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**EMPIRE STATE DEVELOPMENT CORPORATION AND THE PORT AUTHORITY
ENSURE FUNDS FOR STATEN ISLAND SHIPYARD; RETAIN 200 MARITIME JOBS**

Caddell contract follows New York Container and Brooklyn Cruise Terminal lease extensions as Governor Paterson uses ESD and the PA to advance the State's investment on the waterfront

The Empire State Development Corporation Board of Directors voted late last month to enter into an agreement with the Port Authority of New York & New Jersey that will have a positive impact on the New York Harbor in both the short- and the long-term. The agreement to finance the disposal costs of dredged materials will immediately benefit Caddell Dry Dock & Repair Company with the retention of 200 jobs at its Staten Island shipyard. It will also contribute to New York State's overall strategy for efficient and effective material management, as well as contamination remediation in the New York/New Jersey Harbor.

This recent deal comes on the heels of other waterfront commitments at the Howland Hook Marine Terminal on Staten Island and the Brooklyn Cruise Terminal at the Brooklyn-Port Authority Marine Terminal in Red Hook, Brooklyn.

Each of these agreements marks an investment in the growth and future of a maritime industry that has been threatened in past years by the global recession. In addition to the job retention with the Caddell contract, the Howland Hook facility lease extension through 2058 promises state-of-good-repair projects and channel deepening, and the continuing operation of the Brooklyn Terminal ensures the longevity of Phoenix beverage distribution company, which has pledged to expand – ultimately adding an additional 100 jobs to the 500 it is moving to Red Hook.

“It has long been a priority of this State to maintain business operations in our shared harbor that are in the best interests of both New York and New Jersey, and are both economically and environmentally sound,” said Governor David A. Paterson. “The agreement reached last month reiterates our commitment to these objectives and to companies like Caddell that maintain our harbor.”

“From the beginning, New York’s economy has been built on shipping. Caddell Dry Dock & Repair Company has been one of the largest full service shipyards along the New York waterfront for well over a century,” said Dennis M. Mullen, Chairman and CEO designate of Empire State Development (ESD). “Empire State Development was thrilled to have been able to amend the agreements with the Port Authority of New York & New Jersey swiftly, and to the benefit of the shipyard, the harbor, and the people of New York and New Jersey.”

“We’re taking action to expand New York’s maritime industry,” said Peter W. Davidson, Executive Director of Empire State Development. “Waterfront businesses are a critical part of our economy, and we think it’s important to do whatever is necessary to create room for them to thrive. The Harbor should include good maritime jobs, and both recreational and educational opportunities.”

The Governors Island Preservation and Education Corporation (GIPEC), a subsidiary of Empire State Development, has been working with the New York City Department of Education and School Construction Authority on another contribution to the future of the maritime industry in New York: The Urban Assembly New York Harbor School. Currently housed in the former Bushwick High School in Brooklyn, students and faculty of the Urban Assembly New York Harbor School will relocate next fall to a newly renovated building on Governors Island. The new accommodations will afford students a hands-on learning experience on the waterfront, with a thematic focus on maritime history and culture as well as vocational training in maritime technology and access to industry-related internships.

"Even during difficult economic times, port-related businesses are critical to maintaining a strong regional economy and job base," said Chris Ward, Executive Director of the Port Authority of New York & New Jersey. We're pleased to assist this business with the resources it needs to remain competitive, and to retain the 200 port-related jobs it supports."

“We applaud the State’s support of Caddell Dry Dock,” said New York City Economic Development Corporation President Seth W. Pinsky. “Dredging at Caddell’s facility in Staten Island will ensure that this important waterfront business is able to continue to maintain safe and efficient operations within New York Harbor. As reported in our recent Maritime Support Service Location Study, the work boat and vessel repair industry in the Port of New York generates an economic impact of more than \$2 billion a year for the New York region. With today’s announcement, Caddell, a leading participant in that industry for over a hundred years, will be able to continue to play its central role going forward.”

“I am pleased that Empire State Development Corporation and the Port Authority have stepped in to fund Caddell’s request for bi-state dredging monies,” said Representative Michael E. McMahon. “Caddell has been providing necessary services in the port of New York and New Jersey for over 100 years now and is an important part of the economy of Staten Island and the greater New York/New Jersey port. This funding will ensure that Caddell can remain competitive with other dry docks along the east coast and allow it to provide hundreds of local jobs. This is the type of prudent decisions that governments should be coming to with regard to assisting local businesses.”

“This funding agreement for Caddell Dry Dock in Staten Island is excellent news for New York’s working waterfront and a positive indication of New York’s commitment to preserving essential maritime jobs,” said Rep. Jerrold Nadler. “We have worked hard to preserve hundreds of good waterfront jobs in both Staten Island and Brooklyn, and these important economic hubs should only grow in the future. I thank Governor Paterson, ESD and the Port Authority for their support of New York’s maritime economy.”

“The Empire State Development Corporation support for dredging for Caddell Dry Dock is a critical and necessary measure to aid the maritime industry in New York,” said Roland Lewis, President and CEO of the Metropolitan Waterfront Alliance. While the big international shippers get much of their dredging bills covered by the federal government, small business like Caddell and other maritime operations are stuck with increasingly large bills. These businesses are the backbone and support structure upon which the regions 250,000 job shipping industry relies. ESD’s funding for this project is fair and smart public policy which will diversify our economy and preserve good blue-collar jobs.”

“Commercial piers and port facilities, which have historically been on the decline in New York, remain an important contributor to the Region's economy and heritage. We applaud ESDC’s efforts to help revitalize the waterfront and advance the State’s commitment to investment in these vital facilities,” said Robert D. Yaro, President of the Regional Plan Association.

Empire State Development is New York’s chief economic development agency. ESD also oversees the marketing of “I LOVE NY,” the State’s iconic tourism brand. For more information, visit www.nylovesbiz.com.

The Port Authority of New York and New Jersey operates many of the busiest and most important transportation links in the region. They include John F. Kennedy International, Newark Liberty International, LaGuardia, Stewart International and Teterboro airports; AirTrain JFK and AirTrain Newark; the George Washington Bridge and Bus Station; the Lincoln and Holland tunnels; the three bridges between Staten Island and New Jersey; the PATH (Port Authority Trans-Hudson) rapid-transit system; Port Newark; the Elizabeth-Port Authority Marine Terminal; the Howland Hook Marine Terminal on Staten Island; the Port Authority Auto Marine Terminal; the Brooklyn Piers/Red Hook Container Terminal; and the Port Authority Bus Terminal in midtown Manhattan. The agency also owns the 16-acre World Trade Center site in Lower Manhattan and is a partner in the Access to the Region’s Core tunnel project.

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