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EMPIRE STATE DEVELOPMENT ANNOUNCES \$7.3 MILLION IN SECOND ROUND OF DOWNSTATE REVITALIZATION FUNDING

Downstate Revitalization Funding Supports Small Business Investment and Development

Empire State Development today announced the award of \$7.3 million to six projects, as part of the second round of awards through the Downstate Revitalization Fund. The Governor first announced the \$35 million Fund in May of 2009, as an investment tool to help attract businesses, improve commerce and revitalize local economies.

“Small businesses are the heart of our economy and will play a fundamental role in our fiscal recovery,” Governor David A. Paterson said. “Today’s announcement is another important step towards the rebuilding of our downstate economy; the Downstate Revitalization Fund is aimed at providing assistance to small businesses and ensuring the continued creation of jobs. It paves the way for economic growth and development of our neighborhoods. Through ensuring the success of our businesses we will strengthen our economy, our workforce and our State as a whole.”

The Fund invests in projects that advance local development and small businesses; this includes making improvements to industrial parks and providing loans for purchase of equipment, real estate or other needs. Eligible applicants include municipalities, businesses, academic institutions and non-profits. Awards range from \$100,000 to \$5 million. The program gives a preference to requests for loans, with principal repayments able to be recycled for future projects. This second round of funding will finance business investment, infrastructure upgrades and downtown redevelopment. The Fund is administered by Empire State Development (ESD) and available to projects in New York City, Westchester, Rockland, Putnam, Orange, Dutchess, Nassau and Suffolk counties.

Empire State Development (ESD) Chairman and CEO designate Dennis M. Mullen said: “As a part of the Governor’s Small Business Initiative, ESD has been working to address the challenges small businesses face statewide. Today’s announcement of continued Downstate Revitalization Funding will create jobs for those small businesses and result in economic and environmental benefits for our downstate communities. Working alongside Governor Paterson we remain committed to promoting job growth and providing businesses with the assistance they need to secure the best opportunities to thrive here in New York State.”

To ensure that each project meets the specific needs of its region, all applications undergo a competitive review process by ESD’s Regional Office Directors, with the support of central ESD

resources. Requests for business investment assistance are reviewed on a rolling basis, whereas requests for infrastructure and downtown redevelopment assistance follow a quarterly calendar. To-date, \$27.9 million in Downstate Revitalization funding has been awarded (this includes Round I and Round II awards and business track investment which are awarded on a rolling basis).

The following projects were awarded funding in the second round of Downstate Revitalization funding:

Long Island

Total Funding: \$4,606,000

- **Bren-Tronics — Advanced Battery and Cell Manufacturing — \$1,500,000**

Bren-Tronics (BT) is a privately owned small business engaged in the design and manufacture of rechargeable batteries, chargers and related devices to the U.S. Military. It has been successful in supplying these products to the U.S. and International defense forces for more than 36 years. Located on Long Island, BT has grown its business with more than 200 employees to meet the ever-increasing demand for power by U.S. soldiers.

While the initial cell manufacturing plan is to design and manufacture for the existing Bren-Tronics product lines, the company's intention is to immediately leverage this technology base into renewable energy platforms for advanced electric and hybrid vehicles, as well as develop energy systems combining energy storage from solar power, fuel cells and wind power. The project will retain 209 jobs and create 165 jobs.

- **Chesapeake Pharmaceutical Packaging Company, LLC — \$106,000**

Chesapeake Pharmaceutical Packaging Company, LLC manufactures roll labels, package inserts, individual folding cartons and specialty products for the pharmaceutical industry. Chesapeake's corporate headquarters is located in Hicksville. Services at the facility include corporate finance, sales and administrative duties for the United States operations. Manufacturing of traditional and large format package inserts for pharmaceutical products, as mandated by the FDA, is performed at this site.

Chesapeake was founded in 1920 under the name Arlington Press and was renamed Chesapeake Pharmaceutical Packaging Company, Inc. in 2005. In 2009, its assets were purchased by CPPC, LLC. The company operates as a subsidiary of Chesapeake and generates sales of \$15 million annually, serving 11 of the top 15 pharmaceutical companies. The Hicksville plant employs 90 full-time employees. The project will retain 90 jobs and create 30 new jobs.

- **Downtown Patchogue Redevelopers, LLC — New Village: Construction of a mixed-use, transit oriented development in downtown Patchogue — \$1,000,000**

Downtown Patchogue Redevelopers (DPR) is developing a mixed-use, transit-oriented development consisting of office, retail, rental apartments and a hotel in the central business district of the Village of Patchogue. The \$106 million project will include 240 apartments, 28,460-square-feet of retail space and a 106-room hotel. DPR has assembled

the 3.28-acre site at the center of the business district and has started construction on property at 31 West Main Street, which includes renovation of existing space for the creation of retail and residential uses. The subject project is the relocation of a 100-plus year old library from a portion of the site to an adjacent site. Expenditures include demolition, site improvements and building relocation. The site will be improved with parking adjacent to the proposed hotel and retail spaces. The project is critical to the development of a transportation-oriented development. The total project cost is \$8,263,968 for this component.

- **Town of Babylon — Wyandanch Southwest Sewer Extension — \$2,000,000**
The town of Babylon will construct and extend a sewer line to the Wyandanch Central Business District to become a part of the Southwest Sewer District. Sewer installation will make downtown “development ready,” which will bring economic and environmental benefit. Sustainable and green development practices to integrate green infrastructure will be utilized in the revitalization efforts, including Leadership in Energy and Environmental Design (LEED) and Stormwater Design Quality Control.

A sewer feasibility study was completed in early 2009. The project is in accordance with the Wyandanch Hamlet Plan adopted by the town board in 2004. The project is within an Urban Renewal Area, Riverhead/Suffolk County Empire Zone and Wyandanch Brownfield Opportunity Area.

New York City Area

Total Funding: \$ 2,700,000

- **Sims Municipal Recycling of NY LLC — Sunset Park Materials Recycling Facility — \$1,500,000**
In 2009, Sims Municipal Recycling entered into a 20-year contract with the City of New York, creating a long-term public/private partnership to service the largest municipal recycling program in the United States. The project involves the construction of a new \$90 million materials recycling facility with truck, barge and rail access on the 11.5 acre 30th Street Pier in Brooklyn. This includes the following: the construction of a 10,000-square-foot administration building and visitor center; the erection and equipping of a 100,000-square-foot processing facility; the dredging of approximately 50,000 cubic yards of sediment; and the construction of 850 linear feet of new dock and bulkhead. The company and its affiliates currently employ 179 in New York State. The project will also reduce annual NYC Department of Sanitation truck traffic by 230,000 vehicle miles annually. The project will result in the creation of 84 new jobs and 381 construction jobs.
- **Metro Terminals Corporation — Metro Biofuels — \$1,200,000**
Metro Terminals Corporation. (“Metro”), a 65-year-old energy company, is building a 110 million gallon biodiesel processing facility, Metro Biofuels, adjacent to its Greenpoint, Brooklyn headquarters along the New Town Creek. Metro is also building a biodiesel storage and office facility at Enterprise Park at Calverton (EPCAL), the industrial park on Calverton, Long Island. These facilities will assist in processing a portion of the 30 million gallons of waste cooking oil generated in the five boroughs of

New York City and the surrounding suburbs annually, much of which would otherwise be trucked to biodiesel facilities in Pennsylvania or the Midwest. Combined with the barging of 100 percent biodegradable vegetable oil feedstock into the facility, this project will result in a large reduction in the carbon footprint for the NYC area. The project cost of the processing facility is \$22.3 million, \$18 million of which is being funded privately. The end product will be used for trucks and home heating oil in NYC and Long Island. The project will create 56 new jobs and retain 150 existing jobs.

More information about the Downstate Revitalization Funding and application forms are available on Empire State Development's website: www.nylovesbiz.com. We are currently accepting applications for Round III.

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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