

EMPIRE STATE DEVELOPMENT NEWS

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ESDC AND NYCEDC ANNOUNCE THE REDEPLOYMENT OF MORE THAN \$30 MILLION IN FEDERAL INCENTIVES TO ATTRACT NEW FINANCIAL SERVICES FIRMS AND INSTITUTIONS TO LOWER MANHATTAN TO STIMULATE GROWTH

Empire State Development (ESD) and New York City Economic Development Corporation (NYCEDC) today announced the approval of a new \$30 million initiative aimed at encouraging expansion in Lower Manhattan's Financial Services industry including private market places and specialized investment firms. The initiative is also designed to attract international companies to Lower Manhattan as well as strengthen other growth sectors.

The federally funded Job Creation and Retention Program (JCRP) was created in the aftermath of the September 11th, 2001 terrorist attacks on Lower Manhattan to support business operations that would create or retain 200 or more jobs. In order to encourage the creation of new employment opportunities in smaller innovative financial services firms, the program will now support projects creating at least 75 new jobs. Participating companies will receive up to \$4,000 for each new job created, with the exact amount based on the project's economic impact on both the City and State and the firm's demonstrated need for public funds. Grant recipients will commit to maintaining the newly created jobs for at least 10 years.

This initiative will be an important addition to existing programs and resources aimed at creating and, as importantly, retaining jobs in New York City. NYS ESD and NYCEDC look forward to continuing to work with the Lower Manhattan business community on addressing the challenges posed by the current economic climate.

"In these times of fiscal uncertainty it has never been more important that we work together to encourage expansion in Lower Manhattan," said ESD President & CEO Marisa Lago. "This announcement is an example of Governor Paterson's plan for a stronger state, one that calls for effective and efficiently in innovative programs like the retargeting of the Job Creation and Retention Program. This new initiative helps us to rejuvenate New York's signature Financial Services industry, positioning us to capture the next wave of growth in the industry, while strengthening the New York City's long-term status as the major global financial center."

"The redeployment of the Job Creation and Retention Program will address the unique and acute challenges facing New York's financial services sector and specifically Lower Manhattan, which has long relied on Wall Street for its well-being," said NYCEDC President Seth W. Pinsky. "The grant will give employers an additional incentive to start and expand their operations Downtown and it's an example of how the Bloomberg administration is working to use modest public investments in order to leverage substantial contributions from the private sector. When the financial services sector does rebound, we want to make sure it rebounds here in New York City, and this initiative will help us capture that growth."

The aforementioned changes to JCRP have been approved by ESD's Board of Directors and are anticipated to be authorized by the U.S. Department of Housing & Urban Development shortly. The changes to JCRP are also subject to HUD's final approval and a 30 day public comment period to commence later this month. In order to access these resources, please contact JCRP@empire.state.ny.us

About ESD

Empire State Development is New York's chief economic development agency. ESD also oversees the marketing of "I LOVE NY," the State's iconic tourism brand. For more information, visit www.nylovesbiz.com.

About NYCEDC

New York City Economic Development Corporation is the City's primary vehicle for promoting economic growth in each of the five boroughs. NYCEDC's mission is to stimulate growth through expansion and redevelopment programs that encourage investment, generate prosperity and strengthen the City's competitive position. NYCEDC serves as an advocate to the business community by building relationships with companies that allow them to take advantage of New York City's many opportunities.

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