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Andrew M. Cuomo – *Governor*

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**GOVERNOR CUOMO ANNOUNCES CLEAN TECHNOLOGY VEHICLE
MANUFACTURER TO OPEN FACILITY IN NEW YORK CITY, CREATE MORE
THAN 100 JOBS**

***State Developing Federally-Funded Commercial Electric Vehicle (EV) Buyer Incentive
Program to Encourage Zero Emission Vehicle Purchase and Attract "Green" Companies***

Governor Andrew M. Cuomo today announced that Smith Electric Vehicles (Smith), a leader in zero-emission, all-electric commercial vehicles, will establish a clean technology manufacturing facility in New York, which is expected to create more than 100 new direct jobs.

Smith will lease a 90,000 square foot building near Hunts Point in the South Bronx and make investments in renovations, equipment, training and other project costs. A package of state and city incentives valued at over \$6 million, including \$3.4 million in Excelsior tax credit benefits from Empire State Development, and \$1.7 million in tax exemptions approved by the New York City Industrial Development Agency (NYCIDA), is being provided to augment the company's private investment.

"Creating over 100 new jobs in the South Bronx is a victory for the local community and a clear sign that New York is rapidly attracting innovative opportunities to grow our economy," Governor Cuomo said.

Bryan Hansel, CEO and chairman of Smith Electric Vehicles, said, "Smith is excited to expand our US operation into New York. Governor Cuomo's leadership, combined with the close collaboration amongst the state, city, and local authorities has underscored our confidence in the New York business environment and allowed us to expand our commitment to building a sustainable and profitable commercial EV industry."

Smith will renovate and equip the former Murray Feiss building in the South Bronx for its manufacturing assembly, service and sales facility. Beginning in 2012, the company will manufacture the Newton™, a zero-emission all-electric commercial vehicle that delivers a market-leading range, a payload of more than 16,000 pounds and an average annual operating cost that is one-third to one-half that of conventional diesel vehicles. Smith vehicles operate in major urban centers, including Los Angeles, London, Hong Kong, and New York City. PepsiCo's Frito-Lay division, Duane Reade, Coca Cola, and Down East Seafood have purchased and currently operate Smith Newtons in New York City.

Empire State Development President, CEO & Commissioner Kenneth Adams said, "Under Governor Cuomo's leadership, we are creating a better business environment that will result in more jobs for New Yorkers. This project represents another key building block in the foundation of a stronger economy that works for New Yorkers."

NYCEDC President Seth W. Pinsky said, "The new Smith Electric Vehicles facility in the Bronx represents an important milestone in the City's ongoing efforts to grow the industrial sector and will have a tremendous impact on the City's economy. Projects like this will pave the way for millions of dollars in private investment in the Bronx, leading to the creation of new, well-paying industrial and green jobs."

Bronx Borough President Ruben Diaz Jr. said, "This project is a win-win for the Bronx and the entire State, and continues to show not only our commitment to bringing new jobs to the Bronx but to growing the green economy here in our borough. Smith Electric will not only bring more than 100 new jobs to the Bronx, they will manufacture a 'green' product that will reduce emissions in our City and contribute to a greater quality of life not only for borough residents, but for people all over the region. I would like to thank Empire State Development, the New York City Industrial Development Agency, the New York City Economic Development Corporation, the New York State Energy Research and Development Authority, the New York Power Authority, the Department of Labor and the Bronx Overall Economic Development Corporation for working together to make this deal a reality, and I welcome Smith Electric to the Bronx and look forward to helping them grow here."

The total incentive package offered to the company is valued at more than \$6 million including:

- \$3.4 million in Excelsior tax credits from Empire State Development (ESD);
- More than \$1.5 million in New York State Energy Research and Development Authority (NYSERDA) energy efficiency and product development assistance;
- Potential electric rate subsidies from the New York Power Authority's Recharge New York program and Department of Labor workforce training assistance; and
- Approximately \$1.7 million in tax exemptions approved and provided by the New York City Industrial Development Agency (NYCIDA), and administered through the New York City Economic Development Corporation (NYCEDC).

In recognition of the environmental, economic and clean energy benefits of vehicles such as those produced by Smith and other manufacturers, Governor Cuomo also announced a federally-funded, pending multi-year electric vehicle (EV) buyer incentive program. The New York State

Department of Transportation (NYSDOT) has committed \$10 million in federal Congestion Mitigation and Air Quality (CMAQ) funding for the initial year of a new plug in all-electric vehicle buyer subsidy program to attract clean vehicle manufacturers and encourage the purchase of any eligible zero-emission vehicle in New York State. This federal transportation funding provides for projects and programs in air quality nonattainment and maintenance areas for ozone, carbon monoxide and particulate matter, which reduce transportation related emissions and improve air quality. The New York State Energy Research and Development Authority (NYSERDA) will administer the program.

Once program development is completed next spring, these federal funds, which will be offered in the form of vouchers of up to \$20,000 per vehicle, will be made available to the purchasers of any qualified and eligible all-electric vehicle over 10,000 pounds regardless of manufacturer. New York State intends to make this program available for five years in order to encourage mass adoption and allow for strategic fleet conversion throughout New York State.

"We're pleased that \$10 million of our Congestion Mitigation and Air Quality Improvement Program funding will not only improve the air quality of our state but also incentivize companies like Smith Electric to create jobs in New York," State Department of Transportation Commissioner Joan McDonald said. "This is a perfect example of the link between transportation and economic development."

"This new electric vehicle (EV) buyer program will play an important role in increasing the number of EVs on New York's roads. EVs are not only a cleaner alternative to combustion engines but reduce the consumption of fossil fuels and the emission of greenhouse gases," said Francis J. Murray Jr., President and CEO of NYSERDA. "We are pleased to join Governor Cuomo in welcoming Smith Electric Vehicles to the Bronx and applaud their creation of more than 100 jobs for New Yorkers."

By replacing the average diesel truck of this size with a zero emission alternative, more than 26 tons of greenhouse gasses are offset each year per vehicle, along with 2,228 gallons of fuel saved annually. With this New York State plan providing vouchers for at least 450 vehicles in the first year, an estimated 11,700 tons of greenhouse gases will be reduced and about 1 million gallons of diesel fuel will be saved.

Smith Electric Vehicles Corp. designs, produces and sells zero-emission commercial electric vehicles that are designed to be an alternative to traditional diesel trucks with higher efficiency and lower total cost of ownership. Its vehicle designs leverage more than 80 years of market knowledge from selling and servicing electric vehicles in the United Kingdom. Smith Electric Vehicles produces the Newton™ and the Edison™. The company currently operates manufacturing facilities in Kansas City, Mo., and outside of Newcastle, U.K.

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