

Orleans County: Pride Pak picks Medina

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MEDINA — The province of Ontario's largest fruit and vegetable processor has confirmed its intent to plant an American operation in Orleans County.

In an application to the County's Orleans Revolving Loan Fund approved by the Orleans EDA Friday, Pride Pak detailed plans to develop a \$13.6 million project at the Medina Business Park.

"Pride Pak Canada plans to construct a 65,000-square-foot vegetable processing, packing and distribution facility on a 13-acres site," the company said in asking for \$500,000 to purchase new machinery and equipment.

Orleans EDA CEO Jim Whipple said the Mississauga-based company has not yet acquired the county-owned property, but the EDA expects a proposal for the site to go before local planning boards in the next month.

"It's a company we've worked hard to get," Whipple said. "They are still lining up the land and haven't made (a final) commitment, but we're very optimistic."

The Orleans EDA anticipates 80 full-time jobs will be created in the first year of the project, with more than 200 at build-out.

Pride Pak already ships half of its production stateside, with a longtime customer in Wegmans. According to their application, the grocery chain's expanding relationship with Pride Pak spurred interest in adding an American production facility to those in Ontario and Newfoundland.

The Medina site won out, Pride Pak said in its application, over a competing bid in Pottsville, Pa., due to state and local incentives. The Orleans EDA has approved a pair of tax abatement plans — one for a scuttled plan to purchase the former Bernzomatic plant in Medina and the second for the business park site — as well as backing a \$734,000 federal grant application.

The loan, taken from a fund with three current and another pending recipient, is one more piece in the incentive plan.

"This is another thing to help their cash flow," Whipple said.

The EDA's loan approval comes after two months of due diligence and risk assessment, with a final review of the company's finances held in a closed session Friday.

"The board determined (Pride Pak) is a good investment," Whipple said.

According to the loan request, Pride Pak estimates building construction will on an undeveloped parcel off Maple Ridge Road will cost \$6 million, with \$5.3 million going toward equipment and

land acquisition, furnishing, employee training and working capital making up the rest of their budget.

The project would be financed primarily from a \$10.5 million loan from Business Development Bank of Canada and a \$1 million loan from TD Bank.

The ORLF held a balance of \$745,953 in First Niagara Bank as of Aug. 31, with three existing recipients bringing in around \$8,000 a month in monthly loan repayments. A loan for Empire Fruit's apple storage expansion in Yates will be added to the list in October, Whipple said, and Pride Pak would add another \$6,000 in monthly revenue for the fund.