



30th anniversary

2009 Annual Report
Albany Local Development Corporation

"The ALDC is a glowing example of an

economic driver. It has affected nearly every project in Albany in the last 30 years."

-Raymond J. Kinley, Jr.
Former ALDC Board Chairman

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Friends & Colleagues,

This year the Albany Local Development Corporation is celebrating a major milestone. This is the 30th Anniversary of the incorporation of the ALDC. Thank you for joining us in celebrating 30 years of economic development! This year, in addition to recognizing highlights that the ALDC has facilitated in 2009, we will commemorate significant achievements that have been made possible by the ALDC. The result, as you will see, has been a spectacular transformation in the City of Albany.

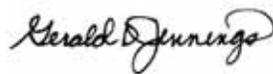
The Albany Local Development Corporation was originally formed in 1979 to assist with job creation, small business assistance and community and economic development. Over the years, the organization has evolved to include large-scale real estate development and other landmark projects, such as the restoration of the Palace Theatre and Albany's riverfront redevelopment.

This evolution has been a result of forging strong partnerships and having an inspired vision. Since 1994 when Capitalize Albany, the City's economic development strategy, was formed, the ALDC has continued to grow. The implementation of Capitalize Albany is a responsibility that the ALDC embraced with the goal of creating an environment that stimulates transformational change. This is precisely the environment that has fostered the emergence of Albany NanoTech in the City of Albany. This cutting-edge research and development facility is drawing global attention and investment and creating world class opportunities for our region. Cultivating a strong business environment is one of a number of principles of the City's economic development strategy. In addition, enhancing neighborhoods and quality of life and revitalizing downtown are cornerstones of this strategy.

The ALDC has been vigilant in updating and refining Capitalize Albany in order to address local and national economic changes. We remain committed to this task and to advancing this Capital City. We extend a special thanks to the ALDC Board of Directors, who provide clear guidance during these challenging economic times. Our thanks also go to ALDC President Michael Yevoli and his dedicated staff.

As we celebrate 30 years of the ALDC, we also recognize and honor all those that have had a role in the work of the ALDC. This includes past Board Chairs and Directors of the Corporation, as well as former officers and staff. We look forward to a very bright future with your continued support.

Very Sincerely,



Gerald D. Jennings
Mayor, City of Albany



Kevin O'Connor
Chairman, ALDC





ALBAN
LOCAL
DEVELOPMENT
CORPORATION

21

The image shows a close-up of a decorative sign mounted on a brick wall. The sign is dark red with a white border and features gold lettering. The text on the sign reads 'ALBAN LOCAL DEVELOPMENT CORPORATION' and the number '21' is displayed in a white oval at the bottom. The sign is mounted on a brick wall with a white decorative frame.



30 years

Transforming
the way
Albany does
business

As the Albany Local Development Corporation reaches this landmark anniversary, it is time to celebrate its accomplishments, build upon success and prepare for the future. Reflecting on the past 30 years, the ALDC has contributed to positive change in the City's business and residential communities. The economic climate of the city has changed and the ALDC has adapted to meet the needs of the present while keeping an eye on the future. The Corporation has continued to evolve and expand its responsibilities, while ultimately carrying out the mission of the organization. The ALDC's work has progressed to include large-scale real estate development that is enhancing our neighborhood and commercial districts.

Throughout the past 30 years, the ALDC has had a strategic approach to economic development. Capitalize Albany, most recently updated in 2007, has provided a clear vision and direction for the ALDC and its partners. This strategy is currently being implemented even as the organization is responding to exceptional local and national economic challenges. This renewed commitment to success is largely a result of unwavering leadership and commitment to future economic development opportunities. This combination of strategy, commitment and leadership has guided the ALDC to act as a driver for economic development in the City of Albany and the Capital Region.

30 Years

of economic development success

Over the past three decades, the City of Albany has experienced a tremendous level of success in taking ideas, formulating those ideas into a vision, and putting the tools in place to carryout that vision. The results are many signature projects and programs that continue to bring opportunities and vibrancy throughout the City. Over the years those ideas change, and the dedicated individuals who put together the vision and strategy change, and the tools and resources that are made available change, but one thing has remained constant: the critical role the ALDC plays in every step of the process. Look back, remember, be inspired and start thinking about the next idea...

Creation of ALDC

The ALDC was incorporated in 1979 in order to help spur new employment opportunities, retain businesses and create of new investment in the City of Albany.

677 Broadway

...opened in 2004 and is downtown Albany's latest privately-constructed Class A office building. The ALDC provides the ground lease for this 12-story, 180,000 square foot tower.



South End Renewal

Focusing on the South End core and embracing the Mansion and Historic Pastures neighborhood, this plan aims to enhance this community and build upon its location.



All- America City

In 2009 the National Civic League selected the City of Albany as an All-America City for the 2nd time.

The City's economic development achievements and youth programming earned this national honor.

Albany Medical Center

The ALDC partners with AMC, one of New York's largest teaching hospitals and one of the region's largest employers, to assist in growth and investment to benefit the community.



Davies Office Refurbishing

The renovation and expansion of this 250,000 square foot manufacturing and warehouse facility in the 1990s was a cornerstone investment in the North Albany industrial district.



Capitalize Albany

Since its inception in 1994, the City of Albany's economic development strategy has been instrumental in bringing nearly 300 development projects to the City, totaling more than \$6 billion in new investment.

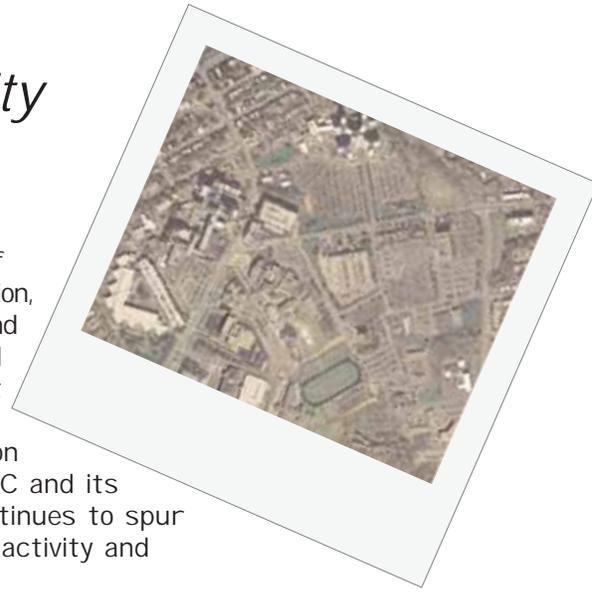
WAMC

Located at 339 Central Avenue, WAMC opened its doors in 2000 and has become a pivotal cultural and community events venue, drawing people to Central Avenue and its businesses each day.



University Heights

A unique combination of quality education, health care and research and development institutions in collaboration with the ALDC and its partners continues to spur cutting edge activity and collaboration.



Madison Avenue

This lively neighborhood C-1 district is a major attraction for residents in the heart of the City, which includes a neighborhood movie theatre and local market.

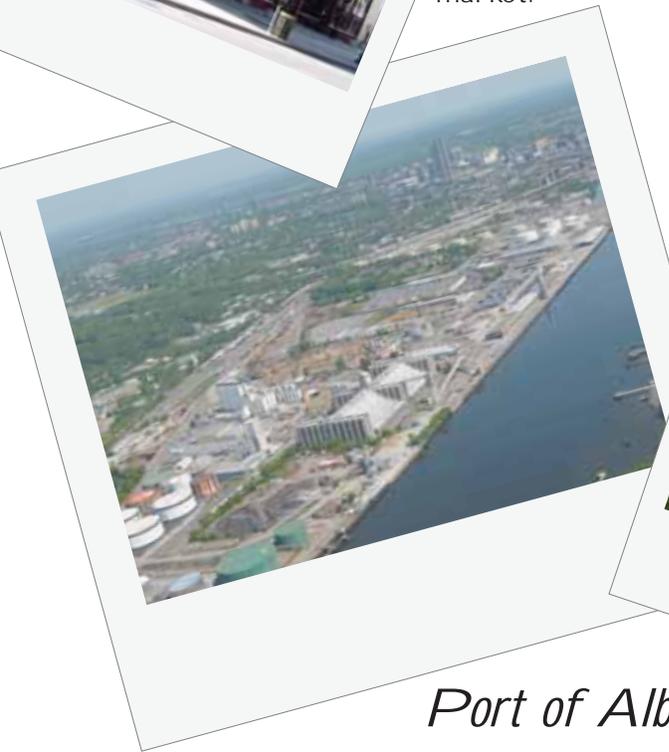


Huck Finn's Warehouse

Redevelopment of a major structure in North Albany during the 1990s created a destination for people around the region and spurred further investment and business activity in this industrial district.

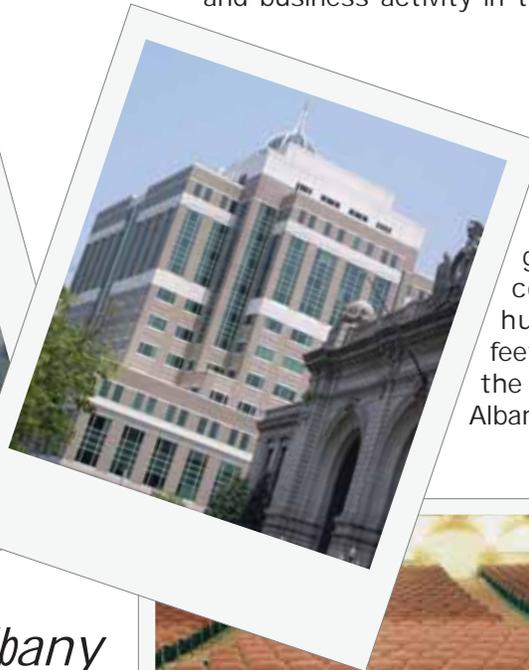
Albany Plan

Mayor Jennings' leadership in creating a partnership with the NYS government resulted in the construction of several hundred thousand square feet of new space, increasing the population in downtown Albany in the mid-1990s.



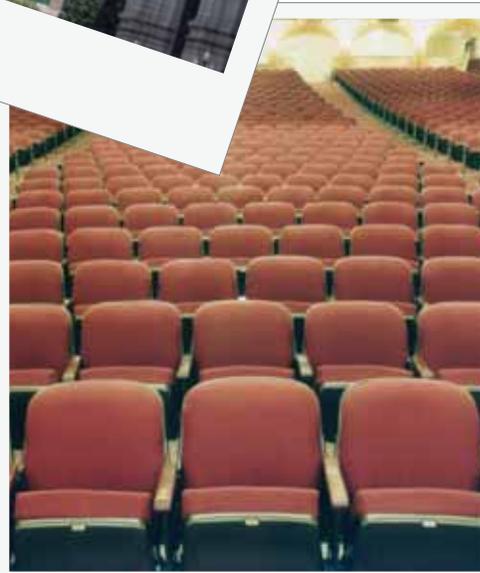
Port of Albany

...has been a center of commerce for the northeastern United States based in the City of Albany and serves as a transportation hub and a major partner in waterfront development efforts.



Palace Theatre

A full restoration of this premiere entertainment destination in the early 2000s resulted in a marvelous attraction for visitors and generated additional investment in downtown's entertainment district.



Wellington Place

...marks a monumental construction triumph for historic State Street. This restored row of buildings that have sat vacant for many years will attract new investment and add vibrancy to downtown.

C-1 Districts

This significant investment by the City and the ALDC was designed to work with local business owners to encourage enhancements throughout Albany's neighborhoods.



St. Peter's Expansion

The 2009 facility expansion is one of the largest IDA-assisted construction

project in the State of NY, creating new jobs and increased healthcare services for the Capital Region.

Downtown Residential

The City's newest living destination is occurring in downtown Albany as vacant and underutilized commercial buildings are being converted to residential units with the help of financing partners like the ALDC.



Spectrum 8 Theater

One of the ALDC's first business loans helped start this locally-owned, independent movie theater in 1983, which serves as a cornerstone for Delaware Avenue's commercial district.



Albany NanoTech

This 800,000 square foot, \$5 billion research and development complex is the heart of the global nanotechnology industry and started with the alliance of public, private and educational partners.



AMRI

The ALDC provided a business loan to help this local start-up venture expand since becoming a Fortune 500 company that remains based in Albany. Now with locations across the globe, it is a publicly traded research company.

Honest Weight Food Co-op

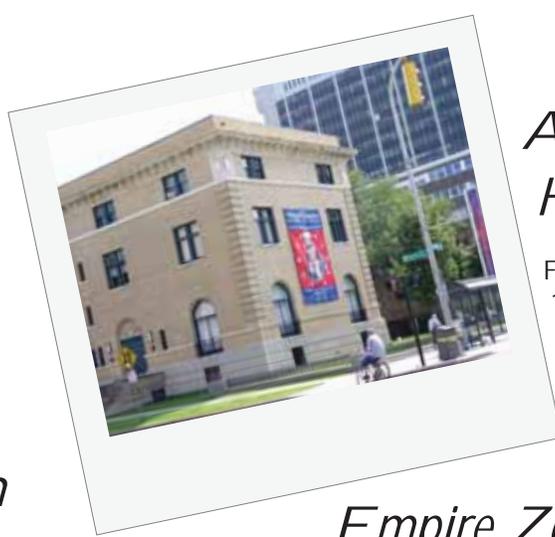
Founded in 1976, this unique community-based organization draws customers from the tri-state area seeking affordable, high quality organic products.





Albany Institute of History & Art

Founded in 1791 and expanded in 1998, this is one of the oldest museums in the United States and promotes interest in the history, art, and culture of Albany and the Upper Hudson Valley.

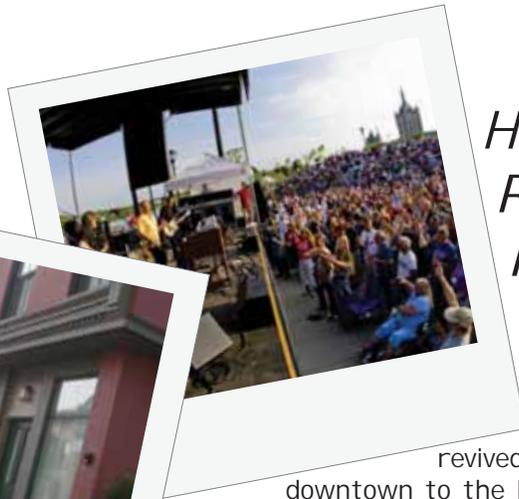


Patroon Creek

Albany's newest corporate center attracted nearly \$100 million of investment on this former state surplus property and is home to First Niagara's regional headquarters, The Alexander Apartments, SEFCU, and medical offices.

Empire Zone Designation

Designated in 1994, this business assistance program has been responsible for attracting \$663 million in business investment and retaining and creating more than 5,000 jobs in the City of Albany.

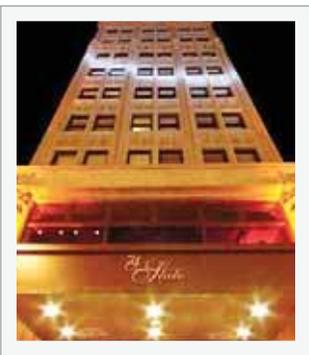


Hudson Riverway Pedestrian Bridge

Since its grand opening in 2002, a revived connection from downtown to the Riverfront Park has improved this destination for recreation and a variety of entertainment events.

Park South Redevelopment

The Park South Urban Renewal Plan adopted by the City in 2006 initiated a tremendous redevelopment of this 9-block neighborhood including commercial and residential reconstruction.



74 State

The first boutique hotel in downtown Albany fully restored an architecturally-significant building on lower State Street and represents an important investment in historic preservation.

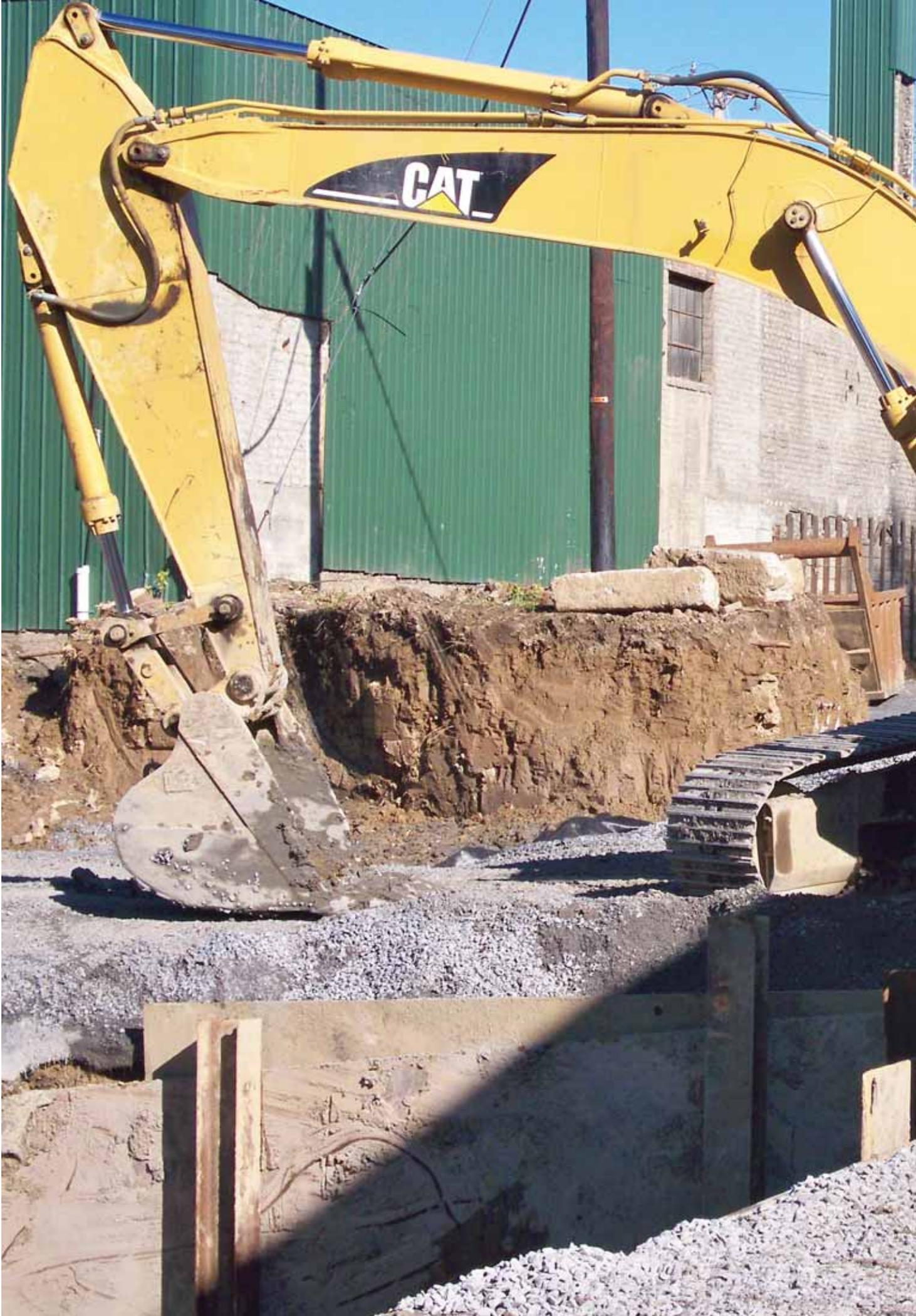
Arbor Hill Revitalization

The community-driven Arbor Hill Neighborhood Plan, released in 2003, has led to over \$40 million of investment and quality housing rehab projects as evidenced by the work of Norstar Development.



Historic District Rehabilitation

Local administration of federal funding in the 1980s provided tremendous revival of neighborhoods of choice throughout Albany, like the Mansion District, Historic Pastures, Center Square and others.





mission

The mission of the Albany Local Development Corporation is to facilitate transformational projects that the City of Albany has identified as priorities. In pursuit of that mission, the ALDC plays a primary role in the implementation of the Capitalize Albany Plan.

Over the last 30 years, the Albany Local Development Corporation has stayed true to its mission while growing and evolving to meet each decade's economic development needs. Capitalize Albany's bold and dynamic new vision prompted the ALDC to take on challenging, project-driven neighborhood revitalization and transformational commercial development. The organization adapted its strategies and expanded its scope to prioritize investment in the City's neighborhoods and leverage the expertise of the ALDC's Board and staff to make challenging and high-impact real estate transactions a reality.

The ALDC continues to evolve in these new directions, while sustaining its efforts to support a robust business environment. The ALDC maintains citywide business attraction and retention as a cornerstone of its efforts by marketing its commercial districts, assisting with start-up and expansion needs in a strategic manner, utilizing statewide incentive programs and helping businesses navigate the local business environment.

The Albany Local Development Corporation continues to be a powerful economic force, meeting the City's current development needs and creating an environment for a robust and vibrant economic future.

Project-Driven

Neighborhood Revitalization

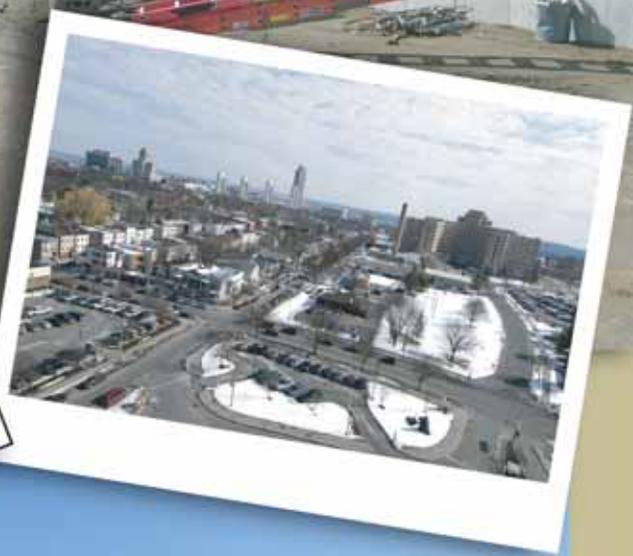
The latest update to Capitalize Albany sought to identify the critical issues, assets and challenges related to Albany's neighborhoods. It urged local leaders to develop partnerships and programming with the goal of making Albany's neighborhoods regionally competitive in terms of value, safety and quality of life.

The Albany Local Development Corporation is leading the charge by driving investment in the City's diverse and dynamic communities. In any development, site control is often a stumbling block. Revitalization of the City's most challenged neighborhoods is stalled by the complex and difficult task of acquiring private property necessary for a project. The ALDC has expanded its portfolio of services to include strategic property acquisition. The ALDC now has the capacity to strategically intervene in the private real estate market to make otherwise impossible projects a reality.

The ALDC focuses on securing pivotal distressed properties through new construction or rehabilitation. The organization offsets the risk involved with purchasing property by creating a necessary momentum and investment stream for the neighborhoods and forming creative, constructive partnerships with like-minded organizations - the City of Albany, Albany Housing Authority, private developers, New York State and Federal agencies.

This new direction has seen tremendous results. From new doctors' offices and a neighborhood credit union branch, to high-end affordable housing, to artists' lofts and retail space, neighborhoods throughout the City are reaping the benefits. These projects each dramatically improve the quality of life in the neighborhood and build a better future for the community. The ALDC is making that possible.







South End Redevelopment

Working in lockstep, the ALDC, City of Albany, Albany Housing Authority and Omni Development facilitated the development of a \$12 million project in the heart of Albany's South End. This investment resulted in 10 new lease-to-own units at the former Jared Holt Wax Factory Site, which welcomed its new residents this year. The ALDC's investment in this site began in February 1993 when the corporation took title to the properties and initiated a quarter of a million dollar brownfield cleanup. After clearing liens at the site, the Corporation sold the property in order for new development to occur. These new homes are a critical component called for in the Capital South Plan: *Segway to the Future*, a neighborhood plan designed to help transform the South End.



Arbor Hill Revitalization

This year, the City of Albany received the region's highest award of Restore NY funding in Round III to help reclaim nearly 55,000 square feet in the Arbor Hill community. The \$5 million Restore NY grant will go toward revitalizing two of the community's most highly-visible and historically neglected commercial corridors on Henry Johnson Boulevard and North Swan Street. The project fulfills the Arbor Hill Neighborhood Plan and enhances the \$40 million level of investment that has already taken place in the community since 2003. The ALDC continues to provide leadership in project development since coordinating site assembly through the Albany Community Development Agency (ACDA) and the Albany Housing Authority. The investment includes the conversion of the former St. Joseph's Academy into "Academy Lofts," with 17,400 square feet of commercial space and 25 studio and one-bedroom affordable residential units.

16 New Scotland Avenue

The ALDC combines real estate acquisition with creative financing to invest in the Park South Neighborhood

A new three-story mixed-use building on the corner of New Scotland Ave. and Morris St. represents a major milestone for the Park South neighborhood. 16 New Scotland is the first commercial new construction project since the inception of the Park South Urban Renewal Plan in 2006.

This \$17 million transformational project would not have happened without the Albany Local Development Corporation's leadership in the property acquisition process. In 2007, the ALDC assembled 20 individual properties necessary to provide the development site for this new commercial structure. In partnership with the City of Albany, the ALDC applied for and was awarded a \$3.3 Million Restore NY grant from Empire State Development. The funding off-set demolition and site development costs in order to make this project possible. Columbia Development Companies acquired the site in May of 2009 and began demolition and site preparation. As part of the project development, Albany Medical Center, SECFU and CVS committed to be tenants of the building.

Construction of this new 54,000 square foot building comes on the heels of the \$12 million historic rehabilitation project on Knox St. and Albany Medical Center's rapid growth and investment along the New Scotland corridor. This investment has been a catalyst for dozens of small-scale private renovation projects, both commercial and residential, throughout the neighborhood. The investment and partnership at 16 New Scotland is moving the Urban Renewal Plan forward and proving that Park South is coming back.



Transformational *Commercial Development*

Key commercial real estate development can single-handedly create an environment that attracts investment, new job opportunities and an increased tax base. To serve its mission, the ALDC often takes a lead role on development and investment in targeted districts, even when market conditions are not strong. The results have included compelling private investment, new commercial and residential tenants, improving quality of life and increasing values. Communities experience renewed pride in its appearance and desirability for people to live, work and enjoy.

In recent years, the ALDC has increased its role in redevelopment in downtown as well as in neighborhood commercial corridors. Expanding its reach from working on one district or one project at a time, the ALDC has focused resources and enhanced partnerships in order to maximize impact. This has proven to be a successful and results driven development model.

Resources, particularly in a recession economy, have been severely limited. This year, the ALDC has been especially instrumental in working with the City of Albany to secure highly competitive funding sources, including Restore NY, Neighborhood Stabilization Program, NY Blueprint, NY MainStreet, Quality Communities, Greenway, and National Grid MainStreet, among others. These funds make challenging projects economically feasible. Further, as the initial anchor in a project or community, the ALDC is making it more desirable for the private sector to take action. With the guidance of a clear economic development strategy in Capitalize Albany, strong planning and innovative partnerships, the ALDC measures risk in order to invest and achieve significant returns for the City of Albany.





Mayor Gerald D. Jennings
announces another
**CAPITALIZE
ALBANY** project:
Wellington Place

The Wellington Place Project will be completed in the following phases:

- Phase I: Environmental Remediation, Historic Deconstruction & Preservation, Selective Demolition
- Phase II: Selective Demolition, Site Restoration
- Phase III: Begin Building Restoration & New Construction

Columbia EBL Construction Services Empire State Development State of New York Department of Economic Development, Planning & Community Services



Wellington Place

Downtown gets a facelift with the historically-sensitive reconstruction of an iconic streetscape

The \$65 million redevelopment of this pivotal block on upper State Street in downtown Albany is well underway. The project has already completed its first phase, which includes remediation and selective demolition. The next phases include historic reconstruction, new construction on the site's south side and securing tenants for the planned 14-story office tower.

Redevelopment of this entire block has been made possible by strategic partnerships. The City, with the help of the ALDC, secured a \$2.5 million Restore NY grant from Empire State Development to jump-start this monumental project. This funding filled a gap that makes the project financially feasible while being sensitive to the historic fabric of this row. In addition, State Street will be redesigned with the assistance of more than \$5 million in funding committed by New York State Department of Transportation.

This investment and activity has led to redevelopment plans for the former DeWitt Clinton across from the Capitol Building. This cumulative investment of resources demonstrates an immense level of commitment to revitalizing this vital corridor.

Patroon Creek

Patroon Creek Corporate Center is built on former surplus state property that across from the 300+ acre Harriman Campus on Washington Avenue. Since its transition into private ownership, the site has seen tremendous growth and investment. Home to the newly finished The Alexander apartments, First Niagara Regional Headquarters, CDPHP and SEFCU, this 50-acre center represents investments totaling nearly \$100 million. The ALDC employed economic development programs, including the Empire Zone and IDA, to help attract business and community investment to this prominent site.

The ALDC promotes the successes of Patroon Creek in order to serve as a model for the level of investment and new job creation that can be attracted to the Harriman Campus as part of its planned redevelopment. This campus is an opportunity to increase the tax base, create new jobs and support the emerging technology industry right here in the City of Albany. With its close proximity to Albany NanoTech, the ALDC is an advocate for positive movement forward at this premier development site.



855 Central Avenue

855 Central Avenue is back into productive use with the help of programs such as the Empire Zone. By leveraging the economic development program, the ALDC helped a determined new property owner and management team was able to secure Mildred Elley and Austin Beauty School in the City of Albany. Representing more than \$1 million in new investment and a long-term commitment to the building, approximately 100,000 square feet of commercial space was brought back to life. The school currently has over 500 enrolled students and employees, which contribute daily to the surrounding area. This new business activity was complemented by the City's investment in infrastructure enhancements along Central Avenue. The \$13 million road construction project was completed in 2009 and included repaving the roadway, adding new sidewalks, curbs and installing new signage. The project has improved pedestrian and vehicular access and safety, making it easier and more desirable for people to enjoy the many businesses along Central Avenue.



Enhanced Neighborhood *Commercial Districts*

Neighborhood Commercial Districts are vital contributors to the health of the City's overall economy. These districts serve to attract residents to the surrounding area and foster a positive sense of community. The ALDC recognizes the importance of neighborhoods and commercial corridors and as part of its mission, works at becoming creative in assisting these districts and allowing them to succeed and serve the community.

The ALDC continuously works to carry out the recommendations set forth in the Capitalize Albany strategy, one of which is to coordinate resources for neighborhood commercial districts. The ALDC works on neighborhood revitalization and strengthening the quality of life through its expertise in economic development, local real estate markets and marketing.

In addition to marketing these districts in collateral, the ALDC strives to maintain relationships with these districts and the Neighborhood Associations representing them. These districts are comprised mainly of local entrepreneurs, which are a key component to the stability and the overall economic vibrancy of the City. The ALDC works to attract new businesses, advertise vacancies, determine resources for financial assistance and coordinate applicable programming opportunities. Cultivating partnerships and allocating resources is a major strength of the organization and a way to serve these local entrepreneurs and help them fulfill their goals and long-term success.





- 2 Homeownership Event draws 200 interested buyers to Midtown
- 3 A trio of local businesses bring sweet treats to Albany
- 6 The Port of Albany is an economic engine

ALBANY LOCAL DEVELOPMENT CORPORATION

update

The Members' Guide to the ALDC Issue IV: Summer 2008

Welcome to Downtown Albany!

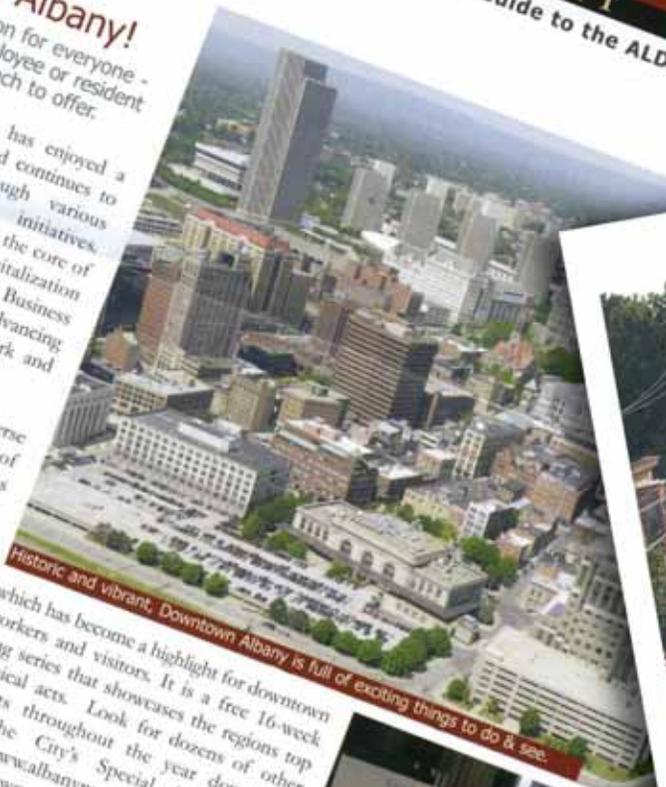
Albany is a destination for everyone - whether you are a worker, employee or resident. There is so much to offer.

Downtown Albany has enjoyed a renaissance and continues to develop through various revitalization initiatives. Albany has been at the core of the City's Central Business District. Downtown Albany is advancing the vision to live, work and play.

Downtown Albany is home to a diverse mix of cultural attractions as well as entertainment events on any given day. Between the Times Square Theatre, Capital Center and Albany Center, there is always activity to fit your interests.

Downtown Albany has become a highlight for downtown workers and visitors. It is a free 16-week series that showcases the regions top musical acts. Look for dozens of other events throughout the year downtown on the City's Special Events page at www.albanyny.gov or at the Downtown Albany BID's site at www.downtownalbany.org

Downtown is the proud home to an array of restaurants ranging from French, Italian, and more. **Continued on Page 4 - see "Destination Downtown"**



Historic and vibrant, Downtown Albany is full of exciting things to do & see.



New wayfinding signage makes getting around easier.



Summer Volume 1

Marketing the Districts

The ALDC highlights local commercial destinations

The City of Albany is home to more than a dozen neighborhood commercial districts. These bustling local commercial hubs are not only walkable locations for nearby residents to run errands, pick up convenient necessities and gather at a local restaurant. They are also vibrant regional destinations, offering visitors from all over Tech Valley a wide array of shops, restaurants and entertainment that represents Albany's diverse residential neighborhoods.

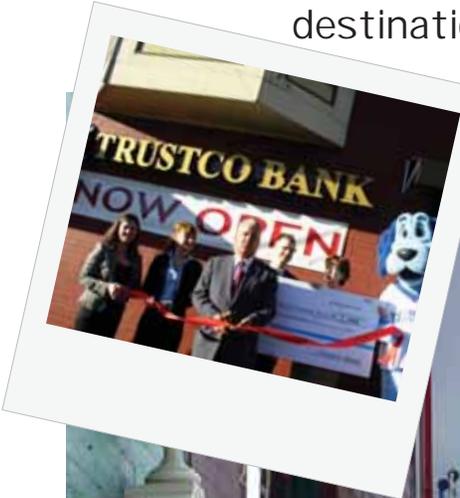
The ALDC has taken an active role in marketing these districts and assisting local small business owners in leading their own successful enterprises. Economic Development staff provides outreach to local businesses within each of the districts and works with business owners to facilitate their diverse needs. This interaction requires the ALDC to refine and develop new small business programming to address challenges and promote the districts.

The quarterly ALDC newsletter, with a current circulation of more than 500 local businesses, institutions, and academic and individual representatives, runs regular feature stories on each of the neighborhood commercial districts. The result is positive exposure and expanded customer base for these districts. It also draws potential new business investment into each neighborhood district with available space or business opportunities.

To combat commercial vacancy, the ALDC maintains and updates an inventory of available storefronts in each neighborhood commercial district, which is made available on the City's website. This inventory is a catalog of both realtor and privately listed properties.

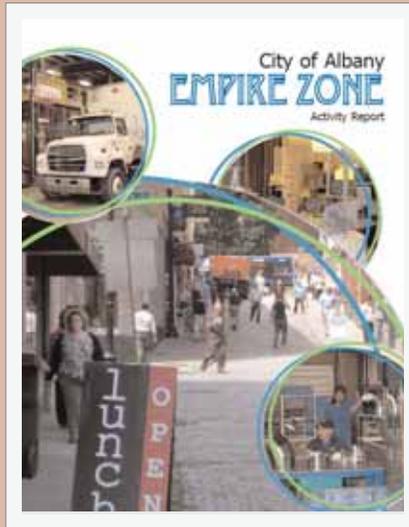
The ALDC's efforts in these unique districts serve to support existing businesses, make it easier for new enterprises to start-up and to strengthen the surrounding residential neighborhoods in the City of Albany.

Enhanced Neighborhood Commercial Districts



Library Development

This year, the Albany Public Library is completing construction of its new and renovated neighborhood branches. This expansion includes new branches in five of the City's neighborhoods: Arbor Hill, Delaware Avenue, New Scotland Avenue, Pine Hills and the South End. These branches, with state-of-the-art technology and community facilities, will be a major stabilizing factor and will add to the vibrancy of the communities. The ALDC assisted with assembly of property for the new branches in conjunction with the City to enable the construction and revitalization.



Business Incentives

Small businesses provide the majority of new job opportunities in local economies. The mix and diversity of locally-owned, entrepreneurial enterprises enhances a neighborhood's desirability for living in the City. For

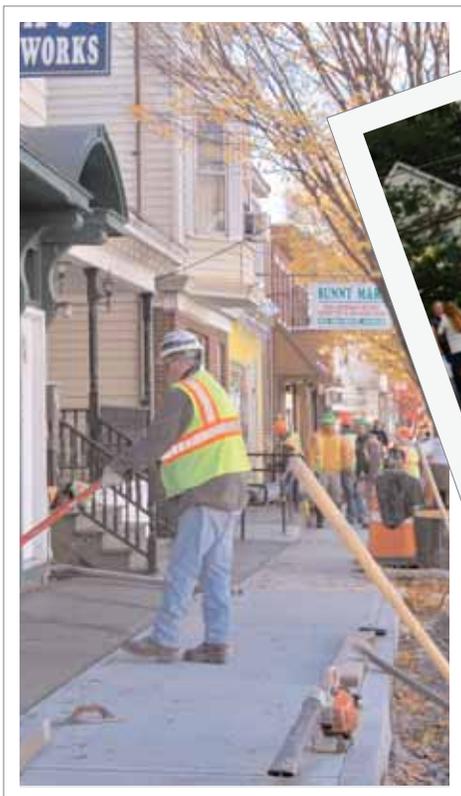
these reasons and many more, the Albany Local Development Corporation strives to deploy economic development resources in the most effective way to enhance Albany's neighborhood commercial districts. Small business assistance is a delicate balance of supporting the proprietors' distinct vision, expertise and commitment, while providing access to technical assistance, start-up capital or working capital for growth. This is provided through the ALDC's administration of economic development programs like the City of Albany IDA and Empire Zone, revolving loan funds and facilitating partners like the Albany Community Development Agency and the Albany Colonie Regional Chamber of Commerce, among others. These programs are essential to assisting business owners in leading their own successful enterprises. The result is thriving, attractive neighborhood commercial districts throughout the City of Albany.

Delaware Avenue

Delaware Avenue is undergoing a complete transformation as part of the \$10 million road reconstruction project. Improvements to this corridor include new pavement, granite curbs, sidewalks, landscaping, traffic signal upgrades, pedestrian safety, traffic calming improvements, and energy-efficient pedestrian

scale LED lighting as part of the project. Investing in infrastructure improvements is a baseline for supporting business, residential and community development.

While the construction period was a challenge for business activity along the corridor, merchants are more active now than ever. The ALDC is committed to facilitating business assistance to help entrepreneurs lead successful enterprises, whether that means technical assistance, providing access to capital or promoting the area and its assets. The ALDC recognizes the need to support these neighborhood businesses as part of supporting a strong quality of life throughout the City of Albany.



Citywide Business *Attraction & Retention*

Since the Capitalize Albany initiative began, more than \$6 billion has been invested in projects throughout the City. Downtown has witnessed a tremendous renaissance, the City's skyline has grown, and neighborhoods are becoming destinations for new residents. The City is experiencing unprecedented levels of business investment, particularly with the growth of Albany NanoTech.

As the entity responsible for economic development throughout the City, the ALDC strategically addresses the challenges the business community faces and aggressively allocates necessary resources to assist with new development and investment. As the economy faces uncertainty, and critical business development programs are in jeopardy, the ALDC acts as an advocate for businesses. Constant communication and coordination allows the ALDC to address the challenges these businesses face and help to create new opportunities for them to grow and succeed here in Albany.

The ALDC realizes the importance of attraction and retention of businesses, and how that relates to the economic vibrancy of our City. Through outreach and partnerships, development is taking place throughout the City thus strengthening the neighborhoods, commercial districts and downtown. Whether it be a small business that is expanding or a new office tenant, these investments in our City are critical to the overall stability and vibrancy. With programs like the Empire Zone and Industrial Development Agency, economic development staff is able to attract and retain businesses. The ALDC also aggressively pursues grant opportunities to offer to potential businesses as another resource to attract new investment and help to transform the City.

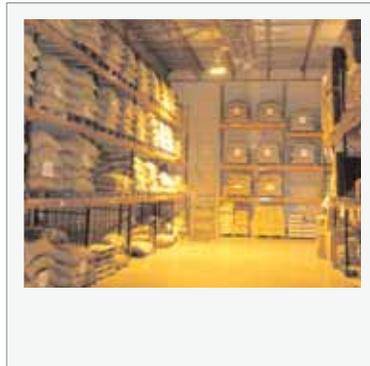




Chris' Coffee Service

Chris' Coffee Service is a family-owned business that has been serving the Capital Region for over 30 years. As the company prepares for growth, new investment and job creation, the ALDC is coordinating economic development assistance for their Albany location.

The business specializes in the sales, service and manufacturing of coffee and coffee equipment. The facility has grown from a small business with only three part-time employees to a successful and expanding business with 28 employees.



AAI

Auburn Armature, Inc., an electrical distributor, opened up a new facility in the City's North Albany industrial district. Their new distribution and showcase facility is located in a newly rehabbed building at 875 Broadway. The company invested more than \$2 million into renovations and upgrades in 40,000 square feet. The business is creating 20 new jobs in the City. AAI is in the City of Albany Empire Zone and has applied for program benefits based on new investment, jobs and utility use. This new business activity is extremely important in the City and its arrival has spurred investment from surrounding businesses in the area. AAI has several other locations across New York State, and this is the company's first facility in the City of Albany. The company chose Albany because of its central location, access to new customers and economic development program assistance, such as the Empire Zone program to help with creating new jobs.

Albany's Destination Dining



Albany: a dining destination. With choices like 677 Prime, The Hollywood Brown Derby, Jack's, Dale Miller and Yono's, just to name a few, there is no wonder Albany is a premier choice for fine dining. This year the City of Albany has seen many long-time restaurants continue to succeed and even expand, as well as new exciting ventures in dining open their doors. Downtown offers some of the finest choices in dining in the Capital Region and beyond. Throughout the City, Albany's neighborhood commercial corridors also boast unique dining choices that import patrons to the area.

The ALDC's mission is to create an environment that attracts investors, residents and visitors. Destination dining is essential to a healthy and desirable environment. With the many options that the City has to offer for cuisine, Albany continues to host and attract residents and visitors. This is a key component of maintaining and expanding a healthy and diverse local economic climate.



BullEx

International business finds explosive growth in Albany

The success of BullEx represents a great accomplishment for the company as well as a great attraction story for the City and the region. This year the City of Albany welcomed BullEx to their new global headquarters and manufacturing facility. BullEx, Inc., a high-growth technology company offering new products in the fire safety and security industry, was formed in 2005 by four local engineering students who had developed the technology while attending local colleges.

They began their business in Menands but quickly outgrew their space as their business took off. With the assistance of the ALDC and the Empire Zone program, BullEx decided to locate and expand its business to New Karner Park in the City of Albany. The company has leveraged its initial innovation to create a business with an international presence that has grown from the four initial founders to 40 employees in four years. BullEx is an innovative technology company devoted to utilizing smart technology to develop and manufacture life-saving products. BullEx has continuously worked to produce the most technological, highest quality training products and due to their diligence they have received recognition for their accomplishments and received several accolades. The company has plans to continue to grow their product line and continue to expand at their new location in the City of Albany. The ALDC recognizes the importance of economic development incentive programs for attracting and retaining a business like BullEx and continues to be at the forefront for fostering partnerships and establishing these necessary tools to encourage additional investment opportunities.

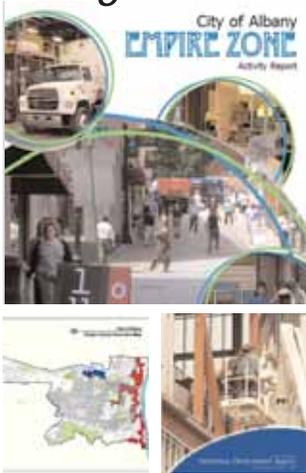


ProTech / Simpson Dura-Vent

ProTech/ Simpson DuraVent celebrated another business expansion in Albany's South End in 2009. The company opened a newly constructed 24,000 square foot manufacturing facility as part of its location along South Pearl Street. ProTech, bought out by California-based Simpson DuraVent, produces gas vents for residential, commercial and industrial uses. It also makes stainless steel liners for chimneys. This was one of the first City of Albany Empire Zone certified companies when the program was designated in 1994. The company has continued its commitment to invest in the district. As part of the business growth, 20 new jobs were added to its base of 80 employees in Albany's South End.

More Highlights from 2009

Economic Development Programs



The City of Albany Empire Zone and IDA programs have been instrumental in attracting new and expanded businesses and compelling new development projects for a number of years. Due to state legislative changes, these programs are currently in jeopardy. The ALDC has taken an active role in advocating for accessible and effective economic development programs on behalf of the business and development community.

Sark Wire Corporation



Turkey's largest copper manufacturing company is opening its first United States location at 120 Industrial Park Road in the City's West Albany industrial district. The ALDC and National Grid played a role in attracting this international company with the assistance of the Empire Zone program. The business is investing \$10 million and is hiring 30 new employees.

74 State Boutique Hotel



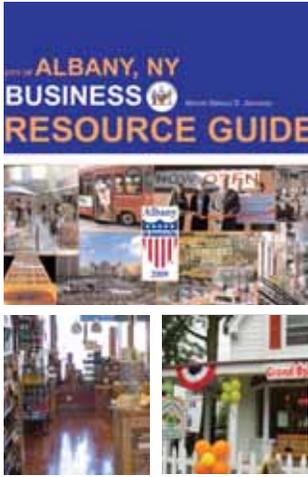
This year, 74 State was a finalist at the National Development Council's awards showcase in Washington DC. The NDC recognized the innovative use of resources to complete this \$12 million historic rehab project that employs over 65 people in downtown. 74 State has brought new life to lower State Street with its hip new boutique style; it is the first hotel of its kind in downtown Albany.

Café Crisan



This bakery, featuring European desserts, has opened its doors in a long vacant building at 197 Lark Street. The owners purchased the building and personally renovated the café space and two residential units on the upper floors. The ALDC played a role in facilitating this with the help of the Empire Zone program. The business invested over \$300,000 to renovate the building and create new jobs.

Business Resource Guide



The ALDC created this practical tool designed to assist new and expanding companies throughout the City of Albany. The publication was created to provide a listing of resources and organizations available to businesses. It also provides a general guideline of the process and requirements for establishing a business enterprise in New York State's Capital City.

Stimulus Projects



The City of Albany, with the help of the ALDC, responded swiftly to this new federal initiative to capture funding opportunities for eligible projects. The goal was to identify and prioritize projects in the pipeline to nominate for assistance, and to promote Albany's readiness for funding. As a result, Albany had the first Stimulus Funded project in the State with the Delaware Avenue reconstruction, and a number of other funded projects.

International Central Avenue



Central Avenue has become the place to go to enjoy a truly international experience. It is the home to a melting pot of different cultures and tastes with over 60 restaurants and specialty eateries to choose from. The 3-mile stretch of Central Avenue includes a diversity of businesses. The district surrounding the WAMC performing arts center is a unique and popular destination for family-owned businesses and patrons.

11 North Pearl Event Centre



The gorgeous lobby of 11 North Pearl Street is now home to Classé Catering. This well-known building in the heart of downtown was purchased and renovated in 2007, attracting an exceptional banquet facility to downtown Albany. The ALDC assisted with the Empire Zone program to help bring new life to this former bank space.

Dewitt Clinton



This prominent location, which sits across from the state capitol building, has been vacant for several years. With the help of the Empire Zone program and NY Blueprint funds, the owners are committed to a \$42 million conversion of this 11-story building. The result will be a 196-room, 4-star Hilton Embassy Suites hotel with a pool, spa and restaurant.

Downtown Development Forum



To promote downtown development opportunities and attract new investment, the ALDC and the Downtown Albany BID coordinated a forum at the Capital Repertory Theatre. The public workshop attracted more than 200 attendees. The program offered interactive presentations on development incentives, financial assistance, and available real estate opportunities in Albany's central business district.

Small Business Assistance Forums



As the region and its businesses coped with effects from an ailing global economy, the ALDC responded with an active business development outreach program. This included participating in community forums such as the Lark Street "Surviving the Economy" event. Representatives from local organizations such as the ALDC, Small Business Development Center, the Retail Council and the Lark Street BID attended.

Downtown Residential



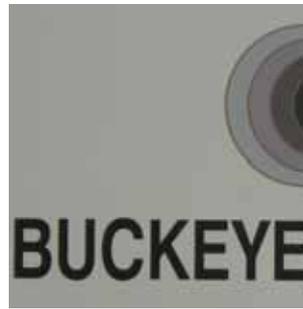
The City of Albany has identified downtown living as an economic development priority that helps a diverse and lively economy flourish. With the assistance of the ALDC and partners, a number of new residential development projects are occurring. Redevelopment of 370 Broadway and 23-25 North Pearl Street will add more than a dozen quality luxury residential apartments in downtown.

Wireless Albany



In partnership with Mayor Jennings and the City of Albany, Tech Valley Communications introduced "Albany FreeNet" in downtown Albany in 2006. This free WiFi access was expanded to community locations throughout the City in 2009. An accessible municipal WiFi network establishes a framework for a smart city, which attracts new residents and investors.

Buckeye Albany Terminal



This ethanol company bought the production facility and equipment at the site formerly owned by Cibro Petroleum in the Port of Albany. Reviving this underutilized industrial operation represents a \$10 million investment and 10 jobs. The company expanded capabilities to unload 102 tank cars at a time and occupies 37 acres. This business activity is at the cutting edge of the emerging ethanol industry.

CMC KUHNKE, Inc.



A manufacturer of can inspection gauges and software celebrated the grand opening of its new location at 1080 Broadway. The improved facilities and strategic location in the North Albany Industrial District will allow them to continue their rapid sales growth and maintain their industry leading level of customer support. CMC KUKNKE has applied to the Empire Zone program and plans to invest in improvements and create 15 new jobs.

Port of Albany



This is the largest single independent real estate installation in the City of Albany. The Port's maritime services establish it as a conduit for importing and exporting major product necessary for commerce in the Northeast. This year the Port initiated major infrastructure improvements, including wharf reconstruction, with the assistance of federal stimulus funding. The ALDC coordinates with Port business development efforts.

Historic Resource Preservation



The ALDC recognizes the importance of investing in historic resources; a unique distinction of Albany's architecture. Direct involvement in projects like the renovation of historic Quackenbush House includes replacing the roof and facility improvements. Indirect involvement includes lending and securing grants for projects like the renovation of St. Joseph's Academy, stabilization of St. Joe's Church among others.



Bicycle Master Plan



The City of Albany, in partnership with the Capital District Transportation Committee (CDTC) has undertaken a Bicycle Master Plan. A priority of the plan is to support marketing and education campaigns and programs to educate motorists and bicyclists to share the road. The results will identify a network of bicycle routes to help make cycling a more safe and viable way of getting around the City.



Spotlight Albany



Albany drew national attention during its Quadricentennial year hosting His and Her Royal Highness of the Netherlands. Also visiting the Capital City, a group of Dutch dignitaries made a special trip to this historic city to meet business leaders and explore economic development opportunities. Albany's All-America City status attracted a group of government, business and community leaders from South Bend, Indiana to witness success first-hand.



Aquisition Fund for Strategic Properties



This year, the Industrial Development Agency (IDA) approved a \$500,000 grant to the City of Albany Division of Neighborhood Revitalization for the creation of this fund. It will be a crucial piece of the City's new and ongoing neighborhood revitalization efforts and will accelerate the purchase and stabilization of strategically-located abandoned properties. The goal is to choose properties that will strongly impact the surrounding neighborhood.



Corning Preserve Trail



The 2009 Pedestrian Walkway and Bike Trail improvements realigned the Preserve's existing multi-use path, which is part of the 5-mile Corning Fitness Trail. The improved trail is part of the 35-mile paved Mohawk-Hudson Bike-Hike Trail, which runs north from the Corning Preserve and serves as a major recreation attraction in the City of Albany.



Supporting the Arts



The ALDC partnered with the City of Albany City Arts Commission to provide grants to local arts organizations. The goal is to encourage and foster artistic development by providing financial support to eligible organizations. In 2009, the ALDC sponsored a portion of the program funding to ensure these important organizations continue their vital mission in the City of Albany.



Strategic *Partnerships*

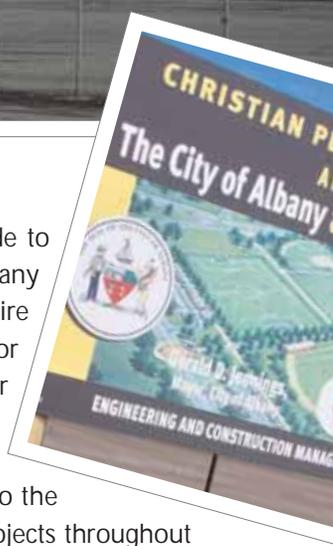
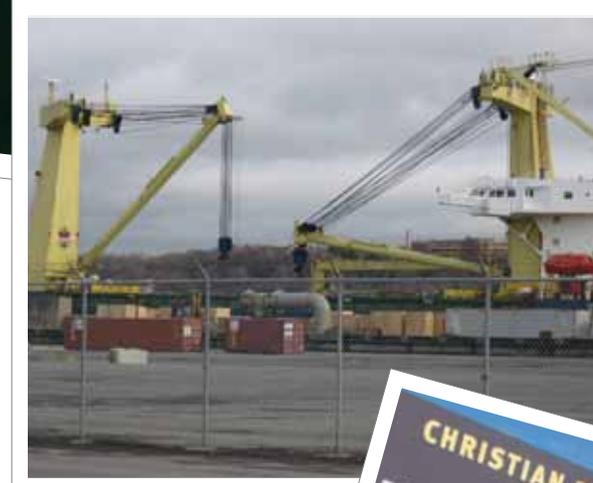
By definition economic development requires cooperation between the public and private sector. The ALDC has been successfully striving to forge and maintain strategic partnerships since its creation in 1979. Without effective partnerships between government leaders, the business community, development professionals, institutional drivers, and community organizations, none of the successful projects highlighted in this document could have been achieved.

Nothing embodies the effectiveness of this partnering more than Capitalize Albany. Since the first strategy was developed in 1994, the City of Albany and the Albany Local Development Corporation has achieved remarkable transformation and much success. Over \$6 billion in new investment spurred by Capitalize Albany has resulted in new and expanding job opportunities, revitalized neighborhoods, connection to the waterfront and an active downtown. The diverse partnership involved in crafting this strategy set up the monumental collaboration that continues to drive it today.

The ALDC evokes this strong sense of partnership on a project-by-project basis as well. Whether it is the Midtown Homeownership Program, a partnership with the large educational institutions in the heart of the City, or the development of the Corning Preserve, a cooperative effort with the Port of Albany, the ALDC is creative in matching the right players with the right goals to develop a successful project. The ALDC coordinates these institutional partners with the development community to work as a team and maximize local resources. The ALDC is at the table for every major project in the Capital City.

One of the most important forms of partnership is the operational and administrative support we provide to three critical components of the City of Albany's community and economic program: The City of Albany Industrial Development Agency, the Albany Community Development Agency and the City of Albany Empire Zone. The impact can be seen in new, quality affordable housing or the many programs we help fund for the community like the Arbor Hill Community Center, the Strategic Properties Acquisition Fund, the Summer Youth Employment Program, and the nationally recognized Lead Paint Abatement Program, to name a few.

The strength and diversity of the partnerships forged by the ALDC throughout the years is a testament to the organization's position in the development community and ability to catalyze dynamic high-impact projects throughout the City of Albany.





National Recognition

All-America City

Albany Captures Second National Recognition for Urban Excellence

The City of Albany earned the title of All-America City in 2009 for the second time. Albany was selected from hundreds of applicants nationwide based on the City's economic achievements, youth programs and living history.

Four hundred years of excellence serve as Albany's foundation for this recognition. The City's rich history and culture, proven civic engagement and youth programming embody the goals of this award, the country's original and most prestigious community recognition. Albany is one of only a handful of cities honored twice in the 115-year history of the National Civic League's award.

The Albany Local Development Corporation was a strong partner in the campaign for this recognition. The organization contributed to the delegation's fundraising, and several board members joined the City's delegation on its successful trip to Tampa, FL to compete for the award.

This recognition highlights the strength of Albany's economy and the City's continued vibrancy. The ALDC congratulates Albany on its award, and is a proud member of this two-time All-America City.





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"The ALDC thinks big and

has a global vision... our future is limitless."

-Michael Castellana
ALDC Board Member

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