



Empire State
Development

COMPREHENSIVE ECONOMIC DEVELOPMENT REPORT



2022

ESD YEAR IN REVIEW 2022



Moog Inc.'s Western New York expansion is creating up to 500 new jobs in the local aerospace industry



ESD CEO Hope Knight spoke at the New York State Innovation Summit in October



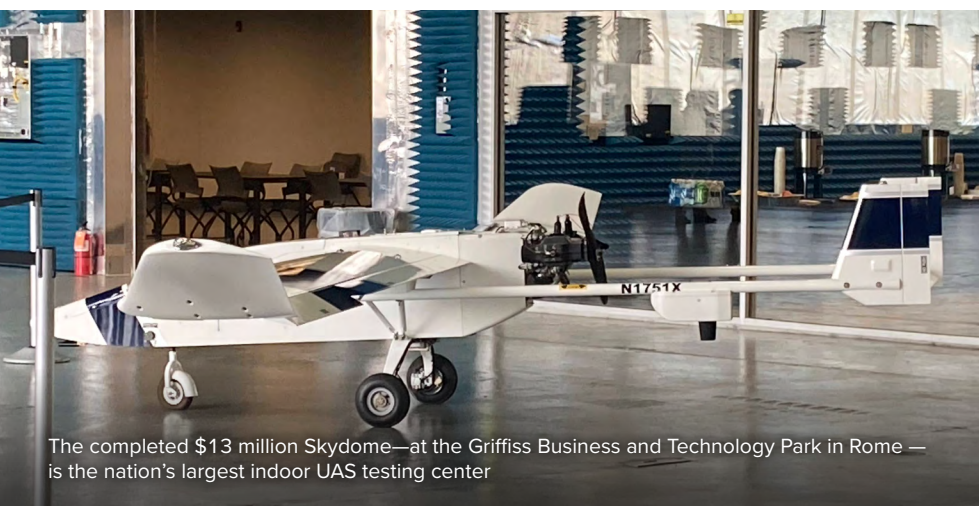
Grow-NY Round Four Winners, Australian Firm ProAgni, were awarded \$1 million Grand Prize



JMA Wireless completed the first phase of its \$100 million 5G manufacturing campus and new global HQ in Syracuse



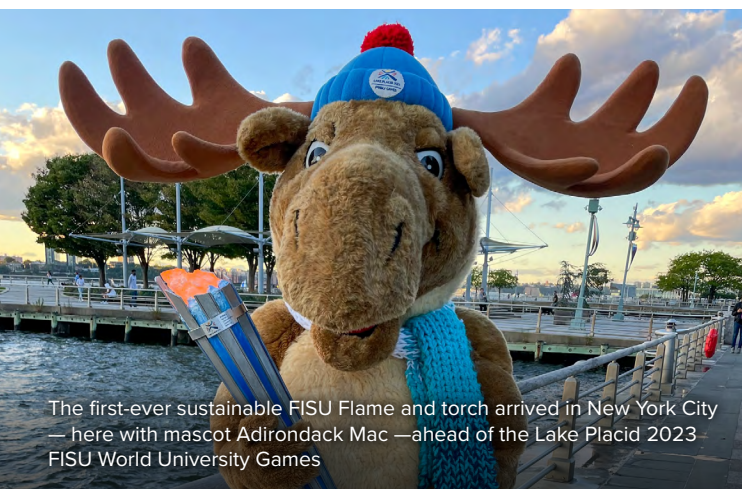
Biotech leader Regeneron broke ground on \$1.8 billion research, preclinical manufacturing and support facilities at its Westchester County campus in Tarrytown



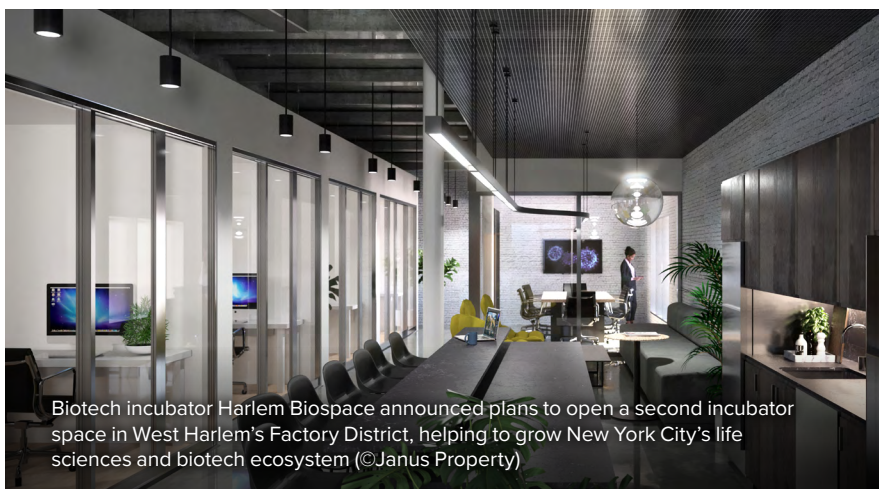
The completed \$13 million Skydome—at the Griffiss Business and Technology Park in Rome — is the nation's largest indoor UAS testing center



Optics tech firm Vuzix plans to expand its operations in Monroe County



The first-ever sustainable FISU Flame and torch arrived in New York City — here with mascot Adirondack Mac — ahead of the Lake Placid 2023 FISU World University Games



Biotech incubator Harlem Biospace announced plans to open a second incubator space in West Harlem's Factory District, helping to grow New York City's life sciences and biotech ecosystem (©Janus Property)

Welcome Message



Hope Knight

Over this past year, I have been especially proud to serve as President, CEO & Commissioner of Empire State Development under the leadership of Governor Kathy Hochul and her Administration.

Across ESD's many divisions and initiatives, we have

continued our work to support inclusive and sustainable growth through effective and transparent economic development across New York State. Despite uncertain economic times, we have accomplished a great deal.

We have been laser focused on supporting small businesses, especially in the wake of the pandemic. Thanks to the Governor's small business assistance programs, more than 50,000 small businesses have received support from ESD over the last two years.

We continued our ongoing efforts to create a shovel-ready infrastructure and talent-rich climate for attracting cutting-edge industries to New York State. Those efforts, spurred by the State's nation-leading Green CHIPs program, resulted in one of the largest economic agreements in U.S. history, with the Governor's October announcement that Micron Technology had chosen Central New York for its new \$100 billion semiconductor facility. The project is expected to create nearly 50,000 jobs statewide, including 9,000 new high-paying Micron jobs with average salaries exceeding \$100,000.

Training New York State's workforce has also been a priority. Under the Governor's leadership, we launched the **Office of Strategic Workforce Development**, aligning job training with the needs of employers, especially those in growth industries.

We have continued the important work of removing barriers for MWBEs and made significant improvements to our certification process. In 2022, we exceeded the

state utilization goals for MWBEs which, at 30.64%, are still the highest in the country.

During 2022, thanks to our many talented colleagues, we met or exceeded many other goals: investing in transformational projects across the state that will attract and create jobs; tackling ambitious clean energy objectives and broadening efforts to expand the green economy; advancing the historic – and long-overdue – redevelopment of Penn Station and the surrounding area; and ensuring greater broadband access across the state.

I am also proud of what we have done to make ESD even more transparent and accountable. In the past year, we have expanded the **Database of Economic Incentives (DOEI)**, which launched in 2021, to 52 fields; providing additional information about jobs, MWBE utilization and more. The accessible and searchable Database, one of the country's leading public databases for economic development projects, builds even further on the high-level summaries provided in this, and previous Annual Reports, following requirements outlined in the FY 2018 Budget.*

New York State is also leading the way by investing strategically in high-growth industries and initiatives, across industry sectors, that will fuel innovation. From Life Sciences to venture capital to digital game development and more, ESD is helping to support and seed the economy of the future.

We could not do this important work without the dedication of the people of Empire State Development who work tirelessly to do this important work, this year and every year.

Sincerely,



Hope Knight
President, CEO & Commissioner
Empire State Development

* The FY 2018 New York State Budget introduced a requirement for Empire State Development (ESD) to begin annually producing a "Comprehensive Economic Development Report" containing information on the economic development programs administered by the New York State Urban Development Corporation (UDC) and the New York State Department of Economic Development (DED), two entities that consolidate their operational efforts and do business together as ESD. Specifically, the FY 2018 Budget required that the report include a "listing of economic development assistance" provided by UDC and DED, "including tax expenditures, marketing and advertising, grants, awards and loans," as well as aggregate information on "program progress, program participation rates, economic impact, regional distribution and industry trends."

Executive Summary

As part of its responsibility to manage scores of economic development programs and thousands of specific projects to grow New York's economy, ESD relies on a broad range of economic development tools including Tax Incentive Programs, Loans and Grants, Marketing and Advertising and Innovation.

Across the four categories noted above, as of November 30, 2022, ESD was overseeing 4,729 active projects. An active project is generally defined as a project with a signed agreement stipulating that ESD will provide financial assistance to a recipient, subject

to the recipient's ability to fulfill specific commitments or services. Projects fall into a range of schedules: Some of the 4,729 active projects were in preliminary stages during FY 2022, such as planning or design, whereas other projects were merely awaiting reimbursement or in their final years of maintaining their job commitments. Given that ESD projects often have multi-year project commitments and payment schedules, many projects remain "active" for many years, and not all active projects receive a disbursement of their awarded financial assistance in any given fiscal year.



Micron Technology, Inc., the world's fourth-largest semiconductor company, will invest \$100 billion to build the largest semiconductor fabrication facility in the history of the United States in Central New York



ESD CEO Hope Knight spoke at the 12th Annual NYS MWBE Forum – New York has the highest MWBE utilization rate in the country



Plug Power completed its newest manufacturing facility, located at the Vista Technology Campus in Slingerlands, Albany County



ESD CEO Hope Knight spoke at the announcement of the Long Island Investment Fund's \$10 million grant to The Feinstein Institutes for Medical Research on Long Island

HIGHLIGHTS OF ESD'S FINANCIAL ASSISTANCE DURING THE MOST RECENT YEAR INCLUDED THE FOLLOWING:



New York State COVID-19 Pandemic Small Business Recovery Grant Program

The Program has successfully disbursed the entirety of the \$760 million in available funding to 40,842 small businesses impacted by the COVID-19 pandemic. The Program provided flexible grants of \$5,000 to \$50,000, with an average award of \$18,608. As per the Program's mission, 98% of awards have gone to micro-businesses, 48% of awards have gone to socially and economically disadvantaged small businesses, and 90% have gone to minority and/or women-owned small businesses.



\$1 Billion Rescue Plan for NYS Small Businesses

The Governor's Rescue Plan, aimed at strengthening the backbone of the state economy, includes the following 2022 initiatives: more than \$500 million in federal funding to support the resurgence of small businesses across New York State through the State Small Business Credit Initiative (SSBCI); a \$200 million first-in-nation Seed Funding Grant Program to help early-stage small and micro businesses continue to recover and grow; and a \$250 million COVID-19 Capital Costs Tax Credit Program to help businesses with a range of pandemic-related operational costs.



Excelsior Jobs Program

131 businesses were issued \$33.8 million in credits during FY 2022, out of an awarded \$311.9 million in total credits for these projects. The projected number of created and retained jobs resulting from these investments is 64,142.



Life Sciences Tax Credit Program

27 businesses were issued \$5.1 million in credits through the Life Sciences Tax Credit Program in FY 2022, which funded more than \$44.8 million dollars in research and development expenses.



START-UP NY Program

203 businesses reported business tax benefits of \$2.89 million, with their employees receiving \$17.4 million in Personal Income Tax (PIT) benefits in 2021. During the same period, they also reported investing over \$19 million and creating a total of 3,353 new jobs, of which 2,549 were net new jobs^{1 & 2}.



Entertainment Industry Tax Credit Programs

227 entertainment industry production projects, participating in the Film production, Film Post-production, Commercial, and Empire State Musical & Theatrical Tax Credit Programs, were issued \$590.1 million in tax credit incentives during FY 2022, resulting in approximately \$2.8 billion in industry spend back in the New York economy.

¹ Tax benefits in the START-UP NY program are claimed directly by eligible employees and businesses via tax return filings with the Department of Taxation and Finance. ESD does not directly issue credits for START-UP NY; the estimated value of the credits claimed are reported to ESD by the businesses.

² Empire State Development calculates net new jobs as jobs filled for more than six months in a Location Year. The Location Year is based on the date the business locates to the Tax-Free NY Area.