



## **All compasses pointing north: Development in Warren County is moving full speed ahead**

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Despite an economic slowdown in most other parts of NYS, the northern Tech Valley/Southern Adirondack area of Glens Falls, Warren County has maintained a healthy economic profile, with a number of new projects having been recently completed or initiated. Central to this expansionary activity are several strong regional companies and organizations, which together serve as an economic engine for a broad area that extends from northern Saratoga County east to Vermont and northward into the mostly rural southern Adirondacks.

### **Development is Moving Full Speed Ahead**

From a real estate perspective, a confluence of diverse economic factors and evolving demographic trends has fueled a sustained growth pattern across the region's residential and commercial development. Consider this: on a percentage basis, Glens Falls MSA is the second leading New York state MSA in population growth since 2000 and one of the only upstate New York areas showing both overall positive population and employment increases during the decade.

Within the downtown Glens Falls corridor, an impressive streetscape and infrastructure improvement project and roundabout was finished in early 2007, sparking a number of new mixed-use rehabilitations and other leasing activity. The Barton Group's recently completed headquarters building is a unique 12,000 s/f historic rehab and is one of the first certified LEED office buildings in northern New York. Developer Peter Hoffman completed 86 Glen St., a 15,000 s/f office rehabilitation project, now home to NBT Bank and Behan Communications. On South Street, developer Kaidas Properties is fully renovating the former 25,000 s/f Empire Theatre into a unique retail/office and apartment mixed-use project. In mid-2008, Travelers Insurance leased multiple floors in the formerly vacated Monument Square ten-story office tower. Other major high profile rehabilitations and expansions underway in the City of Glens Falls include: The Mill Condominium project by Merlin Development- \$25 million; new Crandall Library expansion project - \$18 million; and Village Green Apartments redevelopment project by Evergreen Partners - \$20 million.

In nearby suburban Queensbury, Tribune Media Services Inc. and developer BBL recently completed and now occupy a new 60,000 s/f two-story office facility off I-87 exit 18. In the same area, Hudson Headwaters Inc is constructing a new 25,000 s/f office facility that will be completed by first quarter 2009.

Retail activity in the immediate region is reportedly strong, despite the economy. For the first half of 2008, sales tax revenue in Warren County increased 5% over the same period last year which is a positive sign. The suburban Queensbury area is the hottest locale for retail development and is host to the Glens Falls MSA's sole regional mall (Aviation Mall). A number of big box retail-anchored centers in the Quaker Rd./exit 19 area serve as the area's primary shopping zone and service a broad cross-section of the market, including resort and rural areas to the north.

New hotel/motel development also continues to expand. The region's natural position as an internationally recognized tourist destination, with the ability to capture both Saratoga Springs and Lake George resort-bound visitors, only accentuates the demand. A new wrinkle is the increase in demand from business travelers as well. Recently, developer Richard Schermerhorn announced a new project at I-87 exit 18 that will feature a new Fairfield Inn & Suites to be built in late 2008 and completed in 2009. There have also been a number of recent proposals in the revitalized downtown Glens Falls area concerning a new hotel project, which will complement the other redevelopment activity underway. Parking solutions and market conditions will dictate which one of these proposals comes to fruition first over the next several years.

The Glens Falls/Warren County location is less than an hour north of one of the world's leading nanotech and biotech research hubs, including universally renowned Albany Nanotech, RPI, and GE Global Research. In addition, the area is approximately 30 minutes north of Luther Forest Technology Campus in Malta, the future home of AMD's much anticipated next generation Fab 4X chipfab facility. These tech assets will no doubt have a major impact on the broader area from both a real estate and a workforce perspective and preparations to accommodate this influx are underway. Recently, the brand new 41-acre Queensbury Business Park (renamed from Queensbury Industrial Park) completed its park road and infrastructure, so it is now 100% "shovel ready." Lots vary from 2 to 9 acres in size and could be combined to suit prospective occupants. EDC Warren County is the developer of the project and targeted tenant/occupants include medical device, R & D, nano/bio tech companies and/or anticipated AMD supply chain vendors or service providers.

Several other existing and emerging business/tech/flex parks are in the works as well, including Quaker Ridge Tech Park (85 acres), Tech Meadows of Glens Falls (40 acres), and a future 90-acre Aviation Tech Park at the Warren County Airport, where on/off runway access can be accommodated.

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