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**ESDC BOARD APPROVES GRANTS LEVERAGING NEARLY \$241 MILLION IN INVESTMENTS TO
RETAIN AND CREATE JOBS ACROSS NEW YORK STATE**

838 new jobs to be created and 1,862 jobs to be retained

Empire State Development Corporation's Board of Directors met today in New York City where the board approved funding totaling more than \$12,342,540 million, pledging to create 838 new jobs and retain 1,862 existing jobs in New York State. The funding will leverage nearly \$241 million in investment across the state.

In fiscal year 2010 - 2011, the ESDC Directors approved 215 projects totaling more than \$189 million in grants and loans. These projects retained 7,749 jobs and created 2,494 jobs. All grants and loans approved leveraged nearly \$2 billion in investment.

Restore New York Communities Initiative

The ESDC Board has authorized the following Restore New York Grants. The Restore New York program is targeted toward the revitalization of urban areas and the stabilization of neighborhoods as a means to attract residents and businesses.

City of Troy – Proctor's Theatre/Office and Chasan Building Rehabilitation (Rensselaer County) – \$3,300,000

The Proctor's Theatre/Office and Chasan Building Rehabilitation project involves the rehabilitation of the Chasan Building, a vacant 30,000 square foot, three-story structure located at 70-76 Fourth Street, for retail and office space and the rehabilitation of the Proctor's Office Building, a vacant 30,000 square foot five-story structure located at 82-90 Fourth Street. Columbia Development Companies will also stabilize and remediate the Proctor's Theater, a vacant 60,000 square foot structure located at 82-90 Fourth Street. The City of Troy was awarded a grant of up to \$3,300,000 in Restore New York III funding to be used for a portion of the cost to renovate two commercial buildings and stabilize a third building, including the removal, abatement and remediation of present hazardous materials. Total project cost is \$14,395,394.

City of Johnstown – Collingwood Avenue and North Perry Street Housing (Fulton County) – \$420,000

The City of Johnstown in Fulton County was settled in 1758 and evolved from a frontiers town to a center for tanning and leather in the early 20th century. Johnstown and nearby Gloversville became known as the “Glove Cities” and labeled the glove-making capital of the world. As part of the City’s 2008 Comprehensive Plan, a Land Use Plan was drafted that recommended preserving and protecting Johnstown’s small town quality of life as well as the Victorian colonial era architecture throughout the City. The plan’s major goals were intended to retain and increase the population within the City limits, bring more jobs and increase the tax base. The City of Johnstown was awarded a grant of up to \$420,000 in Restore New York III funding to be used for a portion of its revitalization plan. The project involved construction of three duplex townhouses on Collingwood Avenue and North Perry Street, located in a Brownfield Opportunity Area in the City of Johnstown. The construction of the project began in June 2010. Total project cost is \$1,094,034.

The following were awarded Economic Development Fund funding:

Bitzer Scroll Capital – \$1,400,000 (Onondaga County)

Bitzer Scroll Inc. is a wholly-owned subsidiary of Bitzer SE, a limited liability company of the Federal republic of Germany. Bitzer Scroll, Inc. designs and manufactures commercial scroll compressors for the heating, ventilation and air conditioning market. A grant of up to \$1,400,000 was awarded to the company to be used for a portion of the cost of the purchase of machinery and equipment. Bitzer pledges to retain 12 jobs and create 113 new full-time jobs. Total project cost is \$7,084,569.

Gillette Creamery Capital – \$600,000 (Ulster County)

Gillette Creamery Capital has purchased and renovated a 33,000 square foot warehouse to expand its ice cream distribution business in New York State. The company operates its main facility in Ellenville, New York and has a second depot located in Albany. A grant of up to \$600,000 was awarded to Gillette Creamery to be used for a portion of the cost of real estate acquisition, renovations, and the purchase of machinery and equipment. The company will retain 72 jobs and create 12 new jobs. The total project cost is \$5,238,309.

Brinkman Precision Capital – \$500,000 (Monroe County)

Brinkman Precision, Inc. is a high-value added precision machining operation serving the aviation, controls, and power-generation industries. BPI’s customers are primarily located in North Carolina, California, Iowa, Arizona, and Mexico. Major customers include Parker Hannifin, Goodrich, and Eaton Aerospace. In 2008, the company approached ESD, indicating that it had outgrown its facility in the Town of Gates and was considering constructing a new building in the Rochester area or another state. A grant of up to \$500,000 was awarded to the company to be used for a portion of the cost of construction, and the purchase of machinery and equipment. As a result of this project, the company will retain 99 jobs and create 55 new jobs. Total project cost is \$10,100,000.

GKN Aerospace Monitor Capital – \$500,000 (Suffolk County)

GKN Aerospace Monitor Inc. is a wholly owned subsidiary of British aerospace company GKN Aerospace Inc., itself a subsidiary of GKN Plc. GKN manufactures highly engineered, machined aircraft structural components used in the commercial and defense aerospace industry. In order to be competitive and able to manufacture machined products in a more productive and efficient manner, GKN needed to invest in new machinery and equipment to successfully fulfill a new contract for the Boeing 787 Dreamliner. A grant of up to \$500,000 was awarded to the company to be used for a portion of the cost of the purchase of new machinery and equipment. The company will retain 290 employees. Total project cost is \$5,276,000.

President Container Capital – \$500,000 (Orange County)

President Container, Inc. is a family owned company founded in 1955 by the Grossbard family. The company currently manufactures corrugated containers, displays, and point of purchase packaging, which involves many different structural corrugated components and dye cutting. In 2008, the company began planning on investing in a new generation of machinery and equipment and additional space to accommodate its projected growth. The company considered moves to Pennsylvania and New Jersey where it already has a strong presence. ESD was able to encourage the company's presence in NYS by awarding them a grant of up to \$500,000 to be used for a portion of the acquisition cost of machinery and equipment. The company will create 222 new jobs. The total project cost is \$47,204,286.

Windham Professionals Capital – \$280,000 (Erie County)

Windham Professionals, Inc. was established in 1982 and is a licensed, full-service national collection agency maintaining strategic collection and sales offices throughout the country and providing account collections for the educational, commercial, and healthcare industries. In 2009, the company informed ESD that it had secured a five-year contract with the New York State Higher Education Services Corporation to conduct collections, administrative resolutions, administrative wage garnishment, quality assurance, compliance, information technology, and client services. To accommodate this contract the company needed to increase capacity and was considering expanding operations at an existing facility in East Aurora. A grant of up to \$280,000 was awarded to the company to be used for a portion of the cost of the acquisition and installation of furniture, fixtures, and equipment. As a result of this project, 60 jobs will be retained and 140 new jobs will be created. Total project cost is \$2,336,000.

Omni, Quintel and Intrinsic - Owned by Trillium Group

Trillium Group ("TG") is a privately held Rochester-based venture company. It owns several companies, Intrinsic Materials, Inc. ("Intrinsic"), Omni ID USA, Inc. ("Omni"), and Quintel USA, Inc. ("Quintel"), located in California's Silicon Valley and abroad. These companies sought a new U.S. location to co-locate their advanced product development and considered Rochester, NY because of the region's core competencies in optics, imaging, medical devices, radio frequency engineering, and silicon materials. Eastman Business Park was an ideal location for these three companies. The companies, detailed below, made the move to Rochester in October of 2010.

- Omni ID Capital – \$500,000 (Monroe County)

Omni's area of concentration is radio frequency identification ("RFID") tags used for inventory control. The project proposes renovations to leased space at Eastman Business Park and the purchase of machinery and equipment to create a design and R&D facility, including an RFID test range. A grant of up to \$500,000 was awarded to Omni to be used for a portion of the cost of renovations and purchase of machinery and equipment. Omni pledges to create 24 new jobs. In total, 250 jobs will be created at the project location by the three companies. Total project cost for Omni is \$2,783,000.

- Quintel Capital – \$1,300,000 (Monroe County)

Quintel's focus is on advanced cell tower antennas. The project proposes renovations to leased space at Eastman Business Park and the purchase of machinery and equipment to create a product design, integration and test center. A grant of up to \$1,300,000 was awarded to Quintel to be used for a portion of the cost of renovations and the purchase of machinery. Quintel pledges to create 68 new jobs. In total, 250 jobs will be created at the project location by the three companies. Total project cost for Quintel is \$11,000,000.

- Intrinsiq Materials Capital – \$1,200,000 (Monroe County)

Intrinsiq's focus is on nano scale silicon manufacturing. The project proposes renovations to leased space at Eastman Business Park and the purchase of machinery and equipment to create a formulation laboratory, product development facility, and manufacturing plant. A grant of up to \$1,200,000 was awarded to Intrinsiq to be used for a portion of the cost of renovations and purchase of machinery and equipment. Intrinsiq pledges to create 158 new jobs. In total, 250 jobs will be created by the three companies at the project location. Total project cost for Intrinsiq is \$17,000,000.

BorgWarner Morse TEC Capital and Training – \$592,540 (Tompkins County)

BorgWarner Morse TEC Inc. is a wholly-owned subsidiary of the publicly traded BorgWarner, Inc. ("BWI"), a world leader in automotive chain systems for engine timing and power transmission/torque transfer. Its customers include virtually every global automobile maker. BWI operates 60 manufacturing and technical facilities in 14 countries, serving customers in North America, South America, Europe, and Asia. In November of 2010, BorgWarner Morse TEC completed a capital investment and relocated the Variable Cam Timing product line from an out-of-state-plant in Oklahoma. A grant of up to \$459,540 was awarded to BorgWarner Morse TEC Inc. to be used for a portion of the cost of the purchase of machinery and equipment. An additional grant of \$133,000 was awarded to the company to be used for a portion of the cost of training. The project will allow the company to retain 1,329 jobs and create 51 jobs. Total project cost is \$62,700,000.

SKF Heat Transfer Capital – \$250,000 (Chautauqua County)

SKF, founded in 1903, is a manufacturer of high-precision, custom-engineered ball and roller bearings for critical aeroengine and specialty applications. The aerospace business includes ball

and roller bearings for helicopters, mainshaft and gearboxes for jet engines and for all types of aircraft power assemblies. SKF Heat Transfer Capital's proposed project is the construction of an 82,000-square-foot facility, the acquisition and installation of machinery and equipment including heat, washer, cooler and chiller systems, and equipment relocation and installation, plus design/professional fees necessary to relocate the heat treat facility from Jamestown and establish additional research and development and office space. The county of Chautauqua Industrial Development Agency (CCIDA) was awarded a grant of up to \$250,000 to be used for a portion of the costs for the acquisition and installation of machinery and equipment. Total project cost is \$17,928,000.

The following were awarded Downstate Revitalization funding:

Brooklyn Navy Yard Development Capital – \$1,000,000 – (Kings County)

The Brooklyn Navy Yard Development Corporation is a not-for-profit corporation that manages the Brooklyn Navy Yard under a contract with a Navy Yard's owner, the City of New York. The Navy Yard is approximately 300-acres and is an industrial park containing more than 240 industrial businesses employing 5,000. A grant of up to \$1,000,000 was awarded to the Brooklyn Navy Yard to be used for a portion of the cost of construction for their redevelopment project. They will develop a Green Manufacturing Center, which will employ 300 full-time workers. Total project cost is \$49,000,000.

In addition, the ESDC Board of Directors authorized the following:

Richard Olmstead Complex – (Erie County)

The board authorized the final generic environmental impact statement for the Richardson Olmsted Project in Buffalo and authorized the notice of completion as required under SEQRA.

The next meeting of the Board of Directors will tentatively be held the third week of April 2011, at a location to be announced closer to the time of the event.

Empire State Development is New York's chief economic development agency, committed to being recognized on a global scale as the economic development engine driving job growth, strategic investment and prosperity in New York State. ESD is intent on paving the way for New York State to become the leader of the innovation economy and one of the most business-friendly, productive and competitive economic development climates in the world. ESD also oversees the marketing of "I LOVE NY," the State's iconic tourism brand. Visit New York First at www.NYfirst.NY.gov for information on doing business in New York, and for more information about Empire State Development, please see www.esd.ny.gov .

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