

New York's Capital Region:
Where Innovation Takes Root

Opportunity Zone Prospectus

Capital Region Profile

- The **Capital Region** is an eight-county region that includes Albany, Columbia, Greene, Rensselaer, Saratoga, Schenectady, Warren and Washington counties. The region spans **5,336 square miles**.

Stats (2018)

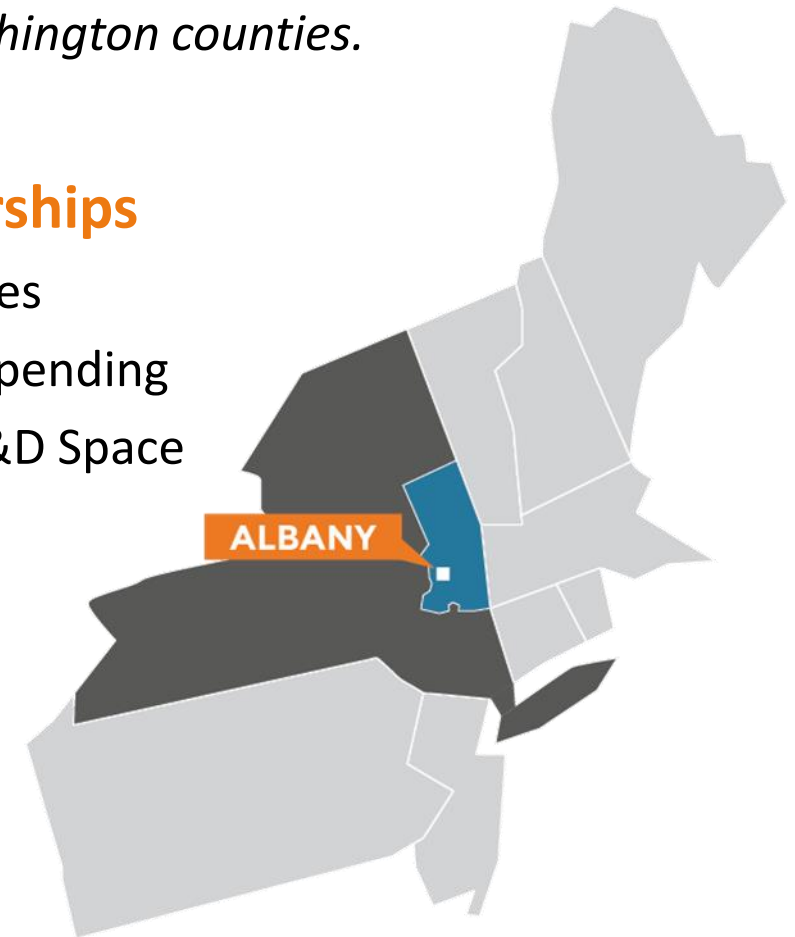
- Population: **1.1M**
- Labor Force: **550,100**
- Unemployment: **4.3%**
- Real GDP Growth: **\$15.2B**

Talent Pipeline

- **33.5%** population with BA or Higher
- **4,600** STEM degrees awarded annually

Industry R&D Partnerships

- **24** Colleges & Universities
- **\$562M** in annual R&D spending
- **1.6M** sq ft University R&D Space
- Innovative workforce development efforts

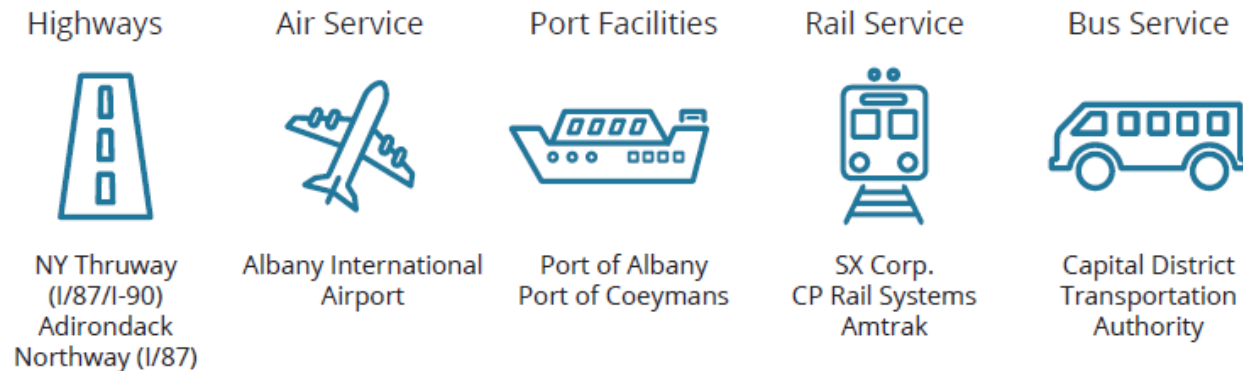


Region at a Glance

Key Industries



Infrastructure Assets



Accolades



Corporate Partners



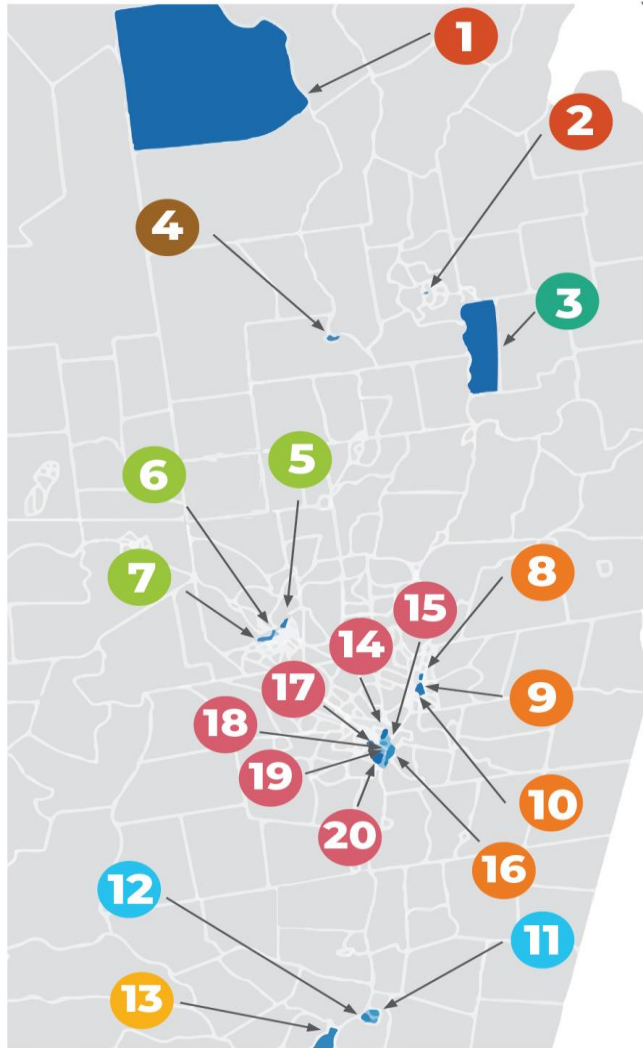
Regional Investment

- **Mohawk Harbor:** \$330 million investment in Schenectady
- **Regeneron Pharmaceuticals:** \$870 million investment in East Greenbush
- **Park South:** \$110 million investment around Albany Medical Center
- **Applied Materials:** \$880 million investment at SUNY Polytechnic Institute
- **GLOBALFOUNDRIES:** \$12 billion investment in Fab 8 in Malta
- **NYS DOH Wadsworth Laboratories:** \$750 million investment in Albany
- **Albany International Airport:** \$92 million investment at airport and Northway Exit 4



NY'S CAPITAL REGION OPPORTUNITY ZONES

20 Opportunity Zones in 8 counties



DEMOGRAPHICS

60,000+
residents

26,274
employed residents
in 2017

4.7% ↑
increase in
employed residents
over last 5 years

8.2%
combined
unemployment
rate in 2017,
down from 13.2
percent 5 years
earlier

16,100+
residents below
the poverty level

28.4%
combined
poverty rate

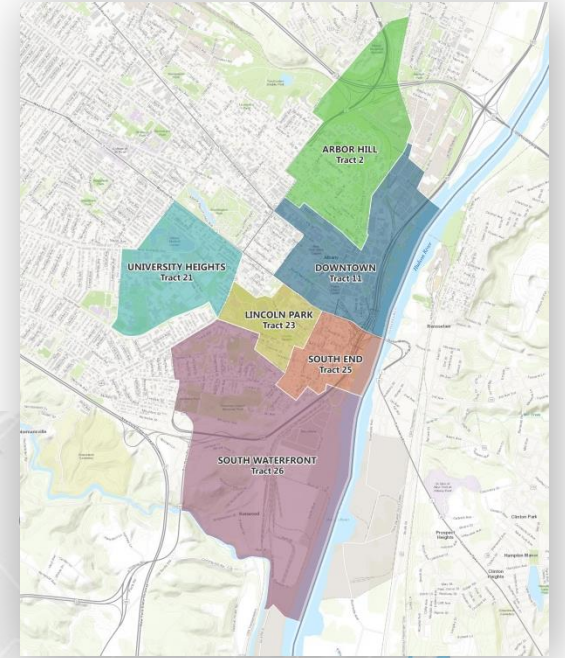
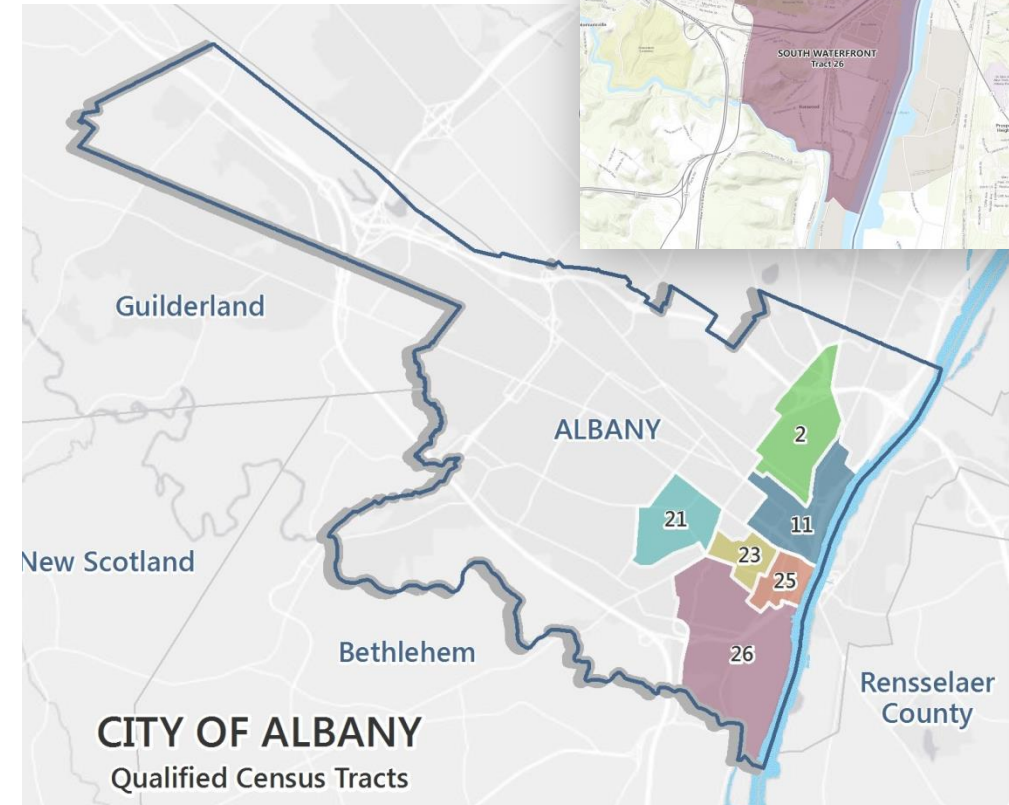


OPPORTUNITY ZONES INVESTOR BENEFITS

- » Deferrable taxes on prior gains invested in a Qualified Opportunity Fund (QOF) until QOF investment is sold or exchanged, or until December 31, 2026.
- » 10 percent exclusion of the deferred gain for QOF investments held for at least five years and 15 percent for those held for at least seven years.
- » QOF investments held for at least 10 years are eligible for increases equal to their fair market value at the time of their sale or exchange.

City of Albany, New York Opportunity Zone Overview

- The City of Albany, located on the banks of the Hudson River in the heart of the Capital Region, is proud to be **New York State's Capital City**.
- Albany is a beautiful destination, offering valuable resources for higher education and sustainable living, **vibrant and active urban centers** and desirable, historic neighborhoods for its population of 98,425.
- Collaborative efforts of City staff, residents and key development partners continue to develop programs, **diverse financing opportunities and transformational real estate projects** that improve neighborhoods and energize the City's business climate.
- Albany has **6 different Opportunity Zones**, each with recent catalytic investments and significant investment potential.



Opportunity Zone: Arbor Hill Neighborhood



Ribbon cutting for Phase I of the \$60 million Ida Yarbrough affordable housing development.

City of Albany, Census Tract 2

One of Albany's first neighborhoods ♦ Diverse area located adjacent to Downtown ♦ An area rich with history ♦ Anchored by the historical landmark Palace Theatre ♦ Nearly \$50 million in new investment taking shape along Clinton Avenue corridor ♦ Revitalization guided by a local neighborhood plan ♦ \$10 million NYS Downtown Revitalization Initiative award recipient leveraging nearly \$180 million of potential projects ♦

Quick Facts

- Population: 4,731
- Households: 2,925
- Labor Force: 2,141
- Unemployment Rate: 8.7%

Catalytic Real Estate Investment

- More than \$200 million in total investment
- \$175.1 million in residential/mixed-use investment including the Albany Barn — a creative arts incubator and live/work space that has been fostering art and encouraging renovation in the community for a decade.

Opportunity Zone: Arbor Hill Neighborhood

City of Albany, Census Tract 2

Assets

- This neighborhood's rich past is illustrated in the spires of Saint Joseph's Church, historic structures, and Ten Broeck Mansion.
- This diverse neighborhood enjoys parks, a location adjacent to Downtown, and the commercial offerings of Henry Johnson Boulevard.
- Located within this zone, major performing arts venue the Palace Theatre attracts more than 175,000 visitors annually. Expansion plans for the theatre are anticipated to draw an increase of 375,000 visitors.

Economic & Social Indicators

- Race: 81.8% Black or African American; 19.4% White; 5.2% American Indian or Alaskan Native; 4.3% Asian; 0.8% Native Hawaiian and Other Pacific Islander; 0.7% Some Other Race
- Median Age: 31.9
- Median Income: \$24,091
- Educational Attainment: 15.1% BS or Higher

Opportunity Zone: Arbor Hill Neighborhood

City of Albany, Census Tract 2

Recent Investments & Projects

- The \$18 million Sheridan Hollow Village project created 57 quality affordable rental housing units, 1,000 SF of on-site management, and 9,000 SF of commercial space.
- Phases I & II of the \$45 million Ida Yarbrough project led by Albany Housing Authority have created 61 new townhomes and 76 new apartments affordable to low and moderate income persons and families.
- A \$47.8 million affordable housing and mixed-income project is currently rehabilitating 210 units of housing along Clinton Avenue and Ten Broeck Triangle.

Opportunities

- Invest in the \$30 million Palace Theatre expansion and modernization project.
- Invest in Ida Yarbrough Phase III, which will include up to 10 new affordable homes for sale to first-time homebuyers.
- Invest in single-owner, scattered site rehab or strategic clusters of residential/mixed-use development throughout the neighborhood.



Opportunity Zone: Downtown Albany



The \$15 million Skyway project will transform an underutilized highway bridge into a vibrant, linear park.

City of Albany, Census Tract 11

Comprised of Downtown Albany and the North Albany Warehouse District ♦ Unprecedented momentum driven by the Impact Downtown Albany strategic plan ♦ Albany's newest and fastest growing neighborhood ♦ Unparalleled opportunity for investment in the Capital City ♦ \$200 million in identified future projects ♦

Quick Facts

- Population: 1,403
- Households: 904
- Labor Force: 600
- Unemployment Rate: 3.7%

Catalytic Real Estate Investment

- Nearly \$1 billion in total investment
- A foundation of more than \$150 million in recent residential development, dynamic growth in the craft beverage industry and more than \$200 million in identified future projects.

Opportunity Zone: Downtown Albany

City of Albany, Census Tract 11

Assets

- As the state capital, Downtown Albany is the home of the New York State government, which is an anchor for talent and consumption.
- World-class dining, renowned hotels, state-of-the-art entertainment venues, and Fortune 500 Companies are all present within Downtown Albany, all contributing to the 1,000,000+ visitors to Downtown annually.
- Major entertainment and cultural institutions located here include the Times Union Center, the Egg Performing Arts Center, and the Albany Capital Center.
- This zone includes a five acre redevelopment opportunity, prime for investment.

Economic & Social Indicators

- Race: 49.0% White; 36.8% Black or African American; 13.0% Asian; 3.6% American Indian and Alaskan Native; 1.9% Some Other Race
- Median Age: 46.8
- Median Income: \$23,036
- Educational Attainment: 28.1% BS or Higher

Opportunity Zone: Downtown Albany

City of Albany, Census Tract 11

Recent Investments & Projects

- The Impact Downtown strategy has led to more than \$246 million in investment over the past two years.
- Conversion of vacant and underutilized office space into new downtown residential has created more than 500 new market rate residential units and has repurposed more than 500,000 SF of obsolete commercial office space.
- The construction and opening of a \$78 million new 82,000 SF convention center, the Albany Capital Center, created a facility that is twice the capacity of the largest national competitor.

Opportunities

- Invest in a \$85 million mixed-use residential and hotel project at historic Quackenbush Square.
- Invest in the \$78 million Kenmore Complex project to renovate 403,000 SF of long abandoned, historic properties into a mixed-use lifestyle center
- Invest in the construction of a planned 130 residential units and 10,800 SF retail space with a 225 car garage along the Broadway corridor.



Opportunity Zone: University Heights



The Park South Urban Renewal Plan has led the revival of this neighborhood over the past decade, dramatically transforming this area of the city.

Quick Facts

- Population: 3,550
- Households: 1,347
- Labor Force: 1,705
- Unemployment Rate: 3.8%

City of Albany, Census Tract 21

Home to Albany Medical Center, Albany College of Pharmacy, Albany Law School and Sage College ♦ Park South has both seen residential, commercial and retail projects unfold in the last decade ♦ As the institutions in this zone continue to expand, continued investment growth is expected ♦ Significant real estate remains with excellent potential for redevelopment adjacent to these major institutions ♦

Catalytic Real Estate Investment

- Over the past decade, the Park South Urban Renewal Plan implementation has incited more than \$600 million of investment within this zone.

Opportunity Zone: University Heights

City of Albany, Census Tract 21

Assets

- Anchored by Albany Medical Center (AMC), a regional medical facility and significant employer in the City of Albany.
- Investing more than \$360 million, AMC continues to expand its presence in the area to keep pace with demand for healthcare services and has partnered with public and private entities to improve the community.
- In addition to AMC, this neighborhood is home to three universities and an expanding commercial area, which contains many health care-related businesses, several retail stores, and restaurants.

Economic & Social Indicators

- Race: 51.0% White; 27.2% Black or African American; 21.6% Asian; 6.1% Some Other Race; 0.7% American Indian and Alaskan Native
- Median Age: 24.3
- Median Income: \$49,541
- Educational Attainment: 36.5% BS or Higher

Opportunity Zone: University Heights

City of Albany, Census Tract 21

Recent Investments & Projects

- A recent \$110 million anchor project led by Albany Medical Center and Tri-City Rentals included 268 apartments, a 134,000 SF medical office building, an 816-space parking garage, and two mixed-use buildings.
- In 2018, Albany Medical Center completed the Region's first pediatric emergency center, investing another \$50 million in this latest expansion.
- The most recent project to come online – the Reserve at Park South – marks the completion of the first independent, new construction project to be completed in the neighborhood.

Opportunities

- Invest in the \$6 million RECKDE II project, consisting of approximately 30 units of 1 & 2 bedroom residential rental (40,000 SF) above 25 parking spots.
- Invest in the \$5.3 million Morris Place project, which includes the demolition of an existing, blighted apartment building and the construction of a five story, 28- unit building with indoor parking.



Opportunity Zone: Lincoln Park



From Albany's South End neighborhood and beyond, the views of the downtown Albany skyline are spectacular.

Quick Facts

- Population: 1,895
- Households: 1,274
- Labor Force: 1,047
- Unemployment Rate: 6.6%

City of Albany, Census Tract 23

Zones 23, 25 & 26 make up Albany's South End neighborhood ♦ Stakeholder-guided Capital South revitalization strategy ♦ Home to the New York State Executive Mansion and New York State historic landmark Lincoln Park ♦ Large-scale investments like the Capital South Campus Center ♦ Stunning vistas of the state capital ♦

Catalytic Real Estate Investment

- \$25 million in total investment, which included the reimagining of outdated public housing to make way for reinvestment, and building quality, low-density affordable infill to stabilize blighted blocks.

Opportunity Zone: Lincoln Park

City of Albany, Census Tract 23

Assets

- This neighborhood is beautified by a number of landmarks including the amazing architecture of the New York State Executive Mansion, as well one of the City's largest parks, historic Lincoln Park.
- The New York State Museum is a major attraction located here, bringing in 640,000 patrons annually.
- A hub for educational advancement and workforce development, the Capital South Campus Center has more than 50 educational and community partners offering services or located at the facility.
- Also based in this neighborhood, nonprofit Youth FX empowers young people by teaching them the technical and creative aspects of digital film making and media production.

Economic & Social Indicators

- Race: 58.9% Black or African American; 37.5% White; 9.8% Some Other Race; 0.8% Asian; 0.2% American Indian and Alaskan Native
- Median Age: 36.7
- Median Income: \$30,329
- Educational Attainment: 30.0% BS or Higher

Opportunity Zone: Lincoln Park

City of Albany, Census Tract 23

Recent Investments & Projects

- In 2014, the development, design, and construction of a \$6.5 million, 17,500 SF educational campus center, the Capital South Campus Center, was completed.
- Eagle Court Apartments, built as part of Phase I of the three-phase South End Revitalization project, produced 33 one bedroom apartments and 9 two bedroom apartments. All phases of this revitalization project together cost \$35.3 million and produced a total of 115 units.
- Through \$2.5 million in public and private investment, Morton's Walk provided 16 new homes for Habitat for Humanity selected buyers.

Opportunities

- Invest in the redevelopment of a nearly 30,000 SF commercial/flex space located across the street from the Capital South Campus Center and adjacent to local nonprofit Youth FX.
- Invest in an Albany Housing Authority-sponsored project to demolish the remaining Lincoln Square public housing towers and create a mixed-use development.



Opportunity Zone: South End



Historic Pastures Mansions, originally constructed in the 1800's as row houses , then converted to apartments in the 1980s, were fully rehabilitated in 2016.

Quick Facts

- Population: 3,140
- Households: 1,862
- Labor Force: 1,217
- Unemployment Rate: 12.2%

City of Albany, Census Tract 25

Zones 23, 25 & 26 make up Albany's South End neighborhood ♦ Tract 25 is the true core of the South End ♦ Stakeholder-guided Capital South revitalization strategy ♦ Southern portion of Albany's traditional Downtown ♦ Historic Pastures Mansions ♦ Significant institutional presence within the neighborhood ♦

Catalytic Real Estate Investment

- \$80+ million in total investment including historic preservation and affordable housing projects, as well as institutional investment in schools, libraries and other public buildings.

Opportunity Zone: South End

City of Albany, Census Tract 25

Assets

- With the Empire State Plaza as a backdrop, this neighborhood features historic Victorian row houses, some of the City's most popular, distinctive restaurants, a diverse artistic community and a quick walk to all that downtown offers.
- Designated as a Historic District in New York State and listed on the National Register of Historic Places, the architecture of the Pastures and South End neighborhoods reflects over 150 years of history and evolution.
- Several parks and recreational facilities are located nearby, as are major transportation links such as the New York State Thruway, the Amtrak Rail and Greyhound Bus Stations, and numerous CDTA bus routes.

Economic & Social Indicators

- Race: 78.1% Black or African American; 18.1% White; 9.5% Some Other Race; 0.2% American Indian and Alaskan Native
- Median Age: 27.9
- Median Income: \$18,421
- Educational Attainment: 12.2% BS or Higher

Opportunity Zone: South End

City of Albany, Census Tract 25

Recent Investments & Projects

- The \$40 million Historic Pastures Mansions project entailed the acquisition, renovation, and preservation of three existing scattered site complexes consisting of 91 buildings, which created 246 housing units.
- The Jared Holt Mews Townhouses are new two story townhomes built as part of Phase I of the three-phase South End Revitalization project. All phases of this revitalization project together cost \$35.3 million and produced a total of 115 units.
- A \$1.5 million investment was made at public housing complex Steamboat Square Homes for building renovations and safety upgrades to the 4 mid- and high-rise structures, as well as the 10 Historic Rehabs and 44 Townhouses.

Opportunities

- Invest in the redevelopment of available County-owned property located at the intersection of two main thoroughfares.
- Invest in a single-ownership, scattered site redevelopment proposed to encompass a five-block area in the lower South End of Albany and create 420 residential units.



Opportunity Zone: South Waterfront



This zone is endowed with the economy-driving industries of the Port of Albany, as well as an array of small shops and other locally-owned businesses.

City of Albany, Census Tract 26

Zones 23, 25 & 26 make up Albany's South End neighborhood ♦ Stakeholder-guided Capital South revitalization strategy ♦ Large-scale investments made by the Port of Albany, a major commercial/industrial hub with easy interstate, river, and rail access ♦ Thriving commercial corridor of local small businesses ♦ This sprawling tract also includes a vibrant, working class neighborhood ♦

Quick Facts

- Population: 5,194
- Households: 2,435
- Labor Force: 2,667
- Unemployment Rate: 10.5%

Catalytic Real Estate Investment

- \$80+ million in total investment in industrial, logistics and neighborhood revitalization.

Opportunity Zone: South Waterfront

City of Albany, Census Tract 26

Assets

- Home to two of Albany's most recognizable landmarks, Historic Cherry Hill and Kenwood Convent of the Sacred Heart.
- Anchored by the Port of Albany, which has a statewide fiscal impact of more than \$800 million annually. Tenants of the Albany Port District Commission pay over \$80 million in wages and benefits for approximately 1,400 local jobs and 4,500 jobs throughout New York State.
- Located in this census tract, the Delaware Avenue South (DelSo) neighborhood is one of Albany's most stable downtown neighborhoods.

Economic & Social Indicators

- Race: 62.3% Black or African American; 24.7% White; 8.1% Asian; 6.3% Some Other Race; 2.1% American Indian or Alaskan Native
- Median Age: 32.9
- Median Income: \$35,611
- Educational Attainment: 12.4% BS or Higher

Opportunity Zone: South Waterfront

City of Albany, Census Tract 26

Recent Investments & Projects

- The Port of Albany is in its second year of a four year, \$50 million maritime infrastructure improvement plan, which will enable the Port to support new customers from around the world.
- \$15 million has been invested in infrastructure improvements along Delaware Avenue.
- A \$10 million project located at 351 Southern Boulevard will revitalize a principal gateway to this zone and provide new neighborhood amenities such as a 30,000 SF fitness center, a car wash, convenience store, and other retail.

Opportunities

- Invest in The Seventy Sixer, a proposed demolition of three existing buildings and vacant lots to construct approximately 48 units of 1 and 2 bedroom residential.
- Invest in the Kenwood Convent, a vacant opportunity site currently proposed as a \$500 million mixed-use project.



City of Albany, New York

Opportunity Zone Social & Economic Overview

	Population Growth	Social Diversity	Poverty Rate	Median Income	Education BS or Higher	Median Age	Unemployment
Tract 2	4,731 (-14.1%)	81.8% Black or African American; 19.4% White; 5.2% American Indian or Alaskan Native	33.1%	\$24,091	15.1%	31.9	8.7%
Tract 11	1,403 (-3.5%)	49.0% White; 36.8% Black or African American; 13.0% Asian	42.4%	\$23,036	28.1%	46.8	3.7%
Tract 21	3,550 (23.4%)	51.0% White; 27.2% Black or African American; 21.6% Asian; 6.1% Some Other Race	31.3%	\$49,541	36.5%	24.3	3.8%
Tract 23	1,895 (-2.1%)	58.9% Black or African American; 37.5% White; 9.8% Some Other Race	37.1%	\$30,329	30.0%	36.7	6.6%
Tract 25	3,140 (31.2%)	78.1% Black or African American; 18.1% White; 9.5% Some Other Race	46.2%	\$18,421	12.2%	27.9	12.2%
Tract 26	5,194 (-10.1%)	62.3% Black or African American; 24.7% White; 8.1% Asian; 6.3% Some Other Race	27.1%	\$35,611	12.4%	32.9	10.5%

City of Albany, New York

Potential Investment Opportunities

Zone	Project	Investment	Zone	Project	Investment	Zone	Project	Investment	Zone	Project	Investment
2	222 North Pearl Street Redevelopment Rehab 9000 sq. ft. former police station into six new residential units and ground floor space for mixed-use retail establishment.	\$1,800,000	11	960 Broadway LLC Conversion of vacant 4-story 53,000 SF warehouse into a +/- 3,000 SF restaurant and a TBD 2,000 SF comm. space. Upper 3 floors are 24 mkt rate apts. 0.42 acre site.	\$6,000,000	11	The Wilson New construction of a +/- 27,067 SF, 4 story building will include 17 market-rate rental apartments on the upper floors, with +/- 15 interior parking spaces. The apartments will be a mix of 1 and 2 bedrooms units.	\$4,667,000	25	2nd Avenue - Public School 17 Vacant former school, available for possible residential/mixed-use conversion, willing owner.	--
2	Clinton Ave Apts. Housing Devel. Fund Corp. 70 buildings from 300 block of Clinton to Ten Broeck, 210 residential and 6 commercial units encompassing +/- 210,000 SF & 1,500 SF retail.	\$47,838,223	11	737-745 Broadway New construction of a planned 130 residential units and 10,000 sq. ft. of retail space with a 225-car garage.	\$45,750,000	21	Gallery on Holland The project proposes demolishing the existing structures and constructing approximately 125 market rate apartments with 170 structured parking spaces.	\$22,973,698	25	DMV Site Redevelopment County-owned property available for redevelopment.	--
2	Clinton Square Studios New construction of a 6-story, 60,000 SF 70-unit mixed use with live-work space for identified performing arts tenant.	\$24,672,000	11	760 Broadway LLC New construction of a +/- 73,712 SF, 88 units of mkt rate apts. 5-story, Studio, 1 & 2 BDRM over 91 spot garage.	\$18,500,000	21	Morris Place Demo of 8,568 SF underutilized building and new construction of a 7,700 SF 28 unit apartment complex with 18 parking spots.	\$4,500,000	25	South Albany Neighborhood Redevelopment Single-ownership, scattered site redevelopment proposed to encompass a five-block area in the lower South End of Albany and create 420 residential units.	--
2	Death Wish Coffee New construction of a 2-story, 2,000 SF, retail and café location for Death Wish Coffee Company.	\$520,800	11	Apartments at 705 Broadway New construction of a 6-story, 129 unit, 130,783 SF, mixed-use infill development.		21	RECKDE LLC Demo of 3 existing bldgs. (6,680 SF) & 3 vacant lots, new construction of 30 units of 1 & 2 BDRM residential rental (40,000 SF) above 25 parking spots.	\$5,200,000	26	351 Diamond Development LLC 2,344 SF coffee shop; 17,889 SF retail; 9,026 SF car wash; existing 16,880 SF bldg. renovated for retail space. 10.5 acre site "Capital Square".	\$10,175,000
2,7	Henry Johnson parcels Opportunity for infill, mixed-use development, could be bundled with properties across street in adjacent Census Tract.	--	11	FC 705 Broadway LLC The proposed hotel is a select service Hyatt Place, eight story building with 132 rooms.	\$30,415,000	21	RECKDE II LLC Approximately 30 units of 1 & 2 BDRM residential rental (40,000 SF) above 25 parking spots.	\$6,000,000	26	Mukura Inc. 62,400 SF hotel will have bar, restaurant, meeting rooms, indoor pool, fitness, small market place and about 101 rooms.	\$12,000,000
2	Ida Yarbrough Phase 3 New construction of 10 new homeownership units as part of the redevelopment of the existing public housing low rise site.	\$3,400,000	11	Harmony Mills South LLC Residential conversion of the upper 11 floors (148,489 SF) of office space into 154 residential dwelling units.	\$23,135,000	23	Lincoln Square Tower Demo & Redevelopment The Albany Housing Authority has worked for years to find money to demolish the remaining public housing towers around Lincoln Park with the intention of creating mixed-use development.	--	26	The Seventy Sixer Demo of 3 existing bldgs. and use of vacant lots, approximately 48 units of 1 & 2 bedroom residential rental.	\$500,000
2	Palace Theatre Fix marquee sign, become fully ADA-compliant, expand usable stage space, modernize load-in space, upgrade HVAC, and other improvements.	\$35,000,000	11	Jankow Cos LLC 26 apartments with retail space, dog park, community garden and lounge area.	--	23	Warren Street Unique co-location opportunity for production of local craft beverages or other commercial use. Up to 27,698 SF of space available, high-bay, open-plan industrial space located in Albany's South End. Solid brick structure with great rooftop view.	--	26	Kenwood Convent A vacant opportunity site currently proposed as a mixed-use project.	--
2	The Pearl @ Livingston New construction of a 5-story, 58,000 SF, mixed use infill development.	\$8,420,065	11	Kenmore Complex Renovate 403,000 SF of long abandoned, historic properties lining North Pearl Street into a mixed-use lifestyle center.	\$55,000,000						