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**News Release**

**Proposal for Sale and Redevelopment  
of Madden Hotel Moving Forward**

*Glens Falls National Bank proposes to purchase  
cornerstone property in historic South Street makeover*

GLENS FALLS — In the first step toward a sweeping redevelopment of Glens Falls' South Street, the Greater Glens Falls Local Development Corp. (LDC) adopted an initial resolution Friday to authorize a contract for the purchase of the Madden Hotel, which is then expected to lead to its sale to Glens Falls National Bank and Trust Co.

Pending final approval of the agreements by all of the parties, the hotel property would be transferred from its current owner, Chad Nims of C and J Holdings, to one of the city's economic development agencies and then to Glens Falls National Bank and Trust Co. for future expansion of its downtown headquarters where more than 270 of Glens Falls National's and Arrow Financial Corp's. approximately 480 employees work.

"This plan sets the stage for the transformation of South Street into a thriving commercial, entertainment and office hub that generates new employment opportunities and economic growth for the people of Glens Falls and the entire region," said Mayor Jack Diamond.

"Glens Falls National Bank has shown vision and leadership in proposing to purchase the Madden to support the future growth of its corporate headquarters, an anchor in Downtown Glens Falls for more than 150 years," Mayor Diamond said. "The investment Glens Falls National intends to make in the redevelopment of this property and in the future of Downtown Glens Falls is significant and is the basis upon which the LDC has been asked to consider providing additional funding in support of an historic public-private partnership to transform South Street."

Mayor Diamond added: "With the assistance of the LDC, the Glens Falls Common Council, Glens Falls National and other public and private groups, the City is putting in place a comprehensive plan to address two complex, inter-related, long-term challenges confronting our community: The need for additional economic development, creation of jobs, and expansion of our property tax base, along with the creation of appropriate housing and meal facilities for Madden Hotel tenants and individuals who rely on the Open Door Soup Kitchen."

The resolution authorizes the LDC to enter into a contract for the purchase of the property from C and J Holdings for \$650,000, based on an independent appraisal conducted by Sterling Appraisal Co. of Albany. Proceeds of the proposed sale would be paid to C and J Holdings subject to the satisfaction of outstanding expenses. The hotel's condition has deteriorated over many years and the property has been the subject of numerous code enforcement proceedings.

The LDC resolution also authorizes its chairman to accept Glens Falls National Bank's offer of \$500,000 to purchase the building. To finalize the agreement, the resolution authorizes the LDC to invest \$150,000 as part of the first step in an overall \$1.6 million revitalization program for South Street that includes redevelopment of infrastructure and streetscaping. A study by economic development consultants Camoin Associates of Saratoga Springs, commissioned by the LDC, identified the Madden Hotel and other buildings as pivotal to a successful redevelopment of South Street.

The transaction is expected to close in about 90 days.

During this period, the Glens Falls Housing Authority will ensure that appropriate alternative housing is located for the approximately 30 tenants of the Madden. Glens Falls Housing Authority Executive Director Robert Landry will lead a coordinated effort to help tenants identify alternatives and relocate. Informational meetings with tenants will begin over the next several days.

City officials also are coordinating closely with Rev. Bruce Hersey, founder of The Open Door Soup Kitchen, to establish a new, permanent location for The Open Door. Glens Falls officials have applied for a \$500,000 federal grant through Congressman Scott Murphy's office, to assist in the acquisition and development of a meals facility.

Should the new location not be available before the property transfer is finalized, the city and Rev. Hersey are working with area churches with kitchen facilities to secure a temporary location where Rev. Hersey and his team will prepare and

serve meals while a permanent site is established.

The City will work with the Open Door and the people it serves to publicize the new meal locations and ensure a seamless transition and uninterrupted access to meals during and immediately following the sale of the Madden.

The City also is coordinating with the Warren and Washington Counties Social Services Departments and other agencies, which place tenants at the Madden, and with a coalition of local housing advocates to develop a system for placement of individuals in need of temporary housing in locations other than the Madden.

Thomas L. Hoy, chairman, president and chief executive officer of Glens Falls National Bank, said: “We are pleased that the growth of our business throughout the North Country has created a need to expand our main office, and we look forward to working with the City on a project that will be a credit to Glens Falls.”

Mr. Hoy said the bank had not developed plans for the building but would evaluate options over the next 90 days in a collaborative process with city officials. Glens Falls National is working with architect Robert Joy of JMZ Architects and Planners PC of Glens Falls to explore options for the re-development of the property.

Redevelopment efforts along South Street are being coordinated by the City Common Council and its three economic development agencies — the LDC, IDA (Industrial Development Agency) and URA (Urban Renewal Agency). These efforts have been advanced by elected officials, including Sen. Charles Schumer, Congressman Murphy, Sen. Betty Little, and former Mayor Frank O’Keefe, the current county treasurer and a long-time promoter of South Street redevelopment efforts.

Last January, Sen. Schumer announced a \$974,000 federal grant for infrastructure improvements, and Sen. Little has secured \$100,000 in state aid for redevelopment efforts.

“I’m pleased to be able to assist Glens Falls in its redevelopment of South Street as it continues to move forward with its successful revitalization of this great city,” Sen. Schumer said.

Congressman Murphy said, “The City of Glens Falls is a wonderful example of small-city economic development working in Upstate New York. This public-private partnership is an investment in our community and will help continue to revitalize our local economy.”

Sen. Betty Little, a strong advocate of private-public partnerships, said, "This type of local coordination among agencies is the type of collaboration that leads to great achievements, and I look forward, along with so many others, to seeing the redevelopment of South Street."

Mayor O'Keefe noted: "There is tremendous potential for South Street, and this important step will, I have no doubt, be a great catalyst for the city. I'm pleased to have been part of the effort to assist this project, and look forward to a successful conclusion."

Other redevelopment projects along South Street include the transformation of the former Empire Theater building across from the Madden Hotel into luxury apartments and commercial and retail space by developer Michael Kaidas. Two blocks away, Architect Gary McCoola has purchased and is in the process of renovating the former Dolan building at the corner of South and Broad streets.

"We have seen impressive results from the redevelopment of Glen and Warren streets, and we anticipate the same dramatic results with the transformation of South Street," said Edward M. Bartholomew Jr., director of the City's community and economic development office. "Glens Falls National is a major employer and institution in Downtown Glens Falls and this vote of confidence will send a clear signal to businesses and commercial developers throughout the Capital Region and beyond that Glens Falls is an ideal place to invest and grow."

Len Fosbrook, president of the Economic Development Corp. of Warren County, agreed that the city's efforts to redevelop South Street fit perfectly with the expansion and redevelopment of the Northway Exit 18 corridor leading into Downtown Glens Falls.

"With a new Exit 18 corridor serving as an impressive and inviting entryway into the city, Glens Falls' plan for redevelopment of the Madden Hotel will become a catalyst for further economic investment, both public and private," said Mr. Fosbrook. "EDC Warren County looks forward to assisting the city in making this project a reality."

Glens Falls Common Council President Dan Hall said, "The recent public and private investments in the city make clear Glens Falls' future will continue to grow brighter in the years ahead."

Todd Feigenbaum, the Glens Falls Economic Development Director during Mayor Roy Akins tenure, and a current member of the City's LDC and IDA, said: "Economic development and revitalization is often seen as a domino effect,

where small steps lead to other improvements, leading to even greater change. This project is certainly a prime example of that.”

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