



# Regional CFA Workshop

Empire State Development

# ESD Programs



- Regional Council Capital Fund - \$130 M
- Excelsior Jobs Program - \$70 M
- Economic Development Purposes Grants - \$19.2 M
- Economic Transformation Program - \$50 M
- Private Activity Bond Cap - \$350M
- Environmental Investment Program - \$1 M

# **REGIONAL COUNCIL CAPITAL FUND**

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# Regional Council Capital Fund



\$130 million in capital funding is available for economic development initiatives and projects that:

- Create or retain jobs
- Prevent, reduce or eliminate unemployment and underemployment
- Increase business activity in the community or region

# Regional Council Capital Fund



## Eligible applicants include:

- for-profit businesses
- not-for-profit corporations
- business improvement districts
- local development corporations
- public benefit corporations (including industrial development agencies)
- economic development organizations
- research and academic institutions
- Incubators
- technology parks
- Municipalities
- counties
- regional planning councils
- tourist attractions
- community facilities

# Regional Council Capital Fund



## Funds may be used for:

- Acquisition or leasing of land, buildings, machinery and/or equipment
- Acquisition of existing business and/or assets
- Demolition and environmental remediation
- New construction, renovation or leasehold improvements
- Acquisition of furniture and fixtures
- Soft costs up to twenty-five (25%) of total project costs
- Planning and feasibility studies

# **EXCELSIOR JOBS PROGRAM**

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# Excelsior Jobs Program



\$70 million in tax credits is available for economic development initiatives and projects that:

- Create or retain jobs
- Prevent, reduce or eliminate unemployment and underemployment
- Increase business activity in the community or region



# Excelsior Jobs Program



*The Program is limited to firms making a substantial commitment to growth – either in employment or through investing significant capital in a NYS facility*

## Eligibility

### Job Growth Track:

- Targeted industries
- Creating net new jobs
- RSP (net new jobs & significant capital investments)

### Investment Track:

- Firms with at least 50 full-time equivalent employees
- Makes investment
- Meets a benefit-cost ratio of at least 10:1

# Excelsior Jobs Program



## Targeted “Activities” / Industries

*Firms in these industries that create and maintain new jobs or make significant financial investment are eligible to apply for up to four new tax credits.*

biotech

pharmaceutical

green tech

agriculture

distribution

software development

high-tech

clean-tech

financial services

manufacturing

back office

R&D

# Excelsior Jobs Program



## Job Growth Track

### EXCELSIOR MINIMUM ELIGIBILITY CRITERIA

Strategic Industry	Min Jobs	RSP Min Jobs & Investments	
Scientific R&D	10	20	\$6,000,000
Software Development	10	N/A	N/A
Agriculture	10	20	\$500,000
Manufacturing	25	50	\$5,000,000
Financial Services	100	300	\$6,000,000
Back Office	150	300	\$6,000,000
Distribution	150	300	\$30,000,000
Other	N/A	300	\$6,000,000

## Investment Track

Strategic Industries who make significant investment  
AND  
have and retain at least 50 full-time job equivalents

Minimum Benefit Cost Ratio = 10:1

Significant Capital Investment + wages(benefits )(net new jobs ) / Excelsior Tax Credits

# Excelsior Jobs Program



## Jobs Credit

- 6.85% of gross wages per net new job created

## Investment Credit

- 2% of qualifying investment

## R&D Credit

- 50% of federal R&D credit, up to max of 3% of R&D expenses in NYS

## Real Property Tax Credit

- 50% of real property taxes paid on the property post-improvements made to the property after admittance into the Program

# **ECONOMIC DEVELOPMENT PURPOSES GRANT**

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# Economic Development Purposes Grant



Up to \$19.2 million is available for economic development initiatives and projects that:

- Create or retain jobs
- Generate increased economic activity
- Improve the economic and social viability and vitality of local communities.

# Economic Development Purposes Grant



## Eligible applicants include:

- for-profit businesses
- not-for-profit corporations
- business improvement districts
- local development corporations
- public benefit corporations (including industrial development agencies)
- economic development organizations
- research and academic institutions
- Incubators
- technology parks
- Municipalities
- counties
- regional planning councils
- tourist attractions
- community facilities

# Economic Development Purposes Grant



## Funds may be used for:

- Acquisition or leasing of land, buildings, machinery and/or equipment
- Acquisition of existing business and/or assets
- Demolition and environmental remediation
- New construction, renovation or leasehold improvements
- Acquisition of furniture and fixtures
- Planning and feasibility studies
- Site and infrastructure development
- Inventory
- Training
- Soft costs
- Working capital
- Marketing and advertising



# **ECONOMIC TRANSFORMATION PROGRAM**

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# Economic Transformation Program



Established in FY 2011-12 Budget to support communities affected by the closure of certain correctional and juvenile justice facilities.

Two components:

- 5 tax credits
- \$50M grant funds

# Economic Transformation Program



## Eligibility

- Applicants include businesses, municipalities, IDAs
- Applicants must be within designated area
- Available for projects in targeted industries.
  - Bio-tech
  - Hi-tech
  - Clean-tech
  - Manufacturing
  - Other strategic industries identified in Regional Council Plans

*\*\*Excludes retail, real estate development, professional services unless located at the site of the closed facility after April 1, 2011\*\**

# Economic Transformation Program



Funds assist with construction, expansion and rehabilitation of facilities; acquisition of machinery and equipment; working capital; and the training of full-time permanent employees.

## Funds may be used for:

- Real Estate and Land Acquisition
- Demolition
- Construction and Renovations
- Site and Infrastructure
- Machinery and Equipment
- Inventory
- Construction Related Planning and Design

**PRIVATE ACTIVITY BOND CAP**

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**(INDUSTRIAL DEVELOPMENT BOND CAP)**

# Private Activity Bond Cap



Up to \$350 million from the Federal Industrial Development Bond Cap allocation will be available for State and local government issuers to sell tax exempt bonds for private projects that demonstrate a public purpose.

# Private Activity Bond Cap



## Eligible applicants/project types:

- Low income Multi-family and /or elderly rental housing
- Residential Rental facilities
- Small manufacturing projects
- Local furnishing of electric energy or gas
- Local district heating or cooling facilities
- Sewage and solid waste disposal facilities
- First-time farmer's capital improvements
- Utility projects, including water, sewer, electric and gas
- Bonds issued to provide loans for first time homebuyers

# **ENVIRONMENTAL INVESTMENT PROGRAM**

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# Environmental Investment Program



## Program Purpose

This program makes up to \$1 million available to help businesses capture the economic benefits associated with pollution prevention, waste reduction, re-use, recycling and sustainable products and process technologies.

Funding will be available for the following grant categories:

- Technical Assistance
- Research & Development
- Capital Projects

# Environmental Investment Program



## Eligibility

Eligible applicants include not-for-profits, Industrial Development Agencies (IDAs) or municipalities on behalf of New York State manufacturers, recyclers, other businesses or non-profits that will achieve substantial waste prevention, recycling or toxic reductions.

## Ineligible Projects

- End-of-pipe pollution control
- Remediation
- Incineration
- Waste to energy or refuse derived fuel
- Compliance

# Environmental Investment Program



## Capital Projects

- Assists with capital costs to prevent pollution, reuse or recycle
- Hard assets: M&E, shipping, installation
- No working capital
- Requires cash match
- Contract is with a non-profit on behalf of company

# Environmental Investment Program



## Research and Development Projects

- Answer final questions before adopting pollution prevention or recycling technology
- No fixed assets
- Costs associated with Research & Development

## Technical Assistance Projects

- Waste prevention assistance to business
- Municipalities or non-profits

# Environmental Investment Program



## Competitive Program

- NYS Return on Investment
- Return on Investment competitive with other projects
- How much support is required

## Performance Based Contracts

- Measurable, verifiable environmental improvements
- Measurable, verifiable economic improvements

# For More Information



**Governor's Office:**

<http://governor.ny.gov>

**Empire State Development:**

[www.esd.ny.gov](http://www.esd.ny.gov)

**Consolidated Funding Application:**

<http://apps.cio.ny.gov/apps.cfa/>

**Empire State** Development