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ESD BOARD APPROVES \$5.5 MILLION IN GRANTS AND LOANS TO RETAIN AND CREATE JOBS ACROSS NEW YORK STATE

Empire State Development's Board of Directors met today in New York City and approved funding totaling \$5.55 million, leveraging more than \$21.5 million in additional private and public investments to support business growth, create up to 50 new jobs and retain 180 existing jobs in New York State.

"ESD is starting 2013 off strong with the Board's actions today, creating and retaining jobs for New Yorkers and incentivizing significant private investment," said Empire State Development President, CEO & Commissioner Kenneth Adams. "Under Governor Cuomo's leadership, the Regional Council process is moving major projects forward like the Inner Harbor redevelopment in Syracuse, which will generate hundreds of millions in local economic activity and create thousands of good jobs. Additionally, our funding is benefiting communities throughout the North Country by providing better access to health care through the ACTION Network. After a successful 2012 at ESD, we're looking forward to an even better 2013."

The Board approved the following Regional Council Capital Fund grants:

COR Inner Harbor Company, LLC – Priority Project (Central New York Region – Onondaga County) – \$3,000,000

COR Inner Harbor Company, LLC (COR) has developed real estate projects throughout central and upstate New York since 1998, including the purchase, lease, development, construction, management, and operation of various projects. In total, it has developed over four million square feet of commercial, residential and mixed-use space. Through the Governor's Regional Economic Development Council Initiative (REDC) and the City's efforts in finding and selecting a developer, COR was awarded \$3 million through the REDC process for a portion of the cost of investigation, remediation and removal of environmental contaminants of six Inner Harbor properties in Syracuse in order to prepare them for a mixed-use redevelopment to include residential, office, retail, educational, hotel, and community facilities.

The completion of the project will prepare the Inner Harbor properties for redevelopment. It is anticipated that COR's development of the Inner Harbor properties will have a value of

approximately \$350 million, with a short-term local economic impact of \$570 million and create 8,194 temporary jobs.

The Board approved the following Economic Development Fund grants:

Unifrax I, LLC (Tonawanda, Western New York Region – Erie County) – \$1,500,000

Established in 1996, Unifrax is a manufacturer of heat resistant ceramic fiber products including bulk fiber, blankets, board, papers and felts, woven textiles, ropes, and braids used in automotive and industrial applications. Owned by American Security Partners, the company has twenty-five manufacturing facilities in New York, Indiana, France, India, Germany, Australia, Brazil and the United Kingdom. In mid-2007, the company advised ESD that its Tonawanda facility would reach capacity for master roll production by 2009 and it required a significant capital investment in new machinery and equipment to support current and projected future growth. To encourage the company to keep its New York operations in Tonawanda, ESD provided a grant of \$1,500,000 to help the company fund its building expansion and assist with the acquisition and installation of new machinery and equipment at its Tonawanda facility. The project, completed as of December 2012, will create 50 jobs and retain 180 jobs. Without ESD assistance, these jobs would likely have been relocated out-of-state and/or out of the country.

Adirondack - Champlain Telemedicine Network (Capital and North Country Regions – Franklin, Essex, Clinton, St. Lawrence, Warren, Washington, Saratoga and Rensselaer Counties) – \$550,000

The Research Foundation of The State University of New York will use a grant of up to \$550,000 to support the cost of a shared telecommunications network on behalf the Adirondack – Champlain Telemedicine Information Network (ACTION), a consortium of 49 health care facilities, including eight hospitals, 40 clinics/health care service providers, and St. Regis Mohawk Tribe Health Services. ACTION member organizations employ over 14,000 individuals and provide health care services to more than 460,000 individuals in northern New York State. The project includes construction of a long term leased fiber/Ethernet services network for ACTION in order to provide public internet access and high speed connectivity among member facilities, improve data sharing and reduce costs. The \$550,000 will be used to support network construction costs, including engineering, installation of fiber optics and switching equipment and project management costs such as oversight of network construction and lease agreements providing connectivity and network services.

Prior to the network, members would have to use the public internet and a virtual private network connection to conduct secure connections between health care facilities. Public access to the internet limits both speed and security. The new network provides the project area communities greater access to quality, healthcare services, including primary care practitioners, urgent care facilities and specialized healthcare providers. ACTION member organizations are able to consult with peers and specialists on health care issues quickly and reliably, and share patient records which can be crucial in emergency situations (i.e., stroke, cardiac arrest, etc.).

The network also provides members with newer technologies such as voice and fax over internet protocol, which allows voice and fax traffic to travel between member facilities at no cost. The network provides clear connections for video teleconferencing anywhere a wireless internet protocol connection is available at a member location, and enables users to pool services, such as back up and data management systems, thereby offering further cost savings.

Construction of the network began in the summer 2011 and as of December 2012, eight hospitals and 40 health care clinics/service providers have been brought online and are active network users. The project is expected to be completed in February 2013. The total project cost is \$9.1 million.

The Board approved the following Restore New York grants:

City of Buffalo – Buffalo – Restore NY III – Fairfield Library (Erie County) - \$500,000

The City of Buffalo was awarded a grant of up to \$500,000 to help with the renovation of the Fairfield Library, a historic former library that has been abandoned since 2005. The \$1.5 million project involves the acquisition of the 6,000-square-foot building; environmental remediation; structural, mechanical and electrical repairs and upgrades including partial demolition, masonry repairs, handicap lift installation, roofing replacement; repaving of the existing parking lot with an expansion of 6 parking spots; site work, signage and landscaping of the site by Creative Structures Services.

When complete, the former vacant structure will be transformed into 1,000-square-feet of office space; two market-rate two-bedroom loft-style apartments and three market-rate one-bedroom apartments with monthly rental rates ranging from \$675 to \$1,000. The project will preserve an historic and architecturally unique vacant building constructed in 1897, while creating residential and office space. Additionally, neighborhood homeowners will be encouraged to invest in their properties, increasing neighborhood housing values, reducing blight and laying the foundation for market stability and improved quality of life.

The next meeting of the ESD Board of Directors will be held in February.

Empire State Development (ESD) is New York's chief economic development agency (www.esd.ny.gov). The mission of ESD is to promote a vigorous and growing economy, encourage the creation of new job and economic opportunities, increase revenues to the State and its municipalities, and achieve stable and diversified local economies. Through the use of loans, grants, tax credits and other forms of financial assistance, ESD strives to enhance private business investment and growth to spur job creation and support prosperous communities across New York State. ESD is also the primary administrative agency overseeing Governor Cuomo's Regional Economic Development Councils and the marketing of "I Love NY," the State's iconic tourism brand. For more information on Regional Councils and Empire State Development, visit www.regionalcouncils.ny.gov and www.esd.ny.gov.

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