



For Immediate Release: Thursday, October 17, 2013

Contact:

ESD Press Office | pressoffice@esd.ny.gov | (800) 260-7313

ESD BOARD APPROVES FUNDING FOR PROJECTS THAT WILL LEVERAGE MORE THAN \$240 MILLION IN INVESTMENTS THAT WILL CREATE AND RETAIN HUNDREDS OF JOBS ACROSS NEW YORK STATE

Empire State Development's Board of Directors met today in New York City and approved \$6.1 million in funding for projects that will create more than 70 new jobs and retain nearly 300 jobs throughout the Empire State. This funding will leverage over \$244 million in additional investments to support business growth and lay the groundwork for future economic growth and job creation.

"The funds approved by the Board today support projects that are creating and retaining hundreds of jobs and helping to further grow our economy," said Empire State Development President, CEO & Commissioner Kenneth Adams. "Thanks to Governor Cuomo's leadership and commitment to a business-friendly environment, the Regional Councils are reaching new heights and we look forward to their continued efforts that have a real impact in our communities throughout the state"

The Board approved the following Downstate Revitalization Fund grant:

GE Aviation Systems DFR (Long Island Region – Suffolk County) – \$3,650,000

A subsidiary of the General Electric Company, GE Aviation Systems LLC has been a supplier of military and civil aircraft power products and lighting system for over 45 years. In 2009, the company approached ESD for financial assistance in order to keep operations at their Bohemia, Long Island facility after considering consolidation of the Long Island operations with other existing GE Aviation facilities in the US. To retain operations in New York State, ESD offered two grants, a \$3,650,000 Downstate Revitalization Fund capital grant for the acquisition of new machinery and equipment, site upgrades, and energy efficiency programs including the Employee Resource Planning system, and a \$6,350,000 working capital grant for employee training. The project has a total cost of \$245,210,216 and has resulted in the retention of 200 jobs and while creating an additional 55 new full-time jobs in the Long Island area.

The Board approved the following Regional Council award grants:

Farm Credit (Western New York Region – Erie, Niagara, Allegany and Cattaraugus Counties) – \$1,000,000

Farm Credit East (FCE), a financial service cooperative for the Northeast agriculture industry with a client base of more than 13,000 and 415 employees at 19 locations, is the largest lender to agriculture in New York State, providing loans to capitalize agriculture business. The \$1 million ESD grant will be used to establish an Agriculture Development Program in various locations in Erie, Niagara, Allegany, Cattaraugus, and Chautauqua Counties by March 2015. The project will be similar to the USDA Rural Development “Value Added Producer Grant” program, but will allow grant funding for capital expenditures. The program is expected to retain and expand agricultural activity, increase access to locally-grown products, retain and create jobs, and create stronger rural communities that will benefit from agricultural economic development.

Northland Networks (Mohawk Valley Region – Herkimer and Oneida Counties) – \$703,500

Northland Networks, Ltd. is a communication services provider that offers telecommunications solutions to businesses in Herkimer, Oneida, and Onondaga Counties using state-of-the-art technology. Northland employs about 100 full-time employees and serves both large and small businesses. ESD’s grant of up to \$703,500 will be used for a portion of the cost to design, install, and maintain a fiber optic network called Mohawk Valley Broadband, extending from Herkimer to Oneida County. Increasing bandwidth in the region enables Mohawk Valley to become a vibrant part of the economy by supporting existing businesses and attracting new ones.

The project was completed in August 2013, and as a result Northland will have the ability to provide high speed connectivity to Griffiss Business and Technology Park, Marcy Nanocenter at SUNYIT, Utica Business Park, Oneida County Business Park and many other business entities. The project’s completion allows for communities and businesses to access high speed internet, private data network connections with global access and cloud services, and Northland has already provided various businesses, schools, and healthcare facilities with increased bandwidth and communications. The partial funding of this network will help Northland become more competitive in the communications industry.

Hauptman Woodward Medical Capital (Western New York – Erie County) – \$500,000

The Hauptman Woodward Medical Research Institute (HWI) is a Buffalo biomedical research facility that is part of the world-class consortium of research, clinical and educational institutions known as the Buffalo-Niagara Medical Campus. HWI uses structural biology to create and utilize three-dimensional models of molecules to assist in advancing drug designs. An ESD grant of up to \$500,000 will go toward the expansion of the High Throughput Crystallization Laboratory, expected to be completed in December 2014. The project includes infrastructure improvements, the addition of new machinery and equipment, and supplies and materials, among other activities required for success. This expansion of the HWI involves the creation of ten high-paying jobs by January 2016 and the retention of 45 jobs. Upon completion of this project, HWI expects to expand its sample processing by 50 percent, and increase its income by 100 percent within three years.

The Board approved the following Empire State Economic Development Fund grants:

Montauk Fish Dock (Long Island Region – Suffolk County) – \$120,000

Montauk Fish Dock, Inc. dispenses diesel fuel to commercial fishing vessels and stores, and distributes fresh fish and shellfish to local and regional restaurants and markets, including The New Fulton Fish Market Cooperative at Hunts Point, New York. The Dock is a critical piece of the regional economy because it serves the largest commercial fishing port in New York State, with landings in excess of \$19 million for 2011 as well as a 30- to 70-foot commercial fleet that calls the Dock its home port. In May 2012, an electrical fire broke out at the Dock, completely destroying the supporting bulkhead. The lack of adequate infrastructure to serve the fishing fleets limited the volume and value of fish landed at Montauk ports. The Dock sought to rebuild its 3,052-square-foot facility, construct a temperature-controlled interior for storage, processing and distribution, and develop an exterior fuel station for out-of-state transient fleet. Upon encountering a financial shortfall in carrying out the planned reconstruction, the Dock applied for funding in the second round of the CFA and was awarded \$120,000. The project was supported by the Regional Council's Natural Assets Work Group and was deemed a priority project by the Council. The project will cost a total of \$560,000 and create or retain 3 jobs by January 2017.

The Board approved the following items from the Regional Council Awards Consent Calendar:

Seneca BioEnergy Capital (Ontario County) – Regional Council Capital Fund – \$100,000

Formed in 2009, Seneca BioEnergy LLC serves the renewable energy production and waste-products-to-energy processing markets. The company is engaged in biodiesel and grape seed oil production, manure-based environmental control materials, agricultural processing, biomass combustion, and environmental waste management. Customers for SBE's initial product, grape seed oil, include over 75 Finger Lakes regional wineries, health food, and retail stores. In order to expand its operations to meet the growing demand for its products and reduce costs, the company approached ESD for financial assistance. As a result of the Governor's Regional Economic Development Council Initiative, SBE applied for and was awarded \$100,000 through the Consolidated Funding Application Round 2 process towards machinery, equipment and costs of the rehabilitation of the site located at Seneca AgBio Green Energy Park, a 55-acre SEQR-approved zoned green energy complex. The company will retain 6 existing jobs and create 4 new jobs once the renewable energy facility is fully operational in late 2013.

OptiPro System Capital (Wayne County) – Empire State Economic Development Fund – \$50,000

OptiPro Systems LLC builds machines for the precision optics industry. The company, based in Ontario, New York, has grown rapidly, adding 21 jobs since 2010. As a result of the Governor's Regional Economic Development Council Initiative, the company applied for and was awarded \$50,000 through the Consolidated Funding Application Round 2 process. Without the assistance for new machinery, OptiPro risked losing market share to three foreign competitors. The company committed to adding five new positions to its base of 45 jobs, and has already exceeded that goal.

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

###