

People. Power. Possibilities.

Central Hudson
A FORTIS COMPANY



ECONOMIC DEVELOPMENT PROGRAMS



Central Hudson offers a suite of economic development programs focused on supporting and expanding the manufacturing sector in the Hudson Valley. Focusing on manufacturing will ensure that our economic development program dollars support an industry that creates quality jobs. There are three principal programs:

1

**INFRASTRUCTURE
FOR MANUFACTURERS
PROGRAM**

2

**MANUFACTURING
PRODUCTIVITY
PROGRAM**

3

**EXPANSION AND
RETENTION FOR
MANUFACTURERS**





1

INFRASTRUCTURE FOR MANUFACTURERS PROGRAM

ELIGIBILITY GUIDELINES:

- Funding cannot exceed 33% of the total project costs
- Owners must contribute at least 50% of the cost of the project
- A minimum of 20 full-time (30+ hours per week) manufacturing jobs paying more than \$40,000 annually must be created

Efficient, reliable buildings and infrastructure are an important component in ensuring the growth and sustainability of manufacturers.

The Infrastructure for Manufacturers program will help to accelerate the growth of manufacturing capability by targeting former manufacturing buildings and undeveloped sites in our service territory.

Grants awarded within this program are reimbursed after project completion per the following criteria:

A GRANT UP TO \$200,000 per undeveloped site for utility infrastructure improvements.

These improvements can consist of, but are not limited to, trenching and costs related to utility build out of the infrastructure.

A GRANT UP TO \$100,000 per site for vacant, or severely underutilized properties site development needs.

Funding may be used for costs related to but not limited to demolishing, deconstruction, rehabilitation, reconstruction, and/or water and sewer infrastructure.



2

MANUFACTURING PRODUCTIVITY PROGRAM

To remain globally competitive, expand business and grow jobs, manufacturers must continually improve productivity and operational performance.

The Manufacturing Productivity Program helps to accelerate manufacturing by supporting manufacturer's endeavors to incorporate and employ sustainable, scalable processes to optimize and improve their operational capacity.

ELIGIBILITY GUIDELINES:

- Existing manufacturing businesses must maintain their previous year's employment level within the service territory.

Grants awarded within this program are reimbursed after project completion per the following criteria:

- A matching grant up to \$15,000 or 40%** (whichever is less) towards the costs incurred by eligible applicants, whose top management commits the time and resources to lean manufacturing projects or manufacturing assistance projects which result in eliminating waste and increasing productivity on the shop floor and/or in the office.
- Execute an agreement that commits top management to the processes that **result in the productivity and development improvements** articulated in this program.

To be eligible for this program, the project must accomplish one or more of the following:

- Optimize the current facility**
- Increase machine effectiveness**
- Improve product quality**
- Reduce costs**
- Reduce lead times**
- Improve process-flow**
- Increase inventory turns**
- Expand markets**
- Develop new customers and/or new products**



3

EXPANSION AND RETENTION FOR MANUFACTURERS PROGRAM

Supporting and helping existing manufacturers to grow and maintain a presence within the region will help to maintain local jobs and stabilize the region's tax base.

The Expansion and Retention for Manufacturers grant program supports manufacturers who are making a new capital investment within our service territory. Examples of items constituting a new capital investment include but are not limited to the purchase of real estate, infrastructure, acquisition of machinery and equipment, and new energy efficiency upgrades.

Grants are reimbursed per the following funding levels:

\$100,000
retention grant for
capital investments
greater than
\$500,000 but less
than \$1 million

\$150,000
retention grant for
capital investments
greater than
\$1 million but less
than \$2 million

\$200,000
retention grant for
capital investments
greater than
\$2 million

ELIGIBILITY GUIDELINES:

- Manufacturing businesses must be making a new, capital investment within the service territory. The purchase of real estate, infrastructure (sewer, water and energy) acquisition of machinery and equipment, and new energy efficiency upgrades are all examples of items that would constitute a new capital investment.
- Central Hudson funding will be available six months after project completion and once all necessary documentation demonstrating the investment and accomplishment of milestones as outlined in the project plan have been submitted to the Company.
- A minimum of 20 full time equivalent jobs must be retained or created. Existing manufacturing businesses must maintain their previous year's employment level within the service territory.



GENERAL REQUIREMENTS FOR ALL APPLICATIONS

- Applicants must be a business that is classified by the North American Industry Classification System as manufacturing (NAICS codes 31, 32 or 33). NAICS classification can be found online at www.census.gov/naics.
- Applicants must receive written approval from Central Hudson prior to beginning the project work. Central Hudson will not reimburse for work started prior to written approval.
- All projects must create or maintain, at a minimum, 20 full-time jobs paying an annual salary of more than \$40,000.
- All applications should have participation from Empire State Development Corporation, a local industrial development agency, a community college, or a local development corporation. Any application that does not contain participation from the above-mentioned entities, Central Hudson may consider a letter of support from the county of origin for such projects on a case-by-case basis.



- The project must be located within Central Hudson's service territory.
- Applicants must be in good standing on their Central Hudson bill.
- Grants are available on a continual basis until all funding is expended.
- Funding is released to a grant award recipient only after the recipient has met all conditions of the program. Unless stated, in all circumstances, funding should be viewed by the applicant as a reimbursement for work completed following grant approval in the form of an award letter.
- Grant amounts listed are the maximum allowable award for each program. Each application is evaluated on a variety of factors, resulting in some not receiving the maximum grant award.
- Project must be completed within six months of project completion date or the applicant will be required to reapply for the program.



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