

Meeting Notes

Clinton Square DRI Local Planning Committee Meeting #4

Albany Downtown Revitalization Initiative

Date/Time: January 16, 2019 / 5:30pm

Place: Hampton Inn – Downtown Albany,

Attendees: Mayor Kathy Sheehan, Co-Chair
Linda MacFarlane, Co-Chair
Mark Aronowitz
Jill Delaney
Albert DeSalvo
Steve Longo
Tracy Metzger
Sonya del Peral
Dominick Pernomo
Sarah Reginelli
Brenda Robinson
Georgette Steffens

Kaitlyn Smith, New York State (NYS) Department of State (DOS)
Ashley Mohl, Capitalize Albany
Darren Scott, NYS Homes & Community Renewal (HCR)
Steve Kearney, Stantec
Phil Schaeffing, Stantec

The fourth Clinton Square Local Planning Committee meeting took place from 5:30-7:00pm on January 16, 2019 at the Downtown Albany Hampton Inn. The meeting's purpose was to provide an update on the DRI process, review findings of the residential market analysis, and begin discussing the project analysis underway by the consultant team. Steve Kearney from Stantec presented the attached slideshow.

Welcome 5:30

Conflict of Interest Statement 5:30

Planning Progress Report 5:35

- Reminder to LPC that project review materials are a work in progress and numbers will change as necessary information is received from project sponsors. The list of potential projects can be found on the City of Albany's DRI website – www.albanyny.gov/DRIClintonSquare
- Reminder to LPC about completing recusal forms. Members were advised to list any potential conflicts and to be clear about their roles
- LPC members will review potential projects against DRI goals and strategies. The LPC will focus on project concept for this exercise; project feasibility is a separate analysis under development by the consultant team

Residential Market Analysis Findings 5:55

- The consultant team's residential market analyst, ZVA, is the same firm that conducted the 2011 analysis for Capitalize Albany's Impact Albany plan.

- Downtown Albany is seeing higher capture rates than in 2011 – stronger market now.
- This presentation focuses on market-rate housing potential; mixed-income/affordable housing potential is under development now and will be included in the draft report and presented at next LPC meeting.
- Most monthly rents for market-rate housing are expected to be between \$900 and \$2,000/month – \$3,500 high end cited in presentation is for a few penthouse-type units. Location is more important than large unit size.
- Projected condo and townhouse prices are based on 10% down payment and 4% mortgage. ZVA assumed buyer would be paying taxes
- ZVA wouldn't recommend large condo buildings because of pre-sale requirements and slower absorption; however, other small/mid-size cities have converted "mansion-type" buildings into 4-12 unit condos that can complete pre-sale faster.
- LPC question: Any consideration given to owner-occupied restrictions to avoid price inflation due to investors (i.e. AirBnB)? Is that a risk in Albany? ZVA response: It can be hard to regulate what owners do with their homes; some condo documents forbid renting units. Likely not an issue in Albany now as most rents are fairly affordable today.
- LPC can make recommendations in the plan about community priorities, potential policies, etc.

Ongoing Project Analysis 6:25

- 222 N. Pearl St Redevelopment –Consultant team will analyze feasibility of conceptual designs and clarify whether project sponsor will move forward with the housing and/or commercial options. Only the fully housing option is compliant with current zoning.
 - City's Technical Review Committee (TRC) identified potential major asbestos issue and structural issue that could make project infeasible.
- 745 Broadway Mixed- Project sponsor has identified a need for total funding of 5 million dollars. Consultant team will determine the appropriate DRI request that would still be financially feasible for project.
- LPC will conceptually weigh costs with various benefits in connection with the goals and transformative potential of the project. The LPC, with technical assistance from the consultant team, will then identify the strongest projects to get down to ~\$12-15M of DRI request [NYS will make final selection from that list]. Other projects not recommended for immediate DRI funding will still be included in report as important future considerations
- Remaining projects will be discussed at the next LPC meeting

Public Comment Period 7:00

- Regarding AirBnB impact – it's an issue in big cities and small villages. In my small village, many apartment leases explicitly prohibit sub-renting unit for security and other reasons.

Meeting Adjourned 7:00

Next Steps

- Public meeting #2 is scheduled for February 5 at the Palace Theatre.
- The next Local Planning Committee (LPC) meeting will be held Wednesday, February 20, 2019 at 5:30pm at the Hampton Inn – Downtown Albany. These are working meetings for the committee but all LPC meetings are open to the public.
- Consultant team is continuing to review projects for feasibility which will inform LPC's final recommendations.