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The historic D&H Railroad headquarters, now home to SUNY administration, overlooks tidal basins at the Riverfront Corning Preserve.

3.2 Economy

The key components of Albany's economic system are employment, investment, and diversity.

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EMPLOYMENT

Albany's economic system needs to provide a wide range of jobs capitalizing on the diverse skills residents offer today while, at the same time, ensuring that the workforce can meet the needs of employers tomorrow.

Goal:

Increase employment opportunities at all education/skill levels, and raise local incomes.

Strategies and Actions:

EMP-1 Increase access to jobs.

EMP-2 Increase job opportunities for all residents.

EMP-3 Provide workforce training and continuing education.

EMP-4 Target regional growth industries.

EMP-5 Coordinate economic development and energy/sustainability efforts.



Economy Key Issues

- Downtown Class A office space outperforms suburban markets, however Class B and C offices have high vacancy rates.
- Tight budgets contract spending by state government, SUNY-Albany and other significant employers and important economic actors.
- The ongoing reliance on fading industrial sectors limits job opportunities for Albany's workforce.
- Advancing technology sectors in the Capital Region, such as Albany NanoTech and Global Foundries, are providing new employment opportunities.
- Competition for economic activity from communities within the surrounding region is challenging Albany's ability to attract and retain investment.
- Albany's downtown is challenged to attract spending from area workforce, residents, and visitors and maintain integrity as a business district.

EMP-1 Strategy: Increase access to jobs that meet individual economic needs. (Inter-related Strategies: Economy EMP-2, EMP-3, EMP-5, INV-1; Transportation TR-3; Housing and Neighborhoods NS-2; Utilities and Infrastructure EN-3)

Actions:

- a. Nurture entrepreneurship by providing, in partnership with other organizations concerned with economic development as appropriate, technical and financial assistance to new and start-up businesses.
- b. Eliminate barriers to the creation and retention of home-based businesses that are consistent with neighborhood character.
- c. Work with local employers and the Center for Economic Growth to encourage the creation of quality jobs that include flexible benefits and enable employees to plan for retirement.
- d. Work with local employers to improve recruitment by identifying opportunities for “trailing” spouses (person who follows a spouse who takes a new job in different city).
- e. Respond to the special needs of low-income persons by devoting attention and budget resources, as appropriate, to how community development, housing, economic development and public infrastructure services can be deployed to increase job opportunities.
- f. Collaborate with other community agencies and organizations to develop a specific plan to address disparity in income and employment opportunities.
- g. Offer financial/tax incentives to local businesses that utilize apprenticeships and other innovative job training techniques to build a workforce with the appropriate skills for the workforce of tomorrow.
- h. Ensure that Albany residents have physical access to jobs, including transit, carpools, etc., and high speed internet access for those who may be able to work from home.

EMP-2 Strategy: Increase job opportunities for all residents. (Interrelated Strategies: Economy EMP-1, EMP-3, INV-1, INV-2; Institutions RP-1)

Actions:

- a. Convene a regional effort to recruit and retain basic export industries that bring new money into the community and pay nationally competitive wages.
- b. Support the retention, expansion and recruitment of new businesses that pledge to hire local residents.



Albany is at the center of the booming nanotechnology industry with ground-breaking developments occurring and the globally-renowned College of Nanoscale Science and Engineering at the University at Albany.

- c. Work with the CDRPC, the Community Loan Fund and the Empire State Development Corporation to develop contingency and intervention plans to launch on an emergency basis should substantial employment losses accompany a retrenchment by any of the City's major employers.
- d. Work with high-tech sector employers, such as College of Nanoscale Science and Engineering (CNSE) and Luther Forest Technology Campus to provide job opportunities to city residents, particularly low-income.

EMP-3 Strategy: Provide workforce training and continuing education to equip residents for jobs in the 21st century economy. (Interrelated Strategies: Economy EMP-1, EMP-2, DIV-2; Social ED-3; Institutions RP-1)

Actions:

- a. Convene a coalition of Albany's business and education leadership (from both primary and secondary schools), including Albany Workforce Investment Board (WIB), Capital Region Board of Cooperative Education Services (BOCES), and other workforce agencies, to strategize mutually beneficial initiatives and address real and perceived issues, including increasing opportunities for recent high school and/or college graduates to work nearby.

- b. Ensure that Albany’s Career Center workforce services program and state and local agency partner training programs are customer-driven, competency-based, and focused on achieving results.
- c. Improve access to, retain and expand local branches of community colleges. Collaborate with these institutions to provide training for jobs in the new economy (i.e. nanotechnology, green infrastructure, sustainable technologies.)

EMP-4 Strategy: Target regional growth industries by leveraging area intellectual capital.

Actions:

- a. Investigate whether current facilities (sites and buildings) meet the needs of Albany’s growth industries and nurture an ongoing dialogue to encourage their commitment to the City.
- b. Consult with area enterprises—universities (i.e., CNSE at University of Albany), health care institutions, and other businesses—implementing innovative processes, materials, products (i.e., spinoffs from Global Foundries) to identify and facilitate additional opportunities.
- c. Work with the major educational, medical and governmental institutions to develop master facility plans and address special requirements such as shared infrastructure improvements.
- d. Strategize how the Harriman Campus redevelopment activities can advance Albany’s reputation as a player in nanotech and other emerging technologies nationwide.

EMP-5 Strategy: Coordinate the City’s economic development and energy / sustainability efforts to promote and incentivize “green” jobs¹. (Interrelated Strategies: Economy EMP-1; Utilities and Infrastructure EN-1, EN-4)

Actions:

- a. Create pilot programs and job training materials to enhance the workforce’s access to “green” skills development, such as renewable energy installation and urban agriculture employment.
- b. Improve the environmental performance of City of Albany buildings, vehicles and operations practices.
- c. Incorporate green improvements into performance and construction requirements associated with City infrastructure development/repair projects.

¹ Green jobs are jobs that reduce waste and pollution and benefit the environment while paying decent wages and benefits that can support a family. Green jobs include jobs in recycling, public transit, the green building industry, and jobs in renewable energy and energy efficiency.

- d. Examine City procurement practices to identify opportunities to include green criteria in selection guidelines.
- e. Streamline permitting and other regulatory procedures and provide incentives for buildings incorporating green improvements into their construction or renovation plans.
- f. Create an awards program to honor businesses that employ environmentally sensitive or green building practices.
- g. Identify funding mechanisms to establish a revolving loan fund for municipal and private energy-related improvements.
- h. Create a “green corps” to provide green job training to students and low-income residents. [Best Practice – Green Corps Chicago]

INVESTMENT

Albany’s policies and practices can influence numerous ingredients of economic activity, such as the availability of infrastructure, land zoned for jobs-producing uses, workforce preparedness, image and identity, incentives and market interventions, and others.

Goal:

Encourage investment and reinvestment throughout Albany that supports economic development and placemaking.

Strategies and Actions:

- INV-1 Make Albany attractive for business development.
- INV-2 Encourage investment in urban land and buildings for employment and housing.
- INV-3 Reinforce, enhance and promote Albany’s distinctive character and identity.
- INV-4 Foster coalitions and community-initiated economic development partnerships.
- INV-5 Provide a foundation for economic activity.

INV-1 Strategy: Make Albany attractive for business development and appealing to regional economic development practitioners. (Interrelated Strategies: Community Form LU-2, LU-4, UD-1, ARCH-1, ARCH-3; Economy EMP-1; Social CHR-7; Transportation MM-2, TR-2, TR-3, VEH-2; Natural Resources WW-4, TS-2; Housing and Neighborhoods HDC-5, NI-1, NI-2, NS-2, NS-6; Utilities and Infrastructure EN-3)

BEST PRACTICES: CREATING A CONSTITUENCY FOR DOWNTOWN PROVIDENCE - WATER-FIRE

Downtown Providence sits at the confluence of three rivers that, until the 1980s, lay buried beneath asphalt roadways and parking lots. After the City removed these obstructions, a local artist proposed a singular event: Waterfire, in which musicians provide entertainment along the public pathways bordering the rivers while flames dance on platforms within the river itself. Meanwhile volunteers in small boats feed the fires as people stroll along the water’s edge.

Since it first began in 1994, Water-Fire has grown to a weekly event, taking place most Saturday evenings over about four months from sundown until well past midnight. Roadways close down and people travel for hours to partake of the experience; at its peak, WaterFire events have attracted over 75,000 people in a single evening.

<http://www.waterfire.org/>

While Albany's Class A space consistently outperforms its suburban counterparts, Class B and C space remains a challenge.



Actions:

- a. Maintain and market inventories of available properties.
- b. Use zoning and development regulations as tools to create incentives for business development.
- c. Build the downtown residential population by incentivizing high density residential and mixed use development/redevelopment.
- d. Increase multi-modal access to and within downtown, neighborhood commercial centers, employment centers, and industrial/manufacturing centers.
- e. Develop a parking management strategy for downtown and neighborhoods.
- f. Market the downtown, neighborhood commercial centers, and industrial/manufacturing centers.
- g. Pursue brownfields and land recycling programs to attract new investment in vacant and underutilized properties.

h. Work with multiple State agencies and Port District Commission on ways to overcome deed restrictions to commercial development at Corning Preserve to allow limited commercial development at the waterfront.

i. Develop a green technology park focusing on renewable energy production and innovative solid waste management technologies.

INV-2 Strategy: Encourage investment in urban land and buildings for employment and housing opportunities through development, redevelopment, rehabilitation and adaptive reuse.(Interrelated Strategies: Community Form UD-2, LU-1, LU-3, ARCH-1, ARCH-2; Economy INV-1; Social CHR-7, AC-4; Transportation MM-2, PED-2, BIC-2; Housing and Neighborhoods NI-1, NI-2, HDC-2, HDC-3, HDC-4, HDC-5, NS-1; Institutions FP-1, FP-2, FP-6)



Downtown's pedestrian-only Maiden Lane is a lunchtime destination for thousands of employees throughout the week.

Actions:

- a. Implement the Capitalize Albany Plan strategic initiatives for downtown diversification, waterfront development, Harriman Campus redevelopment, Port of Albany business development, neighborhood initiatives for blight removal, and neighborhood commercial center revitalization.
- b. Support programs, policies and organizations that strengthen Downtown Albany as the region's principal employment, cultural, business, and governmental center.
- c. Ensure sufficient inventories of land and buildings suitable for jobs producing uses that reinforce other development goals and foster efficient use of utilities and transportation infrastructure, including parking.
- d. Provide a variety of housing types to meet the varied needs of Albany's households, including market, moderate and low income housing.
- e. Market the City of Albany to new and current residents and visitors. Frame the marketing campaign around building Albany's future while highlighting the City's cultural, historic, recreational, educational and civic assets as important marketing and image-building tools that draw investment to the City's business districts and neighborhoods.



Business Improvement Districts (BIDs) provide services for dense commercial areas, but small business assistance and merchants' associations can prove to be just as effective where BIDs are not plausible.

- f. Promote the use of historic tax credits, as well as green building related incentives to encourage rehabilitation and reuse of historic buildings.

INV-3 Strategy: Reinforce, enhance and promote Albany’s distinctive character and identity. (Interrelated Strategies: UD-1, ARCH-1, ARCH-2, ARCH-3; Social PS-1, PS-3, PS-4, PS-7; Housing and Neighborhoods NS-1)

Actions:

- a. Reinforce the character and identity of commercial areas as distinct shopping destinations and neighborhood focal points. Where appropriate, convene area businesses, business associations, and neighborhood groups to help define and promote them.
- b. Utilize Albany’s unique historical and cultural heritage as a basis for developing an innovative and modern marketing and branding campaign.
- c. Publicize voluntary private sector investments that improve commercial areas and create enjoyable physical environments that attract shoppers from the region and beyond.
- d. Promote public safety enhancements, including design improvements, to ensure that business people, employees and customers feel secure in Albany’s commercial areas and deem them attractive, thereby encouraging economic activity.
- e. Continue working with local businesses, residents and property owners (and their associations) to identify and designate historical landmarks, Historic Districts, and Neighborhood Conservation Districts⁷ that contribute to the experience of Albany’s commercial areas.
- f. Create design guidelines to ensure that gateways to the City along the region’s major arterials develop and redevelop in ways that respect existing businesses, create opportunity for new enterprises, and creates an aesthetically appealing welcome to Albany.
- g. Consider tourism opportunities throughout the City’s neighborhoods, including the creation of promotional incentives (e.g. citywide attraction passes that allow visitors access to numerous attractions on one voucher.)

BEST PRACTICES: QUEEN VILLAGE NEIGHBORHOOD CONSERVATION DISTRICT, PHILADELPHIA, PA

The Queen Village Neighborhood Association (QVNA) formed a committee to address serious development issues in the historic neighborhood, particularly “teardowns,” often of historic buildings, which were replaced with architecturally incompatible structures. In the past, the QVNA Board had discussed the possibility of becoming a Historic District, a costly and cumbersome process. The QVNA sought ideas to create a less restrictive set of regulations that would be more “user friendly,” but that would nonetheless help QVNA fulfill its mission of preserving and protecting the historic nature of the community. In 2004, the Neighborhood Conservation District ordinance was passed by City Council to enable community groups to work with the City Planning Commission to develop design guidelines that would protect distinctive features of the built environment in neighborhoods that otherwise might not be interested in or eligible for historic district protection. Under the legislation, a neighborhood conservation district can be sought in two ways: through a community group application, or through a petition signed by 30 percent of property owners who live in the community. At least 51 percent of the homeowners must approve the proposal prior to adoption by City Council.

⁷ Neighborhood conservation districts (NCD) are areas with a distinct physical character that have a goal of preservation, often to prevent teardowns and incompatible alteration or new construction, but may not merit designation as a historic district. NCD’s are typically implemented through zoning overlay districts and must be supported by a majority of owners in the designated area.

BEST PRACTICES: CLEVELAND EVERGREEN COOPERATIVES – CLEVELAND, OH

The Evergreen Cooperatives of Cleveland, Ohio is a pioneering innovative model of job creation, wealth building, and sustainability. Evergreen's employee-owned, for-profit companies are based locally and hire locally. They create meaningful green jobs and keep financial resources within the community. Workers earn a living wage and build equity in their firms as owners of the business.

Evergreen is a partnership between the residents of six of the city's neighborhoods and some of Cleveland's most important "anchor institutions" – the Cleveland Foundation, the City of Cleveland, Case Western Reserve University, the Cleveland Clinic, University Hospitals, and many others.

The first Evergreen Cooperative businesses launched in 2009 and 2010:

- Evergreen Cooperative Laundry – The region's first LEED certified commercial laundry facility
- Ohio Cooperative Solar - An Evergreen portfolio company that owns and/or installs PV solar panel arrays on institutional, government, and commercial buildings and provides weatherization services to make residential and commercial more energy efficient
- Green City Growers Cooperative - A 100% worker-owned, hydroponic, food production greenhouse creating sustainable jobs and local food in Cleveland.

<http://www.evergreencoop.com/index.html>

INV-4 Strategy: Foster coalitions and community-initiated economic development partnerships and initiatives that improve neighborhood livability and reinforce the goals set forth in the Capitalize Albany Plan, neighborhood plans, and the Albany 2030 Plan. (Interrelated Strategies: Economy INV-1; Housing and Neighborhoods NI-2, NS-3; Institutions RP-1, RP-5)

Actions:

- a. Help locally grown community coalitions—neighborhood groups, business associations, etc.—apply community development concepts to their neighborhood residential and commercial districts.
- b. Initiate collaborative activities with other governments, resource organizations, and service providers to promote economic vitality and increase community livability and appeal.
- c. As part of a citywide zoning update, involve area businesses and community stakeholders in a review of the impact of Albany's regulatory system. Evaluate the impact of zoning regulations and procedures on neighborhoods, businesses, and retailers.
- d. Continue land banking activities implemented via the Strategic Properties Acquisition Fund.
- e. Review the performance of existing Business Improvement Districts (BIDs) to determine their viability and needs.
- f. Support the creation and operation of Business Improvement Districts (BIDs), Merchants' Associations or other small business groups where appropriate to stimulate neighborhood business investment and encourage collaborative efforts to manage and market commercial areas.

INV-5 Strategy: Provide a foundation for economic activity through public investment and policy decisions. (Interrelated Strategies: Social ED-2; Housing and Neighborhoods NS-3; Institutions RP-1, FP-5)

Actions:

- a. Work with regional economic development partners to develop and implement a regional framework to guide development and public investment decisions and inform how the annual capital and operating budgets allocate City resources. Continue the efforts started with the 2011 Regional Economic Development Council Local Advisory Report, which fosters collaboration and puts local priorities with regional impact forward to the Council.



The 330 acre W. Averell Harriman State Office Campus is an unparalleled opportunity for redevelopment and reinvestment.

- b. Link efforts to address quality of life issues and amenities such as crime rate, schools, affordable housing, parks, recreation, libraries, cultural amenities with economic development objectives to foster appreciation for these inter-relationships.
- c. Cultivate a customer service culture within City government to ensure that officials and policies support those investing in Albany.
- d. Assess and target industries vulnerable to climate change, as well as those that will benefit, and develop policies to support economic adaptation and growth.
- e. Investigate best practices and the potential benefits of forming mutual insurance pools to spread the risk of climate change.

DIVERSITY

Trade — exchanging money for goods, services and labor — lies at the heart of the economic system: the greater the economic diversity, the more opportunities for trade and the healthier the economy. As economies shift, change ensues in the trading relationships between economic actors. Change — both beneficial and detrimental — is inevitable. However, a truly sustainable economy is characterized by resilience: the capacity to adapt to economic, social, and environmental change (e.g., rebuilding after

natural disaster, repositioning in response to global economic trends). Obviously much lies beyond local control, but the public sector can create an environment that encourages non-profit, private and public sector organizations to cooperate, collaborate and communicate, which is key to economic resilience.

Goal:

Create economic resilience through diversity.

Strategies and Actions:

DIV-1 Increase economic diversity.

DIV-2 Identify high value, high probability sectors for targeted intervention.

DIV-3 Develop an “adaptive management” approach.

DIV-1 Strategy: Increase diversity by attending to the variety, type, scale, and location of business, industrial and commercial activities. (Interrelated Strategies: Social AC-4; Housing and Neighborhoods NS-1)

Actions:

- a. Target “trading sector” (export) companies that bring jobs and dollars to Albany through state-wide, national, and international business relationships special attention and, as appropriate, intervention.
- b. Emphasize the use of Albany-based companies to supply other Albany and New York State companies to take advantage of the ways local sourcing and supply chains re-circulate capital throughout the local economy and strengthen area businesses.
- c. Identify local retailers and restaurateurs with potential for growth within the local market and beyond.
- d. Identify gaps in the menu of shopping opportunities and help commercial real estate owners and managers recruit appropriate tenants.
- e. Work with Capital Region Local First to develop a strong buy local marketing campaign for Albany. Programs might include sponsoring a Buy Local Bash in Albany or a local currency program to encourage Albany households to shop locally to spur economic activity and hedge against economic downturns.
- f. Support arts and cultural organizations and showcase their contributions to the economy as employers, tourism drivers and evidence of Albany’s appeal as a place to live, work and visit.
- g. Attract businesses to locate in Albany through increased outreach, marketing, targeted incentive packages and streamlined permitting.

⁸Adaptive management is an iterative process of improving management practices and decision-making by learning from the outcomes of previous practices and decisions.

DIV-2 Strategy: Identify high value, high probability sectors for targeted intervention (e.g., health services, nanotechnology, etc.). (Interrelated Strategies: Economy EMP-3; Social ED-2; Institutions RP-1)

Actions:

- a. For a high value target industry, consider initiating a regional committee involving representatives from area businesses, academic institutions and economic development organizations to identify specific strategies and address any workforce development deficiencies.
- b. Determine area competitiveness by benchmarking similar communities and consulting with industry representatives.
- c. Devise a comprehensive regional approach to industry recruitment and retention.
- d. Pursue development of tailored workforce training programs and curriculum offerings with area academic institutions.
- e. Examine the feasibility of offering locally developed industry-specific incentive packages.

DIV-3 Develop an “adaptive management”⁸ approach to implementing the City’s economic goals and strategies. (Interrelated Strategies: Institutions RP-1, RP-4, RP-6)

Actions:

- a. Examine relevant data, analysis and related studies on an ongoing basis.
- b. Emphasize a cooperative approach to all economic development efforts involving regional economic development practitioners and agencies working throughout the system.
- c. Track progress, measure results, conduct post-mortems and review accomplishments annually.
- d. Adjust and modify goals, strategy, and action plan as necessary.
- e. Ensure continued stakeholder involvement.
- f. Maintain flexibility and resources to ensure adequate capacity to respond to unanticipated threats and opportunities.

BEST PRACTICES: ASHEVILLE-HUB INITIATIVE

Greater Asheville, North Carolina sought a means to diversify its economy and introduce a new source of high-paying jobs. The region put together a broad consortium of organizations and individuals with pertinent skills. The group, dubbed “AshevilleHUB,” put aside parochial concerns to focus critical attention on the region’s economic needs and assets.

Research revealed a confluence of talent in government, business, academia and the arts that pointed to the ability to target climate studies and the growing weather prediction industry: global information systems experts, meteorologists, air quality technicians, botanists, mathematicians, statisticians, digital media specialists and talented professionals in other science and technology segments.

Asheville successfully traded on its unique eco-system and reputation as a hotbed of arts and culture to compete successfully in high-profile facility site selection processes, becoming known as a center for climate analysis and decision-making. Asheville is now home to the National Climatic Data Center, the National Environmental Modeling and Analysis Center and the Renaissance Computing Institute, both at UNC Asheville, the U.S. Forest Service’s Southern Research Station, and the Air Force Combat Climatology Center.

<http://www.ashevillehub.com/>

