



BUFFALO NIAGARA SUCCESS STORY

Greenpac a division of Norampac

Investment: \$400M Jobs: 108

PROJECT OVERVIEW:

Norampac is the largest containerboard producer in Canada and the 8th largest in North America. The company is also a major manufacturer of corrugated products. In 2008, Invest Buffalo Niagara and Norampac representatives discussed the company's desire to build a new facility that would construct new corrugated box products from recycled fibers. With 43 operating units throughout the world the company could have sited this project anywhere.

PROJECT CHALLENGE:

The company's commitment to environmentally friendly policies and green practices dictated their desire to locate the project on a former brownfield site, which in turn posed challenges in ensuring the overall affordability. The new process was going to be extremely energy and water intensive, making low-cost hydropower an important component, along with a reliable water supply and sufficient wastewater capacity. The company not only sought hydropower for its low cost, but because it is a source of clean power. Greenpac hoped to maintain a manufacturing process that was entirely "green" while creating its corrugated box product. Gap financing was also an issue.

PROJECT SOLUTION:

Invest Buffalo Niagara staff assisted the company with site selection, utilities, workforce and access to and coordination of incentives. Our ability to convince the company of the viability of building on land they currently owned in Niagara Falls was a total team effort. Empire State Development narrowed the financing bridge for the company by ensuring the eligibility and delivery of \$60 million in brownfield tax credits and \$9 million in Empire Zone credits that were pledged to the company prior to the program's expiration. New York State Energy Research and Development Authority provided a \$3.7 million incentive for the purchase of high-efficiency equipment. The Niagara County Industrial Development Agency helped make the project more manageable through a payment in lieu of taxes arrangement, resulting in a sales tax savings of \$8 million and \$450,000 in mortgage recording tax abatements. Energy costs were minimized through a 10 megawatt hydropower allocation from the New York Power Authority (NYPA). National Grid also provided a \$500,000 capital investment/utility infrastructure grant. In one of the final pieces to come together, the City of Niagara Falls Water Board was able to address all water and wastewater treatment concerns.

Norampac, with the new location being called, Greenpac employment will indirectly be supported by an additional 130 jobs across the region resulting in an estimated combined wage and benefit impact of over \$13.5 million annually. The total value of the goods and services produced by these 238 jobs is estimated to be approximately \$63.8 million annually.



Project Greenpac Site, Niagara Falls, NY

"Greenpac is one of the largest of its kind in North America and we picked Niagara Falls".

- Marc-Andre Depin, president and CEO of Norampac, one of several private-sector partners involved in the project's development

