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ESDC BOARD APPROVES GRANTS LEVERAGING \$32 MILLION IN PRIVATE INVESTMENTS TO RETAIN AND CREATE JOBS ACROSS NEW YORK STATE

More than 407 jobs to be retained and 188 new jobs to be created

Empire State Development Corporation's Board of Directors met today and approved grants totaling more than \$7.7 million, pledging to retain over 407 existing jobs and create 188 new jobs in New York State. The grants will leverage more than \$32 million in private investments across the State.

Restore New York Communities Initiative

The ESDC Board authorized the following Restore New York Grants. The Restore New York program is targeted toward the revitalization of urban areas and the stabilization of neighborhoods as a means to attract residents and businesses.

Village of Patchogue – \$2,471,000 (Suffolk County)

Established in April of 2008, the Downtown Redevelopment District in Patchogue provides growth and revitalization to the downtown business district. It encourages retail and destination uses in the downtown core, and creates jobs, and residential units, which improve the economic base of the Village. The project allows the Village to make progress towards the on-going revitalization of the Village's main shopping district. A Restore NY III grant of up to \$2,471,000 will be directed to the deconstruction and rehabilitation of 31 West Main Street, a 26,344 square foot mixed-use office and retail building built in 1898. The building will continue to be used as a mixed-used office and retail building. The project is expected to create more than 75 permanent full-time jobs. Total project cost is \$6,639,900.

City of Buffalo – \$1,350,000 (Erie County)

In January of 2006, the City of Buffalo adopted a Comprehensive Plan, which addressed the revitalization of the City's neighborhoods. The Plan, consisting of five Strategic Investment Areas in the City, includes the demolition and/or redevelopment of blighted properties to enable Buffalo to use these spaces for housing development, commercial development and land banking for future use, while simultaneously attempting to "protect and restore Buffalo's historic architecture." A Restore NY III grant of up to \$1,350,000 was awarded to the City of Buffalo to be used for a portion of the cost of demolition, interior construction and rehabilitation to establish a boutique hotel. The project involves property acquisition; complete rehabilitation of

the 57,560 square foot Curtiss Building; asbestos abatement and removal; demolition of the adjacent noncontributing dilapidated 11,615 square foot Continental Building; and construction of an 11,000 square foot addition to house the hotel entranceway and banquet facility kitchen. In addition, infrastructure improvements necessary to convert the vacant property into a fifty-seven room high-end boutique hotel will be made. The Buffalo Development Corporation will develop the project, which will be completed in September 2011. Total project cost is \$18,205,000.

Village of Watkins Glenn – \$1,190,000 (Schuyler County)

The Village of Watkins Glenn is focusing on renovating significant waterfront industrial structures in order to create new housing and encourage additional tourism opportunities. The project addresses both goals via the rehabilitation of the 13,349 square foot former public works building into a mixed-use property with eight market rate residential units and a lakeside restaurant on the lower level. A Restore NY III grant of up to \$1,190,000 was awarded to the Village of Watkins Glenn to be used for a portion of the cost of construction/rehabilitation and infrastructure. The project will create two full-time jobs and the restaurant will employ 25 full and part-time employees depending on the season. Total project cost is \$2,972,476.

Village of Liverpool – \$883,302 (Onondaga County)

The Liverpool renovation and rehabilitation project will provide momentum to the Village's renewal movement efforts. The project involves the renovation and rehabilitation of a 10,508 square foot building, located at 401-403 First Street and currently vacant. The renovation will result in a mixed-use facility that will have nine moderate-income apartments and two commercial units on the ground floor. The property is owned by JGB Properties, LLC and they have selected MCK Building Associates, Inc. as the general contractor for the project. A Restore NY III grant of up to \$883,302 was awarded to the Village of Liverpool to be used for a portion of renovation and rehabilitation costs. Total project cost is \$1,801,763.

Village of Mount Morris – \$433,477 (Livingston County)

The New Family Theater, and its unique Art Deco façade and marquee, has been a landmark on Mount Morris's Main Street for 75 years, but the building has been abandoned and deteriorating for a number of years. By rehabilitating the façade of the theater and joining that to new commercial space, the Village will develop a high quality and highly visible facility for private commercial investment. A Restore NY III grant of up to \$433,477 was awarded to the Village of Mount Morris to be used for a portion of the cost of demolition and partial reconstruction and rehabilitation of the New Family Theater. Total project cost is \$563,477.

Town of Cortlandville – \$300,000 (Cortland County)

The Homer-Cortland Community Agency, Inc. is a not-for-profit organization established in 2005 to create the Central New York Living History Center ("the Center") on its property. The establishment of the Center will facilitate the adaptive reuse and renovation of a commercial building in an area of the town where other marginal and/or vacant commercial buildings are located. The project involves the renovation of the 23,000 square foot main building located on the site. The Town of Cortlandville was awarded a Restore NY III grant of up to \$300,000 to be used for a portion of renovation costs. Total project cost is \$600,000.

Village of Penn Yan – \$250,000 (Yates County)

The Village of Penn Yan has become a tourist destination with visitors representing nearly \$90,000,000 a year in economic impact to Penn Yan and Yates County. The proposed project will fulfill the Restore NY goals of revitalizing urban centers, inducing commercial development and improving local housing stock. It includes the rehabilitation of three buildings totaling 56,470 square feet in the center of downtown. These buildings include the former Garret Winery at 111 Liberty Street and the former Water Street Warehouses. They are all nearly vacant, located in the Yates County Empire Zone, and are a part of the recently completed waterfront development plan area. The Village of Penn Yan was selected for a Restore NY III grant of up to \$2.5 million for the three buildings. Today's action approves an initial \$250,000 to be used for a portion of the cost of building renovations and site preparation of the Garret Winery, which has a total project cost of \$677,030. Upon completion, it will be used for mixed use. The rest of the Restore grant will be presented to the Directors when construction of the other two buildings is ready to proceed.

The following companies were awarded Economic Development Fund grants:

New York State Healthy Food/Healthy Communities Initiative – \$600,000

Additional funding for The Healthy Food/Healthy Communities Initiative was awarded at today's board meeting to cover a portion of the administrative expenses. The Healthy Food/Healthy Communities Initiative a three-year, \$10 million program that is aimed to provide capital in the form of grants and loans in order to increase the number of healthy food markets in underserved communities across New York State. The statewide program meets the financing needs of market operators that plan to operate in these communities and do not have access to financing through the conventional credit market.

CMP Advanced Mechanical Solutions Capital – \$135,000 (Broome County)

As part of CMP's five-year business plan, New York was identified as a strategic area for expansion-related growth due to its access to the US-Canada border. In 2006, the company purchased Universal Instruments' fabrication business in Binghamton, and in July 2006, it leased Universal Instruments fabrication shop. In order to remain competitive the company needed significant technology upgrades as well as an increase in the employment base of skilled workers. The project involves the purchase of machinery and equipment to assist in the company's three-year technology upgrade plan and customer diversification program. As a result of ESD's assistance in funding a portion of its technology upgrade, CMP was able to win contracts from Alstom Transport, ATM, Phillips Medical, and Siemens Energy and Automation. The company was awarded a grant of up to \$135,000 to be used for a portion of the cost of machinery and equipment acquisition. The company pledges to create 36 new full-time jobs and will retain 54 full-time employees. Total project cost is \$1,800,000.

Kraft Foods Global Capital – \$125,000 (Livingston County)

Kraft's Avon facility became the world's sole plant for the production of Cool Whip in 1995 and several years later added production of the Lunchables line of food products. The proposed project will build a new Lunchables line at the Avon facility, increasing the plant's production capacity by 50%. Kraft has also renovated 58,000 square feet, installed new water systems and HVAC and reconfigured the two existing Lunchables lines to make room for the new one. A grant of up to \$125,000 was awarded to be used for a portion of the cost of the purchase and

installation of machinery and equipment. This location competed with Kraft's Allentown, Pennsylvania plant for the project. The company has already exceeded its target of 50 new jobs and retained 353 jobs. Total project cost is \$2,385,000.

The next meeting of the Board of Directors will tentatively be held the third week of March 2010, at a location to be announced closer to the time of the event.

Empire State Development is New York's chief economic development agency, committed to being recognized on a global scale as the economic development engine driving job growth, strategic investment and prosperity in New York State. ESD is intent on paving the way for New York State to become the leader of the innovation economy and one of the most business friendly, productive and competitive economic development climates in the world. ESD also oversees the marketing of "I LOVE NY," the State's iconic tourism brand. For more information, visit www.esd.ny.gov.

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