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## THE BUSINESS REVIEW

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# Cohoes showing signs of new life

19th century Remsen Street buildings attract investors

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The three-story abandoned building at 103 Remsen St. in downtown Cohoes was within four days of being demolished when Bob Gallagher and Steve Noble bought it.

A few weeks later, the interior floors pancaked atop each other, collapsing in a heap of dust and debris.

"We literally put that back together," Gallagher said of the \$500,000-plus in renovations he and Noble poured into the building.

Today, the property is a good example of the restoration and reinvestment that have been happening over the past several years in this old industrial city.

The changes aren't readily apparent in the heart of downtown, where there are still plenty of vacant storefronts and "For Sale" placards. On a recent day, snow and ice made for treacherous going on the brick sidewalks in front of empty buildings on Remsen Street.

But there are encouraging, albeit early, signs of resurgence in the city of 15,500 people that was once known for its mighty textile mills.

The total value of residential and commercial building permits rose from \$5.2 million in 2002 to \$25.3 million in 2005, according to the city's Code Enforcement Department. The total was \$18.1 million in 2006.

The growth is evident in some of the large-scale projects that have attracted attention in the city, such as the conversion of the former Harmony Mills into upscale apartments and new apartments and condominiums that have been built--or proposed--along the Mohawk and Hudson rivers.

There have also been improvements on a smaller scale.

### Buy low, then fix it up

Gallagher and Noble, for instance, are partners in a venture that bought three buildings downtown and may soon close on a fourth that was recently damaged by fire.



DONNA ABBOTT VLAHOS |  
THE BUSINESS REVIEW

Steve Noble (left) and Robert Gallagher, partners in East Ridge Associates, stand on Remsen Street in Cohoes where they are investing time and money giving new life to the old industrial city.

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Gallagher separately owns another building, the former Masonic Temple at 130 Remsen St. It houses **Rizzo's Florist** on the first floor and a software company upstairs, **LabPrints**, that serves professional digital photographers.

Gallagher and Noble buy properties at bargain-basement prices, renovate them to preserve or recreate original architectural details and then lure commercial tenants with relatively cheap rents.

"I love old buildings," said Gallagher, 61, who grew up in the floor-covering business in Houston and travels to Harlingen, Texas, a few times a year to check on his real estate investments, which include shopping centers.

He moved north after marrying a woman from the Capital Region. Six years ago, he met Noble when he went to **NBT Bank** for a loan to buy 130 Remsen St.

At the time, Noble was a commercial loan officer. He left banking last February to concentrate on a real estate investment firm he had started, **East Ridge Associates**. Gallagher joined Noble, 60, in the venture and, together, they bought 103 Remsen St. for \$15,000.

Built in 1884, the brick, three-story building has arched upper-floor windows and a decorative cornice. In the city's heyday it was the home of a five-and-dime store, M.H. Fishman Co. Inc.

The first floor is now the new retail store for **Soft-Tex Manufacturing Co.**, a bedding and pillow maker; the second floor is the headquarters for **IPIX**, a small but growing 360-degree video technology company; the third floor is a 1,600-square-foot loft apartment that rents for \$1,000 per month. Another apartment is under construction on the third floor.

Although they have received some help from City Hall, such as \$50,000 to offset the construction materials at 103 Remsen St. and a \$10,000 matching grant for the facade, they said the vast majority of what they spend is out of their own pocket.

"It's gorgeous," said Ford Oxaal, president and CEO of **Minds-Eye-View Inc.**, which does business as IPIX. "It's a nice place to be. They did a great job restoring it. They left the good features intact. They didn't make it like a 1970s 'crapola' rehab. We have 12-foot tall windows, nice trim. It's human."

Oxaal likes the idea of being downtown because he said the activity mirrors the creative vibe at IPIX, which designs wraparound video applications for advertising agencies and the entertainment industry.

"We have some real-world stimulus," said Oxaal, 52.

### **A convenient location**

Next door, at 109 Remsen St., Gallagher and Noble envision a wine bar and restaurant filling the first floor, a long, wide room with a tall, pressed-tin ceiling. The building originally housed a Woolworth's and, more recently, **Cohoes Furniture**.

Across the street, renovations are underway on the first floor of 122 Remsen St. The 3,200

square feet will be occupied by **MAC Source Communications**, an office telephone system company that's moving a dozen workers from Delmar in January.

Sales Director Tom Donahue said the firm looked at spaces in Albany and Latham but settled on Cohoes because the rent was cheaper and the location provided easy access to Interstate 787 for its engineers who are on the road much of the day. He said the lease rate is about \$12 per square foot.

"He [Gallagher] made us feel good about the things he's doing in Cohoes," Donahue said. "We felt the area was coming back and we wanted to be part of it."

Gallagher and Noble are close to signing a lease with another local, growing company to fill half of the second floor and all of the third floor. They declined to identify the firm.

About 50 people work at the companies that are tenants in buildings owned by Gallagher and Noble. Their goal is to have 200 by the end of this year. They plan to build a landscaped parking lot behind 122 Remsen St. that can fit 160 to 190 vehicles. They own two-thirds of the land and the city owns the rest.

### **A taste of the Old World**

Cohoes Mayor John T. McDonald III knows the ups and downs of the 3.7-square-mile city. He and his mother own **Marra's Pharmacy** on Remsen Street, a business that has been in the family for 76 years.

"A few years ago, the only time we had caviar on the streets of Cohoes was if The Cousins [Fish Markets] truck turned over," McDonald, 45, said with a wry smile as he stood inside **Dnipro**, an authentic Ukrainian, Polish and Russian food market at 192 Remsen St.

Igor Korostil and his wife, Inna, emigrated from Ukraine in 2001 and settled in Guilderland. Igor, 30, had a job installing carpet but decided to start a business after visiting a friend in Binghamton who had a successful food store there.

The Korostils opened a store on White Street in Cohoes 18 months ago but had to move after a fire broke out on the upper floor of their building. They found a bigger space, about 1,000 square feet, on Remsen Street and opened three months ago.

The shelves and display cases are stocked with imported foods and beverages that Igor transports from wholesalers in Brooklyn every week. Word has gotten around in the local Ukrainian, Polish and Russian communities about the store, which also has a couple of tables for eat-in service.

"We have people from Niskayuna, Saratoga, Albany, Clifton Park [and] Schenectady," Igor said of his customers.

The same thing is happening next door at Harmony House Marketplace.

Jane LaCivita Clemente, her cousin, Joe LaCivita, and his wife, Diane Conroy-LaCivita, bought three adjoining buildings last year, removed tons of debris and converted one of the ground-

floor spaces into a cozy wine shop.

The **Wine Seller** exclusively stocks wines made in New York. The store now has 325 labels from 91 wineries in the state. In December, the trio opened the second phase of their project, a bakery called **The Bake Shop**.

Still to come will be a tapas bar and culinary kitchen for cooking demonstrations.

"There are people out there who still want that personal touch," LaCivita Clemente said of the appeal of the small businesses.

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