



For Immediate Release: Thursday, September 18, 2014

Contact:

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

EMPIRE STATE DEVELOPMENT APPROVES \$4 MILLION TO FUND PROJECTS GENERATING ECONOMIC OPPORTUNITY ACROSS NEW YORK STATE

The Empire State Development (ESD) Board of Directors met today in New York City and approved \$4 million in funding for seven projects that are spurring economic growth and opportunity in New York State. These targeted investments will leverage over \$20 million in private and other public funding to support small businesses, community and downtown revitalization, regional tourism attractions, and projects that are building a strong foundation for future economic growth and job creation.

“Empire State Development continues to be busier than ever, supporting key projects and priorities advanced by Governor Cuomo’s Regional Economic Development Councils and making targeted investments in a range of industries that will result in greater economic and employment opportunities for New Yorkers,” said Empire State Development President, CEO & Commissioner Kenneth Adams. “By approving these resources for high growth industries like technology and tourism, and partnering with prominent financial and academic institutions to advance our workforce and improve downtowns, these projects are benefiting communities today while paving the way for a brighter future.”

The Board approved the following Regional Economic Development Council (REDC) award grants:

Stony Brook University Small Business Development Center SBIR Grant Program – (Nassau and Suffolk Counties) – \$1,500,000

The Stony Brook University Small Business Development Center and the Research Foundation for the State University of New York (SUNY RF), an educational corporation that administers externally funded contracts and grants for and on behalf of SUNY, will administer a grant of up to \$1.5 million to establish a regional grant program for technology companies. The New York State funds will provide matching grants for laboratory equipment and facility renovations to successful Federal Small Business Innovation Research (SBIR) grant recipients. The NYS financial assistance will allow additional Long Island companies to leverage a critically important source of federal research funds to accelerate technology commercialization and create high wage

research jobs on Long Island. This project was deemed a priority project in Regional Council Round Three and was developed by the Council's Innovation Work Group.

Syracuse University Connective Corridor Façade Improvement Program – (Onondaga County) – \$450,000

Syracuse University (SU) will use grants totaling up to \$450,000 for a portion of the cost to fund rounds two and three of the Connective Corridor Façade Improvement Program. The program will provide grants of up to \$25,000 to individual businesses to improve the physical and aesthetic conditions of building façades located within the Connective Corridor Overlay District and adjacent areas in the City of Syracuse.

The Connective Corridor is a civic engagement initiative incorporating cutting-edge urban development, architecture and design, while uniting the major social, cultural and economic assets in the Syracuse. The goal of the Connective Corridor is to create a higher education community engagement model that reinforces SU's core mission of teaching and research while building on the vision for a more vital, creative community. The Corridor project involves developing a signature landscape along with transit system improvements which are federally funded and managed by the City, connecting the major educational and medical institutions with the arts and cultural organizations and businesses downtown.

This Central New York REDC Priority Project is consistent with the Council's goal to revitalize the region's urban cores, main streets and neighborhoods.

Arbor Housing and Development – (Steuben County) – \$450,000

Arbor Housing and Development, a broad-based housing and human service organization that provides a wide continuum of services to almost 2,000 low-income and moderate income households across several counties, will use a grant of up to \$450,000 for a portion of the cost to acquire and renovate a vacant, blighted retail structure in the City of Corning to create additional office and commercial space.

Founded in 1969, Arbor is a non-profit that is creating housing options for underserved populations, primarily in the Southern Tier region and northern Pennsylvania. Arbor offers a variety of services that promote community revitalization, homebuyer education, home ownership and financial counseling, and homebuyer grants. Recognizing its expanding role as a key housing provider in the Southern Tier Region, Arbor identified a building for its expansion on Bridge Street in Corning, NY that had been vacant for 7 years, and considered renovating it as additional office and commercial development rental space. In 2012, Arbor applied for funding through the Southern Tier REDC in Round II of the initiative in order to close a funding gap in their budget. The organization has already created 6 of the 8 to which it has committed.

This project was endorsed as a regional Priority Project by the Southern Tier REDC and is consistent with the Council's plan to strengthen economic development in the Region by using private sector investment to revitalize neighborhoods and renovate deteriorating and vacant commercial space.

Lewis County Development Corporation – (Lewis County) – \$330,000

Lewis County Development Corporation (LCDC), a not-for-profit economic development corporation serving Lewis County, will use grant of up to \$330,000 for a portion of the pre-construction costs required to redevelop a 9.4 acre brownfield site for future use a modern commercial industrial park.

LCDC sought ESD assistance to finance its Lyons Falls brownfield redevelopment project to create an economic development asset. LCDC applied for funding assistance through the Regional Council CFA process, and was awarded \$330,000, without which the project would not be possible.

This regional priority project will create a shovel ready greenfield site to expand economic activity in Lewis County, and is consistent with the North Country Regional Economic Development Council plan to attract additional private investment, create jobs and expand economic development in North Country communities.

Strand Theatre Digital Conversion (Herkimer County) – \$25,000

The Strand Theatre of Old Forge will use a grant of up to \$25,000 for a portion of the cost of new digital projection equipment required to convert all four movie screens in the facility to digital projection technology.

The Strand Theatre, originally built in 1923 as a single screen silent film theatre operated only during the summer, currently operates year round and must convert its 4 movie screens to digital projection, due to the phasing out of 35mm film by all film companies. The Theatre has limited funds for this conversion, and applied to ESD for funding through the Regional Council CFA process. Without ESD's assistance, the Strand would not have been able to undergo this necessary conversion and would have been unable to continue its operations. The project is consistent with the Mohawk Valley Regional Plan to invest in downtown arts, culture, and entertainment venues.

The Board approved the following New York Works Capital grant:

Buffalo Zoo Arctic Edge – (Erie County) – \$750,000

The Buffalo Zoo, the oldest zoo in New York State and the third oldest in the United States, will use a grant of up to \$750,000 as reimbursement for a portion of the construction costs of a state-of-the-art Arctic Edge Exhibit, including an Arctic Conservation Center.

The Buffalo Zoo, owned by the City of Buffalo and founded in 1875, is the most visited tourist attraction in Erie County, offering year-round exhibits of approximately 1,000 endangered and domestic animals, fundraising events, and educational programming. The Zoo welcomes over 45,000 visitors annually, and has invested over \$32 million to upgrade and establish new exhibits and amenities. In 2011, the Zoo's existing polar bear exhibits failed to meet current standards adopted by the Association of Zoos and Aquariums (AZA) and the Zoo was forced to

transfer its polar bear population to other zoos. To avoid the permanent loss of one of its most popular species, the Zoo began fundraising efforts to construct the Artic Edge Exhibit, a state-of-the-art exhibit for polar bears and other arctic animals that will connect visitors to the newly created Arctic Conservation Center, which will contain educational displays focused on climate change and positive methods for reducing carbon footprints.

The Zoo applied for funding in the first two rounds of the Regional Council's CFA process and was granted a combined total of \$776,000. In 2013 Governor Cuomo announced a \$750,000 award through New York Works, allowing the project to break ground in February 2014. Without ESD's assistance, the project would not have been completed in time to keep the polar bears in Buffalo. This project is consistent with the Western New York Regional Plan's focus on tourism and smart growth initiatives.

The Board approved the following Minority and Women-Owned Business Development and Lending Program grant:

Carver Bancorp – Bridge to Success (New York County) - \$562,500

Carver Bancorp, the largest African American and Caribbean-American led bank in the United States, will use a grant of up to \$562,500 through the Bridge to Success Loan Program to establish a loan loss reserve, which will facilitate the process for NYS qualified Minority and Women-Owned Business (MWBE) firms to access much needed short term loan capital and stimulate increased lending in the New York City Region. The loan loss reserve for Carver will be up to \$562,500 and will leverage up to \$3,750,000 of loan capital that the bank has agreed to allocate in its targeted region.

Headquartered in Harlem, Carver Bank's mission is rooted in expanding wealth enhancing opportunities by expanding access to capital and administering financial advice to its customers. Over 80% of Carver Bank's deposits are reinvested in the communities it serves, and the Bank has been designated by the U.S. Treasury Department as a Community Development Financial Institution.

In 2013, Governor Cuomo announced the creation of the Bridge to Success Loan Program, which invested at least \$15 million to expand access to short-term bridge loans for New York State Minority and Women-Owned Business Enterprises (MWBEs). The program provides lending support to MWBE contractors seeking the working capital to execute on a state contract. State contract payment cycles frequently take longer than what is financially feasible for many MWBEs, and the delay in the payment cycle poses a significant barrier to these firms securing state contracts. The program helps MWBEs access the short term loan capital needed to hire staff, buy materials, or purchase equipment, giving these companies a better chance to secure the up to \$1 billion currently available in state contracting opportunities.

The next meeting of the Board of Directors will be in October.

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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