

Empire State Development News

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ESDC BOARD APPROVES \$16.3 MILLION IN GRANTS

Grants approved pledge to retain 699 jobs and create more than 271 new jobs in State

Empire State Development Corporation's Board of Directors met today in New York City and approved grants totaling nearly \$16.3 million, pledging to retain 699 existing jobs and create more than 271 new jobs in New York State, leveraging over \$102 million in private investments across New York State.

The following were awarded Economic Development Fund grants:

UniQuest Delaware, LLC - \$11,000,000 (Erie County)

UniQuest has been awarded three grants totaling \$11 million to redevelop downtown Buffalo's former Thaddeus J. Dulski Federal Office Building, now known as the Avant building, into Class A office space, condominium units and a full-service hotel and restaurant. This plan includes asbestos and lead abatement and removal; the installation of new plumbing and an energy-conserving heating and cooling system; and the reconstruction of the building's interior into its new constituent parts. Law firm Damon & Morey LLP took occupancy of two office floors in June 2009 and the 150-room Embassy Suite hotel is expected to open in July 2009. The project will create 210 new jobs. Total project cost is \$80,298,331.

Owens-Brockway Glass Container Inc. - \$1,250,000 (Cayuga County)

Owens-Brockway, a leading glass container manufacturer in the United States and abroad, has been awarded a grant of \$1.25 million to help defray the cost of rebuilding one of two glass furnaces at its facility in Sennett. The outdated furnace accounts for 44 percent of the plant's capacity and is vital to the continued operation at the location. The rebuild will allow Owens-Brockway to continue supplying its customers, including Anheuser-Busch InBev and Miller/Coors, with glass containers while also reducing the plant's energy usage. The company will retain 230 jobs. Total project cost is \$10,886,453.

Getinge Sourcing LLC - \$550,000 (Monroe County)

Getinge Sourcing, which manufactures sterilization and disinfection products for medical use, has been awarded a \$550,000 grant to assist in the modernization of its manufacturing and distribution facilities in Rochester. Getinge evaluated its North American locations and, finding the Rochester plant outdated, considered shuttering the location and consolidating in another state. This grant will allow for a full renovation of the facility, including 18,000 square feet of new manufacturing support offices and the remodel of 60,000 additional square feet. The company will retain at least 265 jobs. Total project cost is \$6,065,000.

Potsdam Specialty Paper, Inc. - \$250,000 (St. Lawrence County)

Potsdam Specialty Paper (PSPI) has been awarded a grant of \$250,000 to offset initial startup and operating costs during the company's first year of business. PSPI is a new specialty paper company born from a divested component of a global packaging firm, the Mead Corporation (now

MeadWestvaco Corporation). Mead's state-of-the-art manufacturing plant in Potsdam was acquired by Kenny Zhang, who was one of Mead's significant customers and a major shareholder in Seafrost Paper Limited. The acquisition and continued operation of the Potsdam facility under experienced new ownership will provide an estimated economic benefit to the local community in excess of \$18 million annually. PSPI will retain the 79 jobs at the Potsdam location that were previously held by Mead employees. Total project cost is \$11 million.

The following was awarded a Capital grant:

The Scenic Hudson Land Trust, Inc. - \$3,000,000 (Dutchess County)

The non-profit Scenic Hudson Land Trust, Inc. has been awarded a grant of \$3 million to assist in the design and construction costs pertaining to the development of a 12-acre public park in Beacon. This park is part of an integrated plan which also includes a 166-room hotel and conference center on a formerly scarred industrial site along the Hudson River. In accordance with the Land Trust's mission of safeguarding irreplaceable landscapes and reclaiming neglected waterfront sites, the Scenic Hudson Park at Long Dock Beacon will offer recreational and educational opportunities, such as kayaking and an informational sign-guided trail, while preserving the native beauty of the wetlands. The Scenic Hudson Land Trust will maintain the park until the hotel is completed, at which time this responsibility will be transferred to the hotel operator. Total project cost is \$6,494,773.

The following were also approved:

Restore New York

The ESDC Board adopted a Modified General Project Plan for the Port Byron Hotel Restore New York project in Cayuga County. The Restore program is targeted toward the revitalization of urban areas and the stabilization of neighborhoods as a means to attract residents and businesses. A new developer has taken over the project since it was awarded a Restore New York Communities Initiative grant in 2007. The total project cost is unchanged from the original budget.

US Optical LLC - \$100,000 (Onondaga County)

US Optical was awarded a grant of \$100,000 to be used for the purchase and installation of new machinery and equipment. The company manufactures prescription eyeglass lenses of every kind and is one of the first laboratories in the United States to specialize in the digitized surfacing of progressive lenses (no-line bifocals). US Optical's accounts are spread across the country, and the company considered locations in several states before opting for a facility in East Syracuse. The grant will offset the cost and installation of manufacturing equipment such as a SatisLOH RX Free Form Surfacing unit and a Zeiss AR Coating Chamber and Wash. The company will create 35 new jobs. Total project cost is \$2,352,823.

Cortland Plastics International, LLC - \$70,000 (Cortland County)

Cortland Plastics International (CP) has been awarded a \$70,000 grant to be used for a portion of the cost of machinery and equipment purchase and installation. CP, located in the city of Cortland, is a manufacturer of high density plastic bottles for the pharmaceutical, personal care, household chemicals and other industries. In 2007, two customers requested production of specific bottle types. Since the installation of this updated equipment, the new line has added over \$1.2 million in new sales. CP had 20 employees at the time of the incentive offer and will now retain 40 jobs. Total project cost is \$802,906.

Trinity Biotech, USA - \$70,000 (Chautauqua County)

Trinity Biotech, a manufacturer of medical diagnostic products in Jamestown, has been awarded a grant of \$70,000 to go toward the cost of building renovations, new machinery and equipment and relocation. The company, a subsidiary of a larger parent which manufactures over 500 different medical diagnostic products worldwide and supplies mainly hospitals and laboratories, has been selected as the relocation site for a newly acquired instrumentation division from St. Louis, Illinois. Without the grant, the parent company, Trinity Biotech, PLC, would have established this project

outside of the country. The company will retain 85 existing jobs and has already created 26 new jobs, exceeding its job commitment by 10 jobs. Total project cost is \$435,000.

Erie County Industrial Development Agency - \$40,000 (Erie County)

The Erie County Industrial Development Agency ("ECIDA"), a public benefit corporation tasked with the promotion and assistance of private-sector industrial and economic development in Erie County, has been awarded a grant of up to 50 percent of eligible project expenditures or \$40,000, whichever is less. This grant will be used to subsidize the rental of booth space for up to six New York State businesses participating in the MEDICA 2009 Trade Show in Düsseldorf, Germany from November 20 to 21, 2009. The grant will also allow ECIDA to further its ongoing international marketing initiatives focused largely on increasing the ability of local medical manufacturers to compete internationally. The beneficiary companies have contributed to the funding of the project and will establish or expand their presence in overseas markets. Total project cost is \$80,000.

The ESDC Board authorized a modification to the budget of the Griffiss Air Force Base Retention projects in Oneida County. This modification allows for the inclusion of architectural and engineering expenses associated with providing design documents for the completion of 1.1 miles of the Griffiss Parkway/New York State Route 825. The change does not involve any additional funding and the total project cost for each project remains at \$150,000.

The next meeting of the Board of Directors will tentatively be held on August 19, 2009 at a location to be announced closer to the time of the event.

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.

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