideas into a reality. The Troy Innovation Garage, set to open in the late Summer of 2016, promises to not only establish itself as a valuable tool for area entrepreneurs, but will also provide a much needed renovation for a historic building in a previously neglected area of Downtown Troy.

One of the largest development projects the area has ever seen is underway at the former home of the Troy Record. The Rosenblum Companies, acquired the building for $1.6 million with plans to renovate the space into over 100 apartments with ground level retail accommodations. The mixed space project is set to cost $23.4 million, and represents an enormous investment in the future of Downtown Troy. Rosenblum’s design melds the classic architecture with modern amenities and features, essentially modernizing the building without compromising the integrity of its historic features. This major redevelopment project ensures the continuation of Downtown Troy’s revitalization, and serves as another exemplification of the increasing demand for residential and retail space within the Business Improvement District.
T R O U S I S M

In 2006, The New York Times questioned whether "there has ever been a case of less effective civic advertising," as in the City of Troy. It cited the city's underutilization of its wholly preserved 19th Century Downtown as a major area of potential improvement in this regard. Today, the same paper calls Troy, "the latest Hudson Valley address to mount a comeback." Troy's architecture is comprised of iconic turn-of-the-century Victorian, classical-revival and brownstone homes. Similar to how ekologic—a boutique clothing store located on Broadway—recognizes the value in discarded clothing and repurposes them into fashionable apparel, Troy has repurposed its existing building stock to cater to a hip new working class. Troy is now home to a variety of visitor attractions, ranging from historic sites such as the world-renowned Troy Savings Bank Music Hall and the Hart-Cluett Mansion, to community cultural centers like the Troy Music Academy and the Arts Center of the Capital Region. Founded in 1823, The Troy Savings Bank Music Hall moved to its current location in 1873. To this day, the concert venue remains not only one of Downtown Troy's most beloved offerings, but a world renowned artistic space which draws performers of the highest caliber each year, and a National Historic Landmark since 1989. Perhaps one of the Hall's most well known features is its beautiful organ. Built by J. H. & C. S. Odell in 1882, this instrument was recently restored in early 2006 and went on to be featured during the Organ Historical Society's convention in the same year. The Troy Savings Bank Music Hall continues to serve as one of the crown jewels of Downtown Troy's artsitic culture, drawing thousands of concertgoers to the Business Improvement District each year, and providing a measurable positive impact on the local economy.

Troy's Downtown is ideally positioned on the banks of the Hudson River, a feature that is both picturesque and convenient for those interested in experiencing the several nearby Capital Region boating destinations. South of Troy, boaters also have the option of long-term or temporary docking at the Albany Yacht Club. To the north at the intersection of the Mohawk River sits Waterford’s Harbor Visitor Center. This Center boasts over 1,000 feet of temporary docking space, and is located just a short walk away from the hiking trails at Peebles Island State Park, and the restaurants and shops of the Waterford Village. Despite this convenient location, the Troy Downtown Marina reported having only about three customers a day on average in 2013 from late June through mid-October. Almost 75% of these visits lasted less than two hours, and 34% of visits were only for fuel. These numbers are strikingly low considering Troy has the longest frontage of any city north of New York on the Hudson River Greenway National Trail, a 256-mile-long waterway from New York City to Whitehall, and suggests that increasing recreational usage of Troy’s ample capacity for water travel could prove to be a major area of potential improvement in the future. Rensselaer Polytechnic Institute (RPI) and Russell Sage College, two locally owned businesses—Truly Rie Women’s Clothing Boutique and Illium Café, a European-style bistro—occupy two of the three retail storefronts on the street level. Recently, the building underwent an ownership change after Bank of New York Mellon Trust purchased the building at auction for $1.9 million. The building plans for the building have not yet been released.

Overlooking Downtown’s central Monument Square, the Cannon Suites offers 43 one-bedroom, two-bedroom, and studio extended-stay accommodations. The hotel reported an average yearly occupancy of approximately 80%, nearly 15 percentage points higher than the regional average of 65.1%. The building itself, built in 1825, is listed on the National Register of Historic Places. Two locally owned businesses—Truly Rie Women’s Clothing Boutique and Illium Café, a European-style bistro—occupy two of the three retail storefronts on the street level. Recently, the building underwent an ownership change after Bank of New York Mellon Trust purchased the building at auction for $1.9 million. The building plans for the building have not yet been released.

Due to these trends, talk of building more hotel space within the city are underway. The City Industrial Development Agency conducted a land survey of a two-acre plot on Federal Street next to Kennedy Towers, a 19-story, low-income senior citizen apartment complex, to determine the exact boundaries of the property after several investors reached out in regards to developing a new hotel. Additionally, Latham-based developer First Columbia LLC has renewed a proposal to construct a seven-story hotel and 650-space parking garage on River Street next to Heilhey Park Place.
As Downtown Troy’s reputation as a special events destination continues to develop, the area has begun to expand its capacity for hosting out-of-town guests. For example, Michael Cocca and Michael Fusco, co-owners of Franklin Plaza, Troy’s premier banquet hall and event space, and the Best Western Plus Franklin Square, which consistently experiences a 95% occupancy rate, are moving forward with plans to keep up with the ever-increasing demand for their hotel rooms. Partnering with BBL Construction Services, Cocca and Fusco have begun the process of expanding their hotel, adding 28 rooms including additional bridal suites to accommodate the ever-increasing number of weddings hosted across the street at Franklin Plaza. The project is slated to cost between $2-3 million, and represents another substantial investment solidifying Troy’s status as a recreational destination for visitors from near and far.

Downtown Troy, like many other creative economy driven regions, has developed a well-established artistic community. One major indicator of the region’s prevalent creative community is the Arts Center of the Capital Region, located at 265 River Street. The Center offers community members access to a wide variety of classes, events, workshops, and exhibits, and has been a major community leader and contributor to the rise of the creative economy of Downtown Troy. Arts and crafts, writing, digital, dance, and culinary classes are among the many offerings at the Center, which is also an active participant in events such as Troy Night Out and the Collar City Craft Fest. The community, on the whole, is certainly grateful for the opportunities The Arts Center of the Capital Region has given residents to express themselves.
transportation in Troy has been widely considered one of the city’s biggest areas for potential development. Though figures indicate that the number of parking options in Troy exceeds the national average, community activists, business leaders, and city officials believe there is room for improvement given Troy’s existing infrastructure. As Downtown Troy’s lively business and recreational environment continues to grow, these types of improvements could offer affordable enhancements to the overall convenience of the area. Figures show that expanding Downtown Troy’s public parking options is a top priority for area business owners. When asked to choose four community assets they would like to see improved, 90% of the surveyed entrepreneurs listed improving the public transportation options, exceeding the next highest option by over 20%. Currently, the city offers monthly membership to eight lots and parking garages in and around the downtown area in addition to the many two-hour street parking spaces available.

As the city explores ways to address this public parking concern, figures indicate that Downtown Troy’s residents and visitors have been taking advantage of the city’s public transportation options. The Capital District Transportation Authority (CDTA) reports increased ridership in the Capital District over the past five years. In the same period, complaints and accidents per ride have exhibited a slight downward trend indicating improved rider satisfaction. The CDTA’s Transit Development Plan (TDP) notes that it intends to expand its successful BusPlus Bus Rapid Transit (BRT) lines. The Blue Line will run 15 miles through the “River Corridor” servicing Downtown Troy, Cohoes, Watervliet, Menands, and Albany. CDTA estimates it will provide 2.5 million rides upon implementation in 2017. Additionally, the CDTA has proposed “Downtown” routes to provide a frequent circulator-style service in the Capital District’s downtown business districts. To support its expansion, CDTA intends to open several transit centers that will provide climate-controlled waiting areas, arrival and departure information, fare sales, and personal retail space. One such center was proposed to be built in Troy on the Fulton Street side of the Uncle Sam Parking Garage. The CDTA estimates the $3.5 million center will serve 1.2 million riders a year upon completion. This investment represents the community’s steadfast commitment to improving public transportation options throughout Downtown Troy.

ACD figures provide an interesting glimpse into how the residents of Downtown Troy get to work each day. Two major takeaways from this breakdown of transportation methods within the Business Improvement District are the high percentage of the workforce who travel by foot, and the much lower number that utilizes public transportation. This not only illustrates the impressive number of Troy residents who are employed by downtown businesses, but also validates the considerable investment the city is putting into improving Downtown Troy’s public transportation infrastructure.

To diversify its repertoire of available transportation options, Capital District business leaders are rallying for state legislators to alter the region’s current regulatory framework to be more accepting of ride-sharing services like Uber and Lyft. Lyft reported that in the brief time it operated in Western New York, it provided 1,000 rides per week in both Rochester and Buffalo. The demand for a ride-sharing service in Troy is also apparent on the consumer side. In addition to Troy outperforming the national average for carpooling, a Troy Vehicle Sharing Cooperative—currently consisting of 10 members—was created in 2014. Moreover, the inclusion of ride sharing services would provide competitive pressure on the unsatisfactory taxi services of the Capital District, none of which have a rating above 3 stars on Yelp.com.

In 2013, Transport Troy, a volunteer citizen work group, wrote a report outlining Troy’s transportation conditions. The report indicates Downtown played an important role in the City being ranked most walkable in the Capital District. Downtown has an exceedingly high score on walkscore.com, averaging about 92 out of 100. The Census Bureau estimates that over 10% of Troy’s resident working population walk to work. By contrast, the national average is about 3%. Regardless, Transport Troy identifies some areas of improvement in regards to Downtown’s walkability. The three traffic-heavy bridges connecting Troy to Green Island and Watervliet are safety concerns to pedestrians and cyclists. The Green Island Bridge is located within the borders of the entertainment district that attracts a majority of Troy’s foot traffic.

In December 2012, a preliminary forum was held to discuss an initiative focused on improving Troy’s walking, boating and cycling infrastructure. The group entitled, “The Collar City Ramble,” has since worked with the City of Troy to put forth a draft Complete Street Ordinance. The citizen-run Complete Streets Advisory Board would suggest best practices for pedestrian, handicapped, and cycling accessibility in proposed development projects. In Fall of 2015, the initiative secured funding for a $1.4 million bike trail called the Riverfront Trail, which travels from The Burden Iron Works, through Downtown and ends in Lansingburgh. The trail will improve connectivity between Troy’s neighborhoods, as well as better utilize the City’s extensive riverfront. Moreover, initiative leader Jan Lewis revealed that grant applications have been submitted to extend the River Street Park north of the Green Island Bridge and to redo Downtown’s seawall. The Collar City Ramble continues to hold regular citizen forums and events today. In September, the group doubled attendance to its third annual PreRamble, a transportation festival that provides group tours exploring Troy by alternative means.

---

**Means of Transportation, 2014 (ACS)**

<table>
<thead>
<tr>
<th>Means of Transportation</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car, truck, or van (alone)</td>
<td>37%</td>
</tr>
<tr>
<td>Car, truck or van (carpool)</td>
<td>14%</td>
</tr>
<tr>
<td>Public transportation</td>
<td>14%</td>
</tr>
<tr>
<td>Walking</td>
<td>6%</td>
</tr>
<tr>
<td>Taxi</td>
<td>3%</td>
</tr>
<tr>
<td>Bicycle</td>
<td>3%</td>
</tr>
</tbody>
</table>

**Troy Downtown and Marina Visitors Length of Stay, 2013**

- Fueling: 2 hours
- Week: 4 hours
- Weekend: 12 hours
- 1 hour
- Overnight

---

In the same period, complaints and accidents per ride have exhibited a slight downward trend, indicating improved rider satisfaction.
Downtown Troy’s proximity to premium institutions of higher education has had a profound positive impact on the area’s development in recent years. The sheer number of people these universities bring into the Downtown Troy area has served as both a catalyst for increasing the success of local businesses, and one of the major reasons the downtown area has developed into one of the Capital Region’s premier creative economy destinations. It is undeniable that the steady flow of young, educated students drawn into the area by these universities as both consumers, and in some cases even entrepreneurs, has played a role in the cultivation of Downtown Troy’s atmosphere.

First and foremost, the two higher education institutions within the Business Improvement District, Russell Sage College and Rensselaer Polytechnic Institute (RPI), greatly benefit the area by drawing a considerable number of educated people to Downtown Troy. This has spurred the development of a younger, hipper downtown, with its ever expanding boutique shopping, fine dining, and higher-end nightlife options taking center stage. Downtown Troy’s universities offer a diverse range of options for individuals seeking a bachelor’s degree, and data suggest students are well distributed throughout these disciplines. Unsurprisingly, individuals seeking a bachelor’s degree, and data suggest students are well distributed throughout these disciplines. Unsurprisingly, the Visual and Performing Arts fields contain the highest percentage of undergraduate students within the BID at just under 25%, followed by literature and languages at just over 15%.

These areas of study, along with modest percentages of education and business students, account for over half of Downtown Troy’s college’s undergraduate students, and could go a long way in explaining the area’s expanding creative class. Not only are these students providing a boost to the local economy by spending their money in Downtown Troy, but they are also bringing new businesses to the area as well. Two successful alumni-led ventures that have arisen from RPI’s EVE incubator are Ecovative, a company that produces biodegradable packaging out of mushrooms, and 1st Playable, a children’s video game developer. Both businesses remained in the Capital Region post incubation, and 1st Playable is located within the Business Improvement District on 3rd Street.

In addition to Downtown Troy’s vibrant and diverse colleges, it is worth noting the quality of the area’s primary schools. New York State Education Department figures show the Troy Central School District as the highest performing district between the Tri-Cities, outperforming Albany and Schenectady’s Central School Districts by over 20% in 2015. Additionally, Troy High School outperforms Albany and Schenectady in graduation percentage by a similar margin (74%, 53% and 56% respectively), although all three schools come in below the state average of 78%. This data unequivocally tabs the Troy Central School District as the primary education leader of the Capital Region’s three largest metropolitan areas, a distinction that undoubtedly funnels talented and bright young students into the area’s universities.

![Image](https://dl.dropboxusercontent.com/u/192930/TroyNY%20Complete%20Streets%202014.pdf)

A partnership between Rensselaer Polytechnic Institute (RPI) and Columbia Development Companies has proven beneficial, not just for these two parties, but for the City of Troy as a whole. In 2009, RPI opened the Howard N. Biltman P.E. ’50 Residence Commons, a luxurious dormitory space capable of housing approximately 300 upperclassmen. Named for Howard Biltman, president and CEO of Biltman Building Corp., one of the project’s driving forces, this building is the result of a $17 million renovation of a Best Western Hotel on Sixth Avenue. The space offers students state-of-the-art living arrangements and easy access to the lively Downtown Troy scene, as well as an on-site fitness center and dining hall. Additionally, Columbia Development Companies and RPI teamed up on another project, developing the Chasan Building at the intersection of Fourth Street and Broadway into office space for the Institute’s advancement team. The $6 million dollar investment represents another of the University’s efforts to revitalize the downtown area, including assuming ownership of Troy’s Proctors Theater. The projects have brought over 200 employees into the downtown area.
The Troy BID sponsors several events and initiatives aimed at improving the area’s quality of life for residents, visitors, and businesses. As part of its beautification program, the BID employs a three-person sanitation team to sweep the streets and sidewalks to remove litter during the summer months and snow during the winter. All the while, the team is watchful for any general infrastructural problems and sees to it that any instances are reported to the appropriate city department. This initiative also includes arranging and maintaining 125–175 flower baskets throughout the downtown area during the summer and a similar number of decorative wreaths and garlands during the winter. In September 2015, city businesses and organizations donated money to replace 100 street light banners and raise money for future beautification efforts. BID Director Erin Pihlaja noted that the BID intends to replace outdated street banners and conduct a tree planting program in the future.

Downtown Troy also hosts several successful recurring community events throughout the year that draw attendees from all around the Capital District. The impressive Troy Waterfront Farmers’ Market convenes every Saturday in the Atrium during the winter and Monument Square during the summer. It draws thousands of people to the Downtown area to peruse the various products of over 70 local vendors, many of which are based out of Troy. The Market has a measurable effect on the city’s economy, with 70% of businesses that responded to the Troy BID Survey indicating that they are busiest from 11:00 a.m. to 2:00 p.m. on Saturdays, the Farmers’ Market’s hours of operation. During the summer, the BID sponsors Rockin’ on the River, a free concert series on Wednesday nights in Riverfront Park that pulls in about 3,000 attendees per week, and Free Fitness in the Park, weekly health and wellness classes in Riverfront Park. The last Friday of every month is marked by Troy Night Out, an event from 5:00 p.m. to 9:00 p.m. in which local restaurants, entertainment venues, and retail outlets collaborate under a common theme such as “Christmas in July” and offer special deals to attendees. The BID estimates Troy Night Out attracted over 25,000 participants last year.

There are a few additional events that draw several thousand individuals to downtown each year. The Victorian Stroll is an annual holiday street festival sponsored by the Rensselaer County Regional Chamber of Commerce in Downtown that attracts thousands for live entertainment, shopping and Victorian themed costumes. The Stroll commemorated its 33rd year in 2015, and remains as popular as ever. Troy River Fest, in its 13th year, is another street festival that takes place on River Street. An estimated 20,000 attendees enjoy vendor stands of local crafters and artists and enjoy entertainment and activities offered by local businesses. Troy ChowderFest, celebrating its 10th year, is an event in which an estimated 20,000 attendees walk the streets to try and judge chowders from local restaurants. Additionally, live entertainment and a citywide sidewalk sale at local retailers drive attendance. Like ChowderFest, the 9th Annual Troy Pig Out, set for July 16th, draws thousands to judge barbecue from restaurants across the Northeast while enjoying live music and fireworks.

In addition to the events mentioned above that have been popular for more than a decade, several exciting new community events have materialized recently. The Enchanted City drew around 1,000 people to its seminal festival of steampunk-themed crafts and costumes in fall of 2014. The Collar City Kilt Fest is a day of local business discounts and special tastings surrounding a St. Patrick’s Day-themed 5K road race started in March 2015. In July 2015, a weekly Sunday flea market called Troy Flea held its first event. The For Rent Event is a new event set to take place in May that will showcase commercial properties in the BID that are available for lease or sale.

Every Saturday morning, residents of Downtown Troy and beyond gather to sample the region’s finest producer goods of the Troy Waterfront Farmers’ Market. Widely regarded as one of the finest farmers’ markets between New York City and Burlington, VT, the Troy Waterfront Farmers’ Market draws thousands of patrons from far and wide each week to support the vast array of vendors, who offer an ever expanding variety of goods for purchase. Vendors run the gamut between farmers offering fresh produce among several other products, brewers, artists, bakers, restaurateurs, and more. This ever-changing array of offerings has established the Farmers’ Market as one of the best ways to spend a Saturday in Downtown Troy, benefitting not only the market’s many vendors, but the community business landscape as a whole, which has reported a rise in sales between the hours of 9 a.m. and 2 p.m. on Saturdays.
There are four parks located within the BID’s borders, three of which are city-owned. The largest of the four is Riverfront Park, in which many city events take place including the Troy Pig Out, Fitness in the Park and the Troy Flea. Compared to cities of similar population density, Downtown Troy’s park acreage to city density falls short. According to The Trust for Public Land, the median park acreage per 1,000 cities of medium-high population density is 8.8 acres. In Downtown Troy, there are only about 2 acres for every 1,000 residents. However, this is offset by the proximity of parks located near the BID, such as Prospect Park, Beman Park and Frear Park.

When discussing the pioneers of Downtown Troy’s recent renaissance, one would be remiss not to acknowledge the profound contributions of Steve Bouchey. Since relocating his business, Bouchey Financial Group, to a historic 1862 brownstone on Fifth Avenue, one of downtown’s most elegant spaces, Bouchey has become an integral part of Downtown Troy, involving himself in numerous non-profit, community, and civic boards.

On the business side of his operations, Bouchey Financial Group handles over $100 million in client investments, and is one of the major players in the Downtown Troy business landscape. Bouchey puts a premium value on giving back to the community, often participating in volunteer projects and giving valuable financial advice to community members. Downtown Troy is truly lucky to have such a devoted and committed tenant.
You’ll find a lawyer with a heart of gold.

The values at E. Stewart Jones Hacker Murphy are simple: We care about our clients and our neighbors. Whether it is in the courtroom or in the community, what drives us is the satisfaction of helping people who really need it. So, when you are looking for an attorney with credentials and compassion, look no further...

JONESHACKER.COM 518.274.5820

Focused Representation In:
- Commercial Litigation
- Property Tax Disputes
- Criminal Defense
- Personal Injury

Free Consultations and Personalized Service
Offices In:
- Troy, Latham and Saratoga Springs, NY

See the difference at massivemesh.net

Faster Connection | Better Support | Lower Cost
No Bundles - Free Installation - Locally Owned - No Contract

Look beyond the PINSTRIPE
Rensselaer and Troy—working together to ensure the viability and vibrancy of our shared communities.

BUSINESS LISTINGS
Community Massage
troycommunitymassage.com

Columbia Development
columbiaudev.com

H2H Associates
h2hassociates.com

Innovative Mapping Technologies
innovativemapping.com

Pattison, Sampson, Ginsberg + Griffin P.C.
psgglaw.com

Rosenblum Companies
rosenblumcompanies.com

The local partner for the dreamers and doers

Market, Develop & Connect

with the
Rensselaer County Regional Chamber of Commerce
Your Partner for All Business

COMMUNITY MUTUAL INSURANCE COMPANY
433 River Street, Suite 400 - Troy, NY 12180
Phone: 518-477-8182

Union Mutual Insurance Company
Community Mutual Insurance Company
Linden Mutual Insurance Company
New England Casualty Insurance Company, Inc.
Downtown Troy
Business Improvement District
DowntownTroy.org

Shop . Dine . Explore
TROY. NY

#ENJOYTROY