

# Empire State Development

April 27, 2012

The Honorable Dean G. Skelos  
Temporary President and Majority Leader of the Senate  
Legislative Office Building, Room 909  
Albany, NY 12247

The Honorable Sheldon Silver  
Speaker of the Assembly  
Legislative Office Building, Room 932  
Albany, NY 12248

Re: Quarterly Status Report: 4<sup>th</sup> Quarter of Fiscal Year 2011-12

Dear Senator Skelos and Speaker Silver:

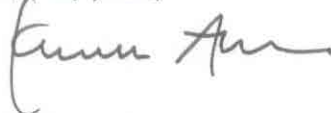
I am pleased to provide you with the Quarterly Status Report for the Urban Development Corporation, doing business as Empire State Development ("ESD"). This report is for the 4<sup>th</sup> Quarter of Fiscal Year 2011-12, from January 1 through March 31.

As required by statute, this report contains the status of ESD's economic development programs, presented in four sections:

- Section 1 Summary of Commitments and Disbursements by Appropriation;
- Section 2 Geographic Distribution of Approved Projects;
- Section 3 Job Creation and Retention Resulting From Approved Projects;
- Section 4 Impact of Approved Projects on Distressed Urban and Rural Communities, Small- and Medium-sized Businesses, and Strategic Industries.

I look forward to continuing to work together in support of ESD's economic development efforts.

Very truly yours,



Kenneth Adams  
President & CEO, Empire State Development  
Commissioner, NYS Department of Economic Development

cc: Herman Farrell Jr., Assembly Ways and Means Committee  
Senator John DeFrancisco, Chairman of Senate Finance Committee

Enclosure: 4<sup>th</sup> Quarter Report

As required by statute, this report contains the status of economic development programs administered by the Urban Development Corporation, doing business as Empire State Development (“ESD”). Funding for the projects listed herein was approved by the ESD Directors during the 4<sup>th</sup> Quarter of Fiscal Year 2011-12 (January 1 through March 31, 2012). During this period, the ESD Directors approved 24 projects totaling \$13,858,000 in funding commitments. These projects will retain 4,326 jobs, create 1,203 jobs and leverage \$289,450,636 in private or other public sector investment.

## Contents

### Introductory Information:

- Economic Development Programs: Appropriation Categories
- New York State Map: Location and Amount of Commitments

### Section 1:

- Cumulative Summary of Commitments and Disbursements by Appropriation
- Cumulative Summary of Commitments by Appropriation: Project List
- Cumulative Summary of Disbursements by Appropriation: Project List

### Section 2:

- Geographic Distribution of Approved Projects
- Geographic Distribution of Approved Projects: Project List

### Section 3:

- Job Creation and Retention
- Job Creation and Retention: Project List

### Section 4:

- Impact of Approved Projects on Distressed Urban and Rural Communities, Small- and Medium-sized Businesses, and Strategic Industries
- Distressed Urban and Rural Communities: Project List
- Small- and Medium-sized Businesses: Project List
- Strategic Industries: Project List

### Appendix

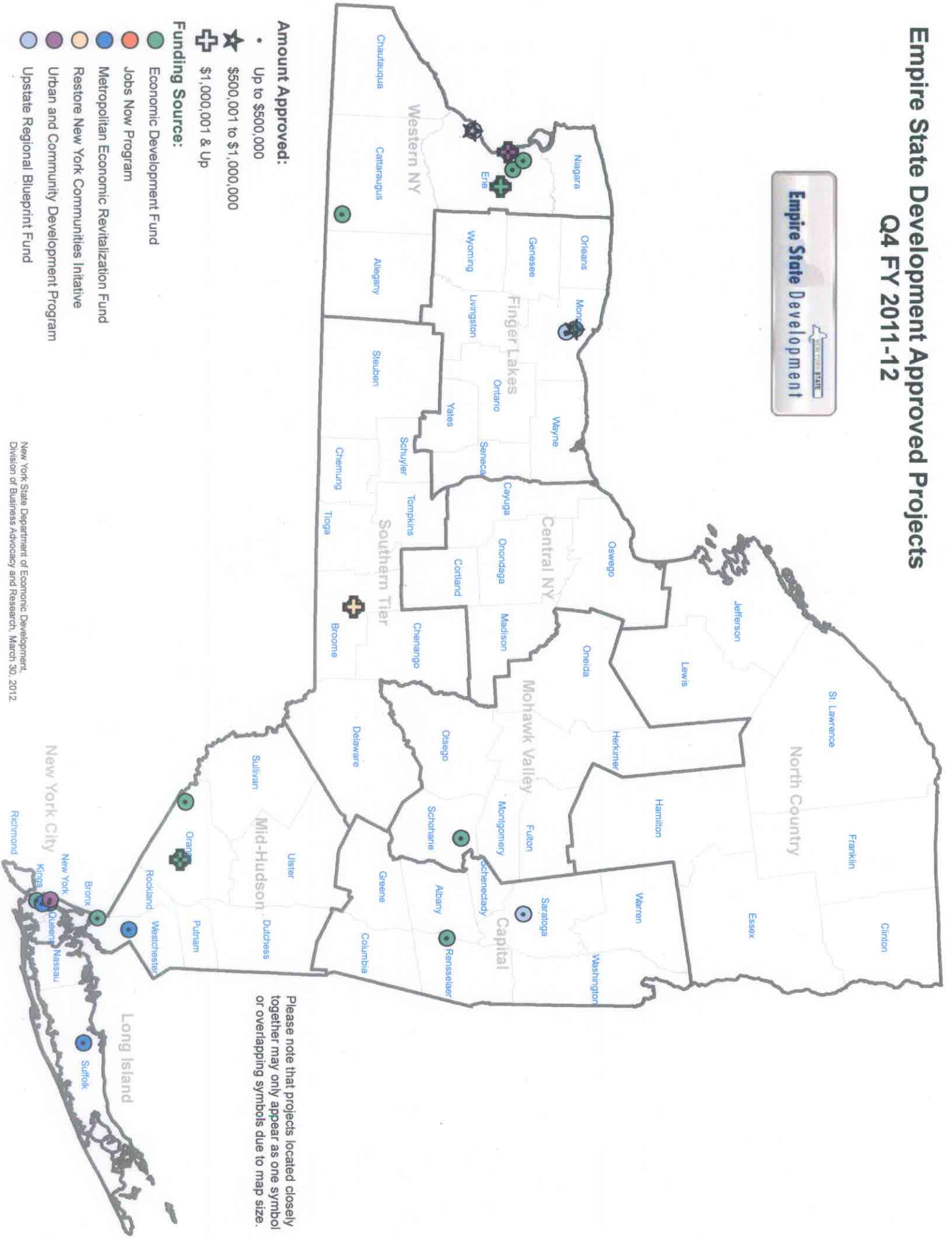
- Benefit Cost Analyses

## ECONOMIC DEVELOPMENT PROGRAMS: APPROPRIATION CATEGORIES 2011-12

Projects in the report are funded from the appropriation (and reappropriation) categories listed below, including the Fiscal Year(s) ("FY") of appropriations.

- **Community Development Financial Institution Program ("CDFI")** – provides micro-loans to businesses that do not qualify for bank loans as well as one-on-one counseling and business development assistance to facilitate credit-readiness.
- **Downstate Regional Program ("DRP")** – a \$35 million downstate funding program limited to specific projects including, in this report, Scenic Hudson Park.
- **Empire State Economic Development Fund ("EDF")** – created in 1996 and, until FY 2011-12, an annual appropriation that provides assistance for projects that promote the economic health of New York State by facilitating the creation or retention of jobs or the increase of business activity. There was no appropriation for FY 2011-12; instead, a similar appropriation was made for an Economic Development Purposes Fund which does not yet have activity.
- **Entrepreneurial Assistance Program ("EAP")** – two annual appropriations (total \$1.764 million in FY 2011-12) that establish and maintain Entrepreneurial Assistance Program Centers in local communities to provide instruction, training, technical assistance, and support services to individuals who have recently started their own business or are interested in starting a business.
- **JOBS Now Program ("JN")** – remaining appropriation funds (the last year of new appropriations was FY 2006-07) to promote the state's economic health and increase economic activity by encouraging the expansion of current businesses and attraction of new businesses, primarily targeting companies that create at least 300 new permanent, full-time private sector jobs, with 25% of funds allowed for the creation of 100-299 jobs.
- **Metropolitan Economic Revitalization Fund ("MERF")** – a one-time \$25 million fund created in 1996 which seeks to revive economically distressed neighborhoods by offering loans to for-profit and not-for-profit businesses, municipalities, and county governments that retain or create a significant number of private-sector jobs. Loans are made for up to \$5 million or 10 percent of total project costs for capital purposes.
- **Minority and Women-owned Business Development and Lending Program ("MWBDL")** – an annual appropriation (\$635,000 in FY 2011-12) that provides financial assistance to minority- and women-owned business enterprises that assist the development of entrepreneurship among minority persons and women.
- **Restore New York Communities Initiative ("Restore NY")** – a \$300 million appropriation, awarded over three years (FY 2006-07, FY 2007-08 and FY 2008-09), that aids municipalities with real property in need of demolition/deconstruction or rehabilitation or reconstruction for both commercial and residential property.
- **Small Business Revolving Loan Fund ("SBRLF")** – a \$50 million fund designed to create economic activity by providing greater access to capital for small businesses. The program is targeted to small businesses that have had difficulty accessing regular credit markets. The 2010-11 State budget provided \$25 million in state funds and will leverage at least \$25 million in private matching funds.
- **Urban and Community Development Program ("UCDP")** – an annual appropriation (\$3.404 million in FY 2011-12) that promotes economic development by encouraging economic and employment opportunities in targeted communities and urban areas.
- **Upstate Regional Blueprint Fund ("URB")** – a one-time appropriation of \$120 million enacted in FY 2008-09 to promote economic development in upstate New York by facilitating the creation and retention of jobs or other economic activity by providing financial assistance via a Request for Proposals process.

# Empire State Development Approved Projects Q4 FY 2011-12



Please note that projects located closely together may only appear as one symbol or overlapping symbols due to map size.

- Amount Approved:**
- Up to \$500,000
  - ★ \$500,001 to \$1,000,000
  - ⊕ \$1,000,001 & Up

- Funding Source:**
- Economic Development Fund
  - Jobs Now Program
  - Metropolitan Economic Revitalization Fund
  - Restore New York Communities Initiative
  - Urban and Community Development Program
  - Upstate Regional Blueprint Fund

## SECTION 1: CUMULATIVE SUMMARY OF COMMITMENTS AND DISBURSEMENTS

### Cumulative Summary of Commitments by Appropriation

Commitments are broken down by appropriation category and detail the total funding commitments approved by the ESD Directors during the 4<sup>th</sup> Quarter of FY 2011-12.

| <u>Appropriation</u>                      | <u>Amount</u>       |
|---|---------------------|
| Economic Development Fund                 | \$5,985,000         |
| Jobs Now Program                          | \$1,353,000         |
| Metropolitan Economic Revitalization Fund | \$610,000           |
| Restore New York Communities Initiative   | \$2,060,000         |
| Urban and Community Development Program   | \$2,250,000         |
| Upstate Regional Blueprint Fund           | <u>\$1,600,000</u>  |
| <b>TOTAL</b>                              | <b>\$13,858,000</b> |

### Cumulative Summary of Disbursements by Appropriation

Disbursements are broken down by appropriation category and detail the total funding disbursements made during the 4<sup>th</sup> Quarter of FY 2011-12 for funding commitments previously approved by the ESD Directors.

| <u>Appropriation</u>  | <u>Disbursements</u> |
|---|----------------------|
| Community Development Financial Institution Program               | \$236,500            |
| Downstate Regional Program  | \$646,047            |
| Economic Development Fund   | \$5,922,286          |
| Entrepreneurial Assistance Program                                | \$703,660            |
| Minority and Women-owned Business Development and Lending Program | \$37,500             |
| Restore New York Communities Initiative                           | \$8,847,643          |
| Small Business Revolving Loan Fund                                | \$1,645,800          |
| Urban and Community Development Program                           | \$166,172            |
| Upstate Regional Blueprint Fund                                   | <u>\$6,747,500</u>   |
| <b>TOTAL</b>  | <b>\$24,953,108</b>  |

## Cumulative Summary of Commitments by Appropriation: Project List

| Project Name   | Commitment           |
|--|----------------------|
| <b>Economic Development Fund</b>   |                      |
| Belmay MAP Capital   | \$ 190,000           |
| Campus Labs Capital  | \$ 100,000           |
| Dresser-Rand Group Capital   | \$ 500,000           |
| Galvstar Capital   | \$ 200,000           |
| Gordon Companies Capital   | \$ 75,000            |
| Howe Caves Capital   | \$ 100,000           |
| Kolmar Laboratories Capital II   | \$ 250,000           |
| Mercury Print Capital  | \$ 250,000           |
| Mesorah Publications Capital   | \$ 120,000           |
| Ortho Clinical Diagnostics Capital   | \$ 1,000,000         |
| Regeneron Pharmaceuticals Capital  | \$ 200,000           |
| Satin Fine Foods Capital   | \$ 500,000           |
| Steuben Foods Capital  | \$ 2,500,000         |
| <b>Subtotal</b>  | <b>\$ 5,985,000</b>  |
| <b>Jobs Now</b>  |                      |
| C&S Wholesale Grocers Capital  | \$ 1,353,000         |
| <b>Subtotal</b>  | <b>\$ 1,353,000</b>  |
| <b>Metropolitan Economic Revitalization Fund</b>   |                      |
| The MERF Loan Loss Reserve Collective - BOC Corporation ("BCC")                                    | \$ 200,000           |
| The MERF Loan Loss Reserve Collective - Community Capital Resources ("CCR")                        | \$ 100,000           |
| The MERF Loan Loss Reserve Collective - Community Development Corporation of Long Island ("CDCLI") | \$ 60,000            |
| The MERF Loan Loss Reserve Collective - Renaissance Economic Development Corporation ("REDC")      | \$ 250,000           |
| <b>Subtotal</b>  | <b>\$ 610,000</b>    |
| <b>Restore New York Communities Initiative</b>   |                      |
| Binghamton-RESTORE III-Neighborhood Impact Program   | \$ 2,060,000         |
| <b>Subtotal</b>  | <b>\$ 2,060,000</b>  |
| <b>Urban and Community Development Program</b>   |                      |
| Buffalo Lafayette Capital  | \$ 2,000,000         |
| New York eHealth Collaborative Working Capital   | \$ 250,000           |
| <b>Subtotal</b>  | <b>\$ 2,250,000</b>  |
| <b>Upstate Regional Blueprint Fund</b>   |                      |
| Albatros North America URB Capital   | \$ 400,000           |
| Cannon Tube Fabricaton URB Capital   | \$ 300,000           |
| New Era Cap Capital  | \$ 900,000           |
| <b>Subtotal</b>  | <b>\$ 1,600,000</b>  |
| <b>TOTAL</b>   | <b>\$ 13,858,000</b> |

## Cumulative Summary of Disbursements by Appropriation: Project List (p.1)

| Project Name  | Total Commitment     | Disbursement During<br>Q4 FY 2011-12 |
|---|----------------------|--------------------------------------|
| <b>Community Development Financial Institution</b>                          |                      |                                      |
| AEDC CDFI 13  | \$ 120,000           | \$ 60,000                            |
| Brooklyn Cooperative FCU CDFI 13  | \$ 150,000           | \$ 75,000                            |
| Brooklyn EDC CDFI 12  | \$ 75,000            | \$ 21,500                            |
| Community Loan Fund CDFI 13   | \$ 150,000           | \$ 75,000                            |
| National Federation CDCU CDFI 12  | \$ 23,500            | \$ 2,350                             |
| National Federation of Community Dev. Credit Unions CDFI 12                 | \$ 26,500            | \$ 2,650                             |
| <b>Subtotal</b>   | <b>\$ 545,000</b>    | <b>\$ 236,500</b>                    |
| <b>Downstate Regional Program</b>   |                      |                                      |
| Scenic Hudson Park at Long Dock Beacon Capital                              | \$ 3,000,000         | \$ 646,047                           |
| <b>Subtotal</b>   | <b>\$ 3,000,000</b>  | <b>\$ 646,047</b>                    |
| <b>Economic Development Fund</b>  |                      |                                      |
| Air Innovations Capital   | \$ 30,000            | \$ 15,000                            |
| Buffalo Wire Works MAP Capital  | \$ 500,000           | \$ 175,000                           |
| Champlain Bridge Recovery - Increased Transport Costs Program               | \$ 1,000,000         | \$ 13,748                            |
| Champlain Bridge Recovery - Retail Assistance Program                       | \$ 1,300,000         | \$ 40,149                            |
| EFJ Capital   | \$ 180,000           | \$ 90,000                            |
| Ferris Industries Capital   | \$ 250,000           | \$ 62,500                            |
| Greater Rochester Enterprise/International Business Council Working Capital | \$ 150,000           | \$ 50,000                            |
| Harris RF Communications Capital  | \$ 4,000,000         | \$ 2,000,000                         |
| L.D. McCauley, LLC MAP Capital  | \$ 350,000           | \$ 175,000                           |
| Liberty Agriculture and Light Industry Park BNNY 4                          | \$ 45,000            | \$ 9,388                             |
| Liberty Business Park Build Now NY 4  | \$ 97,500            | \$ 23,449                            |
| Owens-Brockway Glass Container Capital                                      | \$ 1,250,000         | \$ 312,500                           |
| PCB Piezotronics Capital  | \$ 500,000           | \$ 500,000                           |
| Quaker Ridge Technology Park BNNY 4   | \$ 97,500            | \$ 22,785                            |
| Remington Arms Capital  | \$ 1,655,000         | \$ 1,655,000                         |
| Roycroft Campus Corporation Capital   | \$ 1,500,000         | \$ 309,517                           |
| Sutherland Global Working Capital   | \$ 300,000           | \$ 300,000                           |
| Syracuse Label MAP Capital  | \$ 150,000           | \$ 75,000                            |
| Ultra-Flex Capital  | \$ 373,000           | \$ 93,250                            |
| <b>Subtotal</b>   | <b>\$ 13,728,000</b> | <b>\$ 5,922,286</b>                  |

## Cumulative Summary of Disbursements by Appropriation: Project List (p.2)

| ProjectName  | Total Commitment     | Disbursement During<br>Q4 FY 2011-12 |
|--|----------------------|--------------------------------------|
| <b>Entrepreneurial Assistance Program</b>                                |                      |                                      |
| Adirondack EDC EAP Center 11-12  | \$ 73,500            | \$ 36,750                            |
| Binghamton LDC EAP Center 11-12  | \$ 73,500            | \$ 36,750                            |
| Brooklyn EDC EAP Center 11-12  | \$ 73,500            | \$ 36,750                            |
| Business Training Institute EAP Center 11-12                             | \$ 73,500            | \$ 36,750                            |
| Capital Chamber Foundation EAP Center 11-12                              | \$ 73,500            | \$ 36,750                            |
| Chinatown Manpower Project BOC EAP Center 11-12                          | \$ 73,500            | \$ 36,750                            |
| Greater So. Buffalo CoC EAP Center 11-12                                 | \$ 73,500            | \$ 36,750                            |
| Hofstra University EAP Center 11-12                                      | \$ 73,500            | \$ 42,875                            |
| Hunts Pt. EDC EAP Center 11-12   | \$ 73,500            | \$ 36,750                            |
| IBERO-American Action League EAP Center 10-11                            | \$ 73,500            | \$ 36,750                            |
| LDC of East New York EAP Center 11-12                                    | \$ 73,500            | \$ 36,750                            |
| Orange County CoC EAP Center 11-12                                       | \$ 73,500            | \$ 36,750                            |
| Project Enterprise EAP Center 11-12                                      | \$ 73,500            | \$ 36,750                            |
| Renaissance EDC EAP Center 11-12   | \$ 73,500            | \$ 34,390                            |
| South Bronx EDC EAP Center 11-12   | \$ 73,500            | \$ 36,750                            |
| WHIDC EAP Center 10-11   | \$ 73,500            | \$ 1,645                             |
| WHIDC EAP Center 11-12   | \$ 73,500            | \$ 36,750                            |
| Women's Enterprise Dev. Corp. EAP Center 11-12                           | \$ 73,500            | \$ 36,750                            |
| Worker Ownership Resource Center EAP Center 10-11                        | \$ 73,500            | \$ 36,750                            |
| Worker Ownership Resource Ctr. EAP Center 11-12                          | \$ 73,500            | \$ 36,750                            |
| <b>Subtotal</b>  | <b>\$ 1,470,000</b>  | <b>\$ 703,660</b>                    |
| <b>Minority and Women-owned Business Development and Lending Program</b> |                      |                                      |
| Lower East Side Peoples Federal Credit Union CDFI 12                     | \$ 150,000           | \$ 37,500                            |
| <b>Subtotal</b>  | <b>\$ 150,000</b>    | <b>\$ 37,500</b>                     |
| <b>Restore New York Communities Initiative</b>                           |                      |                                      |
| Bath-RESTORE III-Steuben County Bank Restoration                         | \$ 1,180,000         | \$ 590,000                           |
| Buffalo-RESTORE III-Commercial & Mixed Use Center - Avant                | \$ 2,000,000         | \$ 2,000,000                         |
| Camillus-RESTORE III-Downtown Redevelopment                              | \$ 2,500,000         | \$ 156,500                           |
| Clayton - RESTORE III - Riverwalk  | \$ 1,203,354         | \$ 217,398                           |
| Dolgeville-RESTORE-Staring Property                                      | \$ 136,124           | \$ 136,124                           |
| Dover-RESTORE III-The Knolls of Dover                                    | \$ 2,500,000         | \$ 1,601,135                         |
| Fairport - RESTORE III - Parker Street                                   | \$ 156,700           | \$ 156,700                           |
| Ithaca - RESTORE II - Ithaca Gun Factory                                 | \$ 1,880,000         | \$ 420,000                           |
| Medina - RESTORE III - Pearl Street and West Avenue Revitalization       | \$ 102,240           | \$ 98,415                            |
| North Tonawanda-RESTORE-Remington Rand Building                          | \$ 1,000,000         | \$ 330,235                           |
| Owego-RESTORE III- Historic Central Business Restoration                 | \$ 969,500           | \$ 70,000                            |
| Penn Yan-RESTORE III-Downtown Revitalization                             | \$ 2,500,000         | \$ 250,000                           |
| Rensselaer - RESTORE II - Riverfront Redevelopment                       | \$ 1,400,000         | \$ 602,000                           |
| Riverhead-RESTORE III-East Main Street Revitalization                    | \$ 2,400,000         | \$ 172,398                           |
| Rochester-RESTORE II -Center City Mixed Use                              | \$ 4,100,000         | \$ 666,738                           |
| Saugerties-RESTORE II - Partition Street                                 | \$ 780,000           | \$ 780,000                           |
| Syracuse - RESTORE II - City Center Core Revitalization                  | \$ 4,500,000         | \$ 600,000                           |
| <b>Subtotal</b>  | <b>\$ 29,307,918</b> | <b>\$ 8,847,643</b>                  |



## Cumulative Summary of Disbursements by Appropriation: Project List (p.3)

| ProjectName  | Total Commitment     | Disbursement During Q4 FY 2011-12 |
|--|----------------------|-----------------------------------|
| <b>Small Business Revolving Loan Fund</b>                        |                      |                                   |
| Bethex FCU Small Business Loan Program                           | \$ 230,000           | \$ 76,667                         |
| Brooklyn Cooperative FCU Small Business Loan Program             | \$ 400,000           | \$ 140,000                        |
| Capital District Community Loan Fund Small Business Loan Program | \$ 675,000           | \$ 225,000                        |
| North Country Alliance LDC Small Business Loan Program           | \$ 1,750,000         | \$ 437,500                        |
| Project Enterprise Small Business Loan Program                   | \$ 100,000           | \$ 33,300                         |
| SEEDCO Small Business Loan Program                               | \$ 2,000,000         | \$ 666,667                        |
| WHIDC Small Business Loan Program                                | \$ 200,000           | \$ 66,666                         |
| <b>Subtotal</b>  | <b>\$ 5,355,000</b>  | <b>\$ 1,645,800</b>               |
| <b>Urban and Community Development Program</b>                   |                      |                                   |
| COMIDA - PTAC Working Capital                                    | \$ 62,000            | \$ 2,613                          |
| SIEDC Brownfield Redevelopment Program Working Capital           | \$ 30,000            | \$ 7,515                          |
| Clarkson University Peyton Hall Capital                          | \$ 300,000           | \$ 80,000                         |
| Greater Watertown - North Country Chamber of Commerce - PTAC     | \$ 75,000            | \$ 37,364                         |
| SUNY Albany Working Capital                                      | \$ 96,700            | \$ 38,680                         |
| <b>Subtotal</b>  | <b>\$ 563,700</b>    | <b>\$ 166,172</b>                 |
| <b>Upstate Regional Blueprint</b>                                |                      |                                   |
| Cardinal Griffiss Realty URB Capital                             | \$ 1,000,000         | \$ 750,000                        |
| Kaleida Health URB Capital                                       | \$ 10,000,000        | \$ 3,300,000                      |
| Olympic Regional Development Authority URB Capital               | \$ 3,600,000         | \$ 1,000,000                      |
| Richardson Brands URB Capital                                    | \$ 1,697,500         | \$ 1,697,500                      |
| <b>Subtotal</b>  | <b>\$ 16,297,500</b> | <b>\$ 6,747,500</b>               |
| <b>TOTAL</b>   | <b>\$ 70,417,118</b> | <b>\$ 24,953,108</b>              |

## SECTION 2: GEOGRAPHIC DISTRIBUTION OF APPROVED PROJECTS

| <u>Region</u>    | <u>Approved Projects</u> | <u>Total Commitments</u> |
|------------------|--------------------------|--------------------------|
| Capital          | 2 Project(s)             | \$600,000                |
| Finger Lakes     | 3 Project(s)             | \$1,550,000              |
| Long Island      | 1 Project(s)             | \$60,000                 |
| Mid-Hudson       | 5 Project(s)             | \$2,393,000              |
| Mohawk Valley    | 1 Project(s)             | \$100,000                |
| New York City    | 4 Project(s)             | \$820,000                |
| Southern Tier    | 1 Project(s)             | \$2,060,000              |
| Western New York | <u>7 Project(s)</u>      | <u>\$6,275,000</u>       |
| <b>TOTAL</b>     | <b>24 Projects</b>       | <b>\$13,858,000</b>      |

Please note the following:

- Projects are approved by the ESD Directors as they reach completion, so a particular region may not have activity in a given quarter.

## Geographic Distribution of Approved Projects: Project List

| Project Name by Region                             | County      | Commitment           |
|--|-------------|----------------------|
| <b>Capital</b>                                     |             |                      |
| Albatros North America URB Capital                 | Saratoga    | \$ 400,000           |
| Regeneron Pharmaceuticals Capital                  | Rensselaer  | \$ 200,000           |
| <b>Subtotal</b>                                    |             | <b>\$ 600,000</b>    |
| <b>Finger Lakes</b>                                |             |                      |
| Cannon Tube Fabricaton URB Capital                 | Monroe      | \$ 300,000           |
| Mercury Print Capital                              | Monroe      | \$ 250,000           |
| Ortho Clinical Diagnostics Capital                 | Monroe      | \$ 1,000,000         |
| <b>Subtotal</b>                                    |             | <b>\$ 1,550,000</b>  |
| <b>Long Island</b>                                 |             |                      |
| The MERF Loan Loss Reserve Collective - CDCLI      | Suffolk     | \$ 60,000            |
| <b>Subtotal</b>                                    |             | <b>\$ 60,000</b>     |
| <b>Mid Hudson</b>                                  |             |                      |
| Belmay MAP Capital                                 | Westchester | \$ 190,000           |
| C&S Wholesale Grocers Capital                      | Orange      | \$ 1,353,000         |
| Kolmar Laboratories Capital II                     | Orange      | \$ 250,000           |
| The MERF Loan Loss Reserve Collective - CCR        | Westchester | \$ 100,000           |
| Satin Fine Foods Capital                           | Orange      | \$ 500,000           |
| <b>Subtotal</b>                                    |             | <b>\$ 2,393,000</b>  |
| <b>Mohawk Valley</b>                               |             |                      |
| Howe Caves Capital                                 | Schoharie   | \$ 100,000           |
| <b>Subtotal</b>                                    |             | <b>\$ 100,000</b>    |
| <b>New York City</b>                               |             |                      |
| Mesorah Publications Capital                       | Kings       | \$ 120,000           |
| The MERF Loan Loss Reserve Collective - REDC       | New York    | \$ 250,000           |
| The MERF Loan Loss Reserve Collective - BCC        | Kings       | \$ 200,000           |
| New York eHealth Collaborative Working Capital     | New York    | \$ 250,000           |
| <b>Subtotal</b>                                    |             | <b>\$ 820,000</b>    |
| <b>Southern Tier</b>                               |             |                      |
| Binghamton-RESTORE III-Neighborhood Impact Program | Broome      | \$ 2,060,000         |
| <b>Subtotal</b>                                    |             | <b>\$ 2,060,000</b>  |
| <b>Western New York</b>                            |             |                      |
| Buffalo Lafayette Capital                          | Erie        | \$ 2,000,000         |
| Campus Labs Capital                                | Erie        | \$ 100,000           |
| Dresser-Rand Group Capital                         | Cattaraugus | \$ 500,000           |
| Galvstar Capital                                   | Erie        | \$ 200,000           |
| Gordon Companies Capital                           | Erie        | \$ 75,000            |
| New Era Cap Capital                                | Erie        | \$ 900,000           |
| Steuben Foods Capital                              | Erie        | \$ 2,500,000         |
| <b>Subtotal</b>                                    |             | <b>\$ 6,275,000</b>  |
| <b>TOTAL</b>                                       |             | <b>\$ 13,858,000</b> |

| Region           | Number of Projects | Initial Jobs | Retained Jobs | Created Jobs | Total Jobs   |
|------------------|--------------------|--------------|---------------|--------------|--------------|
| Capital          | 2                  | 236          | 236           | 84           | 320          |
| Finger Lakes     | 3                  | 1,354        | 1,354         | 110          | 1,464        |
| Long Island      | 1                  | 0            | 0             | 0            | 0            |
| Mid Hudson       | 5                  | 829          | 829           | 555          | 1,384        |
| Mohawk Valley    | 1                  | 0            | 0             | 47           | 47           |
| New York City    | 4                  | 101          | 101           | 7            | 108          |
| Southern Tier    | 1                  | 0            | 0             | 0            | 0            |
| Western New York | 7                  | 1,806        | 1,806         | 400          | 2,206        |
| <b>TOTAL</b>     | <b>24</b>          | <b>4,326</b> | <b>4,326</b>  | <b>1,203</b> | <b>5,529</b> |

Please note the following:

- Approved projects in certain programs (e.g. Restore New York’s Communities, Entrepreneurial Assistance Program, Urban and Community Development Program) or for certain purposes (e.g. worker training) are intended to enhance company or worker productivity, afford access to capital for smaller or disadvantaged businesses, or improve communities. In these instances, job creation is not a primary goal and thus is not tracked.
- Initial Jobs is the baseline employment number.
- Retained Jobs indicates when some or all of a company’s jobs were in jeopardy of being lost, typically through plant closures or companies moving out of the state.
- Created Jobs indicates anticipated job growth over a one- to five-year horizon.

## Job Creation and Retention: Project List

| Project Name by Region                             | Commitment           | Initial      | Retained     | Created      | Total        |
|--|----------------------|--------------|--------------|--------------|--------------|
| <b>Capital</b>                                     |                      |              |              |              |              |
| Albatros North America URB Capital                 | \$ 400,000           | 46           | 46           | 34           | 80           |
| Regeneron Pharmaceuticals Capital                  | \$ 200,000           | 190          | 190          | 50           | 240          |
| <b>Subtotal</b>                                    | <b>\$ 600,000</b>    | <b>236</b>   | <b>236</b>   | <b>84</b>    | <b>320</b>   |
| <b>Finger Lakes</b>                                |                      |              |              |              |              |
| Cannon Tube Fabricaton URB Capital                 | \$ 300,000           | 14           | 14           | 70           | 84           |
| Mercury Print Capital                              | \$ 250,000           | 210          | 210          | 40           | 250          |
| Ortho Clinical Diagnostics Capital                 | \$ 1,000,000         | 1,130        | 1,130        | 0            | 1,130        |
| <b>Subtotal</b>                                    | <b>\$ 1,550,000</b>  | <b>1,354</b> | <b>1,354</b> | <b>110</b>   | <b>1,464</b> |
| <b>Long Island</b>                                 |                      |              |              |              |              |
| The MERF Loan Loss Reserve Collective - CDCLI      | \$ 60,000            | 0            | 0            | 0            | 0            |
| <b>Subtotal</b>                                    | <b>\$ 60,000</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| <b>Mid Hudson</b>                                  |                      |              |              |              |              |
| Belmay MAP Capital                                 | \$ 190,000           | 121          | 121          | 0            | 121          |
| C&S Wholesale Grocers Capital                      | \$ 1,353,000         | 285          | 285          | 445          | 730          |
| Kolmar Laboratories Capital II                     | \$ 250,000           | 400          | 400          | 0            | 400          |
| Satin Fine Foods Capital                           | \$ 500,000           | 23           | 23           | 110          | 133          |
| The MERF Loan Loss Reserve Collective - CCR        | \$ 100,000           | 0            | 0            | 0            | 0            |
| <b>Subtotal</b>                                    | <b>\$ 2,393,000</b>  | <b>829</b>   | <b>829</b>   | <b>555</b>   | <b>1,384</b> |
| <b>Mohawk Valley</b>                               |                      |              |              |              |              |
| Howe Caves Capital                                 | \$ 100,000           | 0            | 0            | 47           | 47           |
| <b>Subtotal</b>                                    | <b>\$ 100,000</b>    | <b>0</b>     | <b>0</b>     | <b>47</b>    | <b>47</b>    |
| <b>New York City</b>                               |                      |              |              |              |              |
| Mesorah Publications Capital                       | \$ 120,000           | 101          | 101          | 7            | 108          |
| New York eHealth Collaborative Working Capital     | \$ 250,000           | 0            | 0            | 0            | 0            |
| The MERF Loan Loss Reserve Collective - BCC        | \$ 200,000           | 0            | 0            | 0            | 0            |
| The MERF Loan Loss Reserve Collective - REDC       | \$ 250,000           | 0            | 0            | 0            | 0            |
| <b>Subtotal</b>                                    | <b>\$ 820,000</b>    | <b>101</b>   | <b>101</b>   | <b>7</b>     | <b>108</b>   |
| <b>Southern Tier</b>                               |                      |              |              |              |              |
| Binghamton-RESTORE III-Neighborhood Impact Program | \$ 2,060,000         | 0            | 0            | 0            | 0            |
| <b>Subtotal</b>                                    | <b>\$ 2,060,000</b>  | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| <b>Western New York</b>                            |                      |              |              |              |              |
| Buffalo Lafayette Capital                          | \$ 2,000,000         | 30           | 30           | 70           | 100          |
| Campus Labs Capital                                | \$ 100,000           | 37           | 37           | 20           | 57           |
| Dresser-Rand Group Capital                         | \$ 500,000           | 787          | 787          | 50           | 837          |
| Galvstar Capital                                   | \$ 200,000           | 0            | 0            | 55           | 55           |
| Gordon Companies Capital                           | \$ 75,000            | 15           | 15           | 30           | 45           |
| New Era Cap Capital                                | \$ 900,000           | 511          | 511          | 25           | 536          |
| Steuben Foods Capital                              | \$ 2,500,000         | 426          | 426          | 150          | 576          |
| <b>Subtotal</b>                                    | <b>\$ 6,275,000</b>  | <b>1,806</b> | <b>1,806</b> | <b>400</b>   | <b>2,206</b> |
| <b>TOTAL</b>                                       | <b>\$ 13,858,000</b> | <b>4,326</b> | <b>4,326</b> | <b>1,203</b> | <b>5,529</b> |

**SECTION 4: IMPACT OF APPROVED PROJECTS ON DISTRESSED URBAN AND RURAL COMMUNITIES, SMALL- AND MEDIUM-SIZED BUSINESSES AND STRATEGIC INDUSTRIES**

For each project with funding exceeding \$100,000 and the goal of creating or retaining jobs, ESD staff prepares an analysis of the benefits and costs that accrue to New York State based on income and sales tax revenues that are expected to be generated by direct and indirect jobs. Summary information is provided below, and the attached Project Lists indicate this information where relevant. Individual analyses are attached in the Appendix.

**Distressed Urban and Rural Communities**

Of the 24 recipients of funding from the 24 projects approved by the ESD Directors in the 4<sup>th</sup> Quarter of Fiscal Year 2011-12, 8 recipients (33%) were located in distressed communities. Of these 8 recipients,

- 5 (21% of total funding recipients) were located in distressed urban communities
- 3 (12.5% of total funding recipients) were located in distressed rural communities

**Small- and Medium-sized Businesses**

Of the 24 recipients of funding from the 24 projects approved by the ESD Directors in the 4<sup>th</sup> Quarter of Fiscal Year 2011-12, 10 (42%) were small-or medium-sized businesses.

**Strategic Industries**

Of the 24 recipients of funding from the 24 projects approved by the ESD Directors in the 4<sup>th</sup> Quarter of Fiscal Year 2011-12, the following industries were represented:

| <u>Industry</u>  | <u>Percentage of Total Funding</u> |
|--|------------------------------------|
| Biotechnology/Science/Chemicals/Hi-tech Manufacturing<br>or Research and Development | 13%                                |
| Food or Retail Manufacturing/Distribution  | 32%                                |
| Health   | 2%                                 |
| Hospitality/Tourism  | 15%                                |
| Machinery & Equipment Manufacturing  | 6%                                 |
| Miscellaneous Manufacturing  | 13%                                |
| Municipal/Government/Not-for-profit  | 19%                                |

Please note the following:

- To determine if a project is in a distressed area, Department of Labor information was used to determine whether the county’s unemployment rate was above 8.2% (the New York State unemployment average for the year 2011). Projects located in an Empire Zone, a Federally-designated Enterprise Community or a Federally-designated Empowerment Zone are also included. “Urban” projects are located in New York State’s 62 designated cities; other projects are considered “Rural.”
- A company is considered small- or medium-sized if it employs fewer than 500 persons.

## Distressed Urban and Rural Communities: Project List

| Projects by Urban or Rural Community               | Benefit              | Cost                |
|--|----------------------|---------------------|
| <b>Urban</b>                                       |                      |                     |
| Dresser-Rand Group Capital                         | \$ 8,268,516         | \$ 500,000          |
| Mesorah Publications Capital                       | \$ 2,918,915         | \$ 120,000          |
| The MERF Loan Loss Reserve Collective - REDC       | N/A                  | N/A                 |
| The MERF Loan Loss Reserve Collective - BCC        | N/A                  | N/A                 |
| Regeneron Pharmaceuticals Capital                  | \$ 4,830,190         | \$ 462,254          |
| <b>Subtotal</b>                                    | <b>\$ 16,017,621</b> | <b>\$ 1,082,254</b> |
| <b>Rural</b>                                       |                      |                     |
| Binghamton-RESTORE III-Neighborhood Impact Program | N/A                  | N/A                 |
| Howe Caves Capital                                 | \$ 850,229           | \$ 100,000          |
| The MERF Loan Loss Reserve Collective - CDCLI      | N/A                  | N/A                 |
| <b>Subtotal</b>                                    | <b>\$ 850,229</b>    | <b>\$ 100,000</b>   |
| <b>TOTAL</b>                                       | <b>\$ 16,867,850</b> | <b>\$ 1,182,254</b> |

## Small and Medium-sized Businesses: Project List

| Project name                       | Benefit   |                   | Cost                |
|------------------------------------|-----------|-------------------|---------------------|
| Albatros North America URB Capital | \$        | 3,259,874         | \$ 420,422          |
| Buffalo Lafayette Capital          | \$        | 3,191,282         | \$ 2,045,677        |
| Campus Labs Capital                | \$        | 1,632,026         | \$ 100,000          |
| Cannon Tube Fabricaton URB Capital | \$        | 2,055,822         | \$ 274,953          |
| Galvstar Capital                   | \$        | 3,664,343         | \$ 544,574          |
| Gordon Companies Capital           | \$        | 695,665           | \$ 75,000           |
| Howe Caves Capital                 | \$        | 850,229           | \$ 100,000          |
| Mercury Print Capital              | \$        | 3,891,218         | \$ 250,000          |
| Mesorah Publications Capital       | \$        | 2,918,915         | \$ 120,000          |
| Satin Fine Foods Capital           | \$        | 4,575,757         | \$ 500,000          |
| <b>TOTAL</b>                       | <b>\$</b> | <b>26,735,131</b> | <b>\$ 4,430,626</b> |



## Strategic Industries: Project List

| Project by Industry  | Benefit               | Cost                 |
|--|-----------------------|----------------------|
| <b>Biotechnology/Science/Chemicals/Hi-tech Manufacturing or Research and Development</b> |                       |                      |
| Belmay MAP Capital   | \$ 4,694,254          | \$ 190,000           |
| Campus Labs Capital  | \$ 1,632,026          | \$ 100,000           |
| Kolmar Laboratories Capital II   | \$ 11,322,717         | \$ 5,289,275         |
| Ortho Clinical Diagnostics Capital   | \$ 56,433,131         | \$ 1,000,000         |
| Regeneron Pharmaceuticals Capital  | \$ 4,830,190          | \$ 462,254           |
| <b>Subtotal</b>  | <b>\$ 78,912,318</b>  | <b>\$ 7,041,529</b>  |
| <b>Food or Retail Manufacturing/Distribution</b>   |                       |                      |
| C&S Wholesale Grocers Capital  | \$ 16,407,730         | \$ 1,353,000         |
| Gordon Companies Capital   | \$ 695,665            | \$ 75,000            |
| Satin Fine Foods Capital   | \$ 4,575,757          | \$ 500,000           |
| Steuben Foods Capital  | \$ 21,401,160         | \$ 2,500,000         |
| <b>Subtotal</b>  | <b>\$ 43,080,312</b>  | <b>\$ 4,428,000</b>  |
| <b>Healthcare</b>  |                       |                      |
| New York eHealth Collaborative Working Capital   | N/A                   | N/A                  |
| <b>Subtotal</b>  |                       |                      |
| <b>Hospitality/Tourism</b>   |                       |                      |
| Howes Cave Capital   | \$ 850,229            | \$ 100,000           |
| Buffalo Lafayette Capital  | \$ 3,191,282          | \$ 2,045,677         |
| <b>Subtotal</b>  | <b>\$ 4,041,511</b>   | <b>\$ 2,145,677</b>  |
| <b>Machinery &amp; Equipment Manufacturing</b>   |                       |                      |
| Dresser-Rand Group Capital   | \$ 8,268,516          | \$ 500,000           |
| Cannon Tube Fabricaton URB Capital   | \$ 2,055,822          | \$ 274,953           |
| <b>Subtotal</b>  | <b>\$ 10,324,338</b>  | <b>\$ 774,953</b>    |
| <b>Miscellaneous Manufacturing</b>   |                       |                      |
| Albatros North America URB Capital   | \$ 3,259,874          | \$ 420,422           |
| Galvstar Capital   | \$ 3,664,343          | \$ 544,574           |
| Mercury Print Capital  | \$ 3,891,218          | \$ 250,000           |
| Mesorah Publications Capital   | \$ 2,918,915          | \$ 120,000           |
| New Era Cap Capital  | \$ 17,527,774         | \$ 5,522,982         |
| <b>Subtotal</b>  | <b>\$ 31,262,124</b>  | <b>\$ 6,857,978</b>  |
| <b>Municipal/Government/Not-for-profit</b>   |                       |                      |
| Binghamton-RESTORE III-Neighborhood Impact Program                                       | N/A                   | N/A                  |
| The MERF Loan Loss Reserve Collective - CDCLI  | N/A                   | N/A                  |
| The MERF Loan Loss Reserve Collective - REDC   | N/A                   | N/A                  |
| The MERF Loan Loss Reserve Collective - BCC  | N/A                   | N/A                  |
| The MERF Loan Loss Reserve Collective - CCR  | N/A                   | N/A                  |
| <b>Subtotal</b>  | <b>\$ -</b>           | <b>\$ -</b>          |
| <b>TOTAL</b>   | <b>\$ 167,620,603</b> | <b>\$ 21,248,137</b> |

Where impact was quantifiable, the projects that were analyzed yield an overall Fiscal Benefit to Cost ratio of 8:1. This means that for each dollar of New York State government subsidy, such as tax exemptions or abatements on sales, property and interest income, there was a return to the tax base of \$8.00.

**Total Projects**

| <b>Project Name</b>                      | <b>Benefit</b>        | <b>Cost</b>          |
|--|-----------------------|----------------------|
| Albatros North America URB Capital       | \$ 3,259,874          | \$ 420,422           |
| Belmay                                   | \$ 4,964,254          | \$ 190,000           |
| Buffalo Lafayette Capital                | \$ 3,191,282          | \$ 2,045,677         |
| Campus Labs Capital                      | \$ 1,632,026          | \$ 100,000           |
| Cannon Tube Fabricaton URB Capital       | \$ 2,055,822          | \$ 274,953           |
| C&S Wholesale Grocers Capital            | \$ 16,407,730         | \$ 1,353,000         |
| Dresser-Rand Group Capital               | \$ 8,268,516          | \$ 500,000           |
| Galvstar Capital                         | \$ 3,664,343          | \$ 544,574           |
| Gordon Companies Capital                 | \$ 695,665            | \$ 75,000            |
| Howes Cave Capital                       | \$ 850,229            | \$ 100,000           |
| Kolmar Laboratories Capital II           | \$ 11,322,717         | \$ 5,289,275         |
| Mercury Print Capital                    | \$ 3,891,218          | \$ 250,000           |
| Mesorah Publications Capital             | \$ 2,918,915          | \$ 120,000           |
| New Era Cap Capital                      | \$ 17,527,774         | \$ 5,522,982         |
| Ortho Clinical Diagnostics Capital       | \$ 56,433,131         | \$ 1,000,000         |
| Regeneron Pharmaceuticals Capital        | \$ 4,830,190          | \$ 462,254           |
| Satin Fine Foods Capital                 | \$ 4,575,757          | \$ 500,000           |
| Steuben Foods Capital                    | \$ 21,401,160         | \$ 2,500,000         |
| <b>TOTAL</b>                             | <b>\$ 167,890,603</b> | <b>\$ 21,248,137</b> |
| <b>Overall Fiscal Benefit Cost Ratio</b> | <b>8.0:1</b>          |                      |







Campus Labs, LLC.

Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be \$1,632,026, which exceed the cost to the State (\$100,000).











Gordon Companies, Inc.

Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be \$695,665, which exceed the cost to the State (\$75,000).

Howes Cave Development, LLC.

Evaluated over a seven-year period, project fiscal benefits to New York State government are expected to be \$850,229, which exceed the cost to the State (\$100,000).

















