

Recommended Award: Exhibit E

Applicant Name:	Washington Mills Electro Minerals Corp	REDC Region:	WNY
Project Type:	Business Investment	County:	Niagara
Industry:	Manufacturing	Locality:	Niagara Falls
Amount Requested:	\$140,000	Start Date:	01/01/2014
		Finish Date:	06/30/2014
RECOMMENDED OFFER			
Recommended Total Award:		Up to \$140,000 pending ESD Assistance	
Total Project Cost:		\$840,000	
% of Project Cost Recommended:		17%	
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:		105 (35 at risk)	
Number of Jobs Created:		2	
Average Salary of Jobs:		\$46,000	
Indirect Jobs Created		5 Construction jobs	
Other Impact			
PROJECT DESCRIPTION			
<p>Project proposes to upgrade an existing high temperature arc furnace with new, state of the art electrode controls and improve the company's material handling systems. This will give the Niagara Falls facility the ability to produce fused mineral products that are currently imported from Canada. In addition to securing that production work for WNY and removing the possibility of additional operations moving north of the border, the project will make the Niagara Falls facility far more energy efficient giving them an estimated savings of 2-4% on their energy usage while creating a more superior product.</p>			
OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$ 0	NYPA:	9,700kW hydropower
IDA:	\$ 0	Other:	\$ 0
PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED			
TYPE	AMOUNT	STATUS	
BASIS FOR RECOMMENDATION			

The Washington Mills facility in Niagara Falls, NY has been an important part of the local economy since 1986 when the company purchased the Carborundum Company and acquired the facility. Washington Mills has production facilities in Niagara Falls, Ontario that predate the Niagara Falls, NY facility by approximately 6 years which creates the challenge of remaining competitive with the Ontario plant to avoid the possibility of operations being consolidated north of the border.

This project will not only give the Niagara Falls, NY facility the ability to remain competitive but also will reduce its dependency on its Canadian counterpart by increasing the ability to produce high purity abrasives and fused mineral products here in WNY; thus starting a trend of increasing operations and employment on this side of the Border.

To get this project off the ground and begin the trend of shifting Canadian operations to the U.S. and more importantly WNY, the facility must present a plan for the economic viability of this project to the corporate management team who will decide whether or not they will make capital allocations that will support this shift. The Niagara Falls facility has asked for assistance with this project to close their current budget gap and make this project attractive enough to garner corporate support.

This project falls under the highly prioritized advanced manufacturing industry sector set forth in the Western NY Regional Economic Development Council (WNYREDC) Plan. It is also at the epicenter of a bi-national competition with Canada that the WNYREDC has recognized that the Region must make progress in this arena to be able to realize its full potential for prosperity.