

Applicant Name:	Launch NY	REDC Region:	Western New York
Project Type:	Innovation/Entrepreneur Development	County:	Erie & Niagara
Industry:	Several – Health/Life Sciences, high tech industries, Manufacturing, etc.	Locality:	Buffalo
Amount Requested:	\$5,418,000	Start Date:	June 2013
		Finish Date:	May 2014
<b>RECOMMENDED OFFER</b>			
Recommended Total Award:	\$5,418,000		
Total Project Cost:	\$7,693,513		
% of Project Cost Recommended:	69%		
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:			
Number of Jobs Created:			
Average Salary of Jobs:	TBD		
Indirect Jobs Created	Over 1,000 (from business plan winners)		
Other Impact	1,000 business plan applicants in first year exposed to the Buffalo Niagara region		
<b>PROJECT DESCRIPTION</b>			
<p>Launch NY will create the most ambitious business plan competition (\$5M in awards) in the nation to attract entrepreneurs with new technology and products to locate their start up in the Buffalo Niagara Region. Launch will target life science, advanced manufacturing, high technology and MWBE participation in the plan competition. Launch will facilitate successful growth of new businesses and attraction of entrepreneurs with support of Entrepreneurs in Residence (management talent), incubation space and capital resulting in significant and sustainable job growth as well as an improved entrepreneur climate in the Region. The Business Plan Competition will be marketed broadly outside New York State to garner help in improving Buffalo Niagara’s image as a great place to start a business.</p> <p>Business Plan competitions have a proven track record for assisting new businesses, and re-igniting regions. Two examples of success:</p> <ul style="list-style-type: none"> <li>• The Rice Business Plan Competition: Starting in 2001, and billed as the “richest” with ~\$1million in prizes, the competition is aimed at students and has resulted in 199 business launched (average: half of total competitors, but rising as currently is 77%), 128 business successes (alive today or successful exit). Over \$460M in funding raised (majority in last 3 years).</li> <li>• Start2Grow, Dortmund Germany: a business plan competition that regularly attracts 700+ applicants. The business plan competition commenced in 2000, has over 600 mentors, and has been responsible for over 700 companies and almost 4,000 jobs</li> </ul>			

<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED FOR THIS PROJECT</b>	
<b>SOURCE</b>	<b>AMOUNT</b>
N/A	N/A
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>	
<b>SOURCE</b>	<b>AMOUNT</b>
ESD	\$90,000
<b>BASIS FOR RECOMMENDATION</b>	
<p>This proposal has the potential to significantly change the entrepreneurial development environment in the Buffalo Niagara Region, enhance the Region’s image as a place where start-ups can succeed and directly assist 100’s of start-ups that can create upwards of 1,000 jobs. The Buffalo Niagara Region has long lacked meaningful support for entrepreneurs, including early stage financing, business development advisory services and other incubation support. At the same time, the Region has heavily invested in research while seeing little of that research translate into viable commercial enterprises in the Region. There are numerous examples of early stage technology companies that started in Buffalo Niagara, ultimately leaving the region to grow elsewhere where they could secure financing and management talent. The Launch NY organization and business plan project can significantly change that by offering incubation, management talent and advisement and early stage financing to new start-ups. In addition, because the business plan competition will be widely publicized, it is a great opportunity to promote the Region as one, open to and seeking entrepreneurs. The winners of the business plan competition are targeted on the key industries identified in the regional council plan (energy, agriculture, advanced manufacturing, health/life sciences, logistics, and financial services). It will also bring many visitors to the area and expose them to the wonderful attributes in the region as it attracts entrepreneurs to participate in the business plan competition from outside NYS, including Canada.</p>	

**Western New York Economic Development Fund  
Recommendation Memo**

Applicant Name:	Diversified Manufacturing	REDC Region:	Western New York
Project Type:	Business Investment	County:	Niagara
Industry:	Manufacturing	Locality:	Lockport
Amount Requested:	\$950,000	Start Date:	May 2013
		Finish Date:	October 2013
<b>RECOMMENDED OFFER</b>			
Recommended Total Award:		\$500,000 maximum, depending on assistance received from ESD and applicants confirmation that they can undertake project with \$500,000 in total grant funds instead of full \$950,000 requested.	
Total Project Cost:		\$4,984,000	
% of Project Cost Recommended:		10%	
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:		145	
Number of Jobs Created:		0	
Average Salary of Jobs:		\$ 58,275	
Indirect Jobs Created			
Other Impact			
<b>PROJECT DESCRIPTION</b>			
<p>Diversified Manufacturing, a fabrication, machining and assembly shop is consolidating its facilities in Amherst and Lockport into the Lockport location, through an expansion. The consolidation is necessary to eliminate significant fixed costs of running two separate facilities that are causing a financial strain on the company. The company has sold and is closing the Amherst facility. If the expansion of the Lockport facility does not occur, the company will sell off a portion of its operations and reduce its workforce by 46 jobs. The project consists of the construction of a 45,000 sq.ft. high bay addition to the existing 120,000 sq.ft. manufacturing plant located in Lockport. The company has secured significant debt financing and private equity for the expansion but still has a financing gap to fund the facility expansion.</p>			
<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
ESD		\$250,000 under consideration	
IDA		\$250,000 loan	
NYPA: Recharge NY		196kW/per month	
Other: Lockport Dev. Corporation		\$250,000 Loan	
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
Power for Jobs		255kW/per month	
<b>BASIS FOR RECOMMENDATION</b>			

Without grant assistance from the state, the applicant has demonstrated that the consolidation and expansion project will not go forward, putting 46 good paying manufacturing jobs at high risk of being lost. This consolidation project will ultimately improve the financial stability and growth opportunities for this company. This project will also help secure an additional 99 jobs currently in Lockport as it will help the company become more efficient. The company pays very good wages at an average of over \$58,000.

Manufacturing continues to be a critical component of the WNY economy as the third largest employment sector. It is one of the top industry sectors identified in the Regional Council strategy with a particular emphasis on the need to help manufacturer's innovation and improve productivity to remain competitive.

If the applicant receives grant assistance, they have demonstrated their ability to move forward with the project. The applicant has successfully secured private financing, debt financing from other private and public sources and cannot take on any additional debt to support this project.

The project is consistent with smart growth principles as it will expand on an existing site that already has infrastructure, is in a Brownfield Opportunity area and a developed area.

There is a buyer in place for the applicant's current Amherst facility, making way for another local company to expand.

**Western New York Economic Development Fund  
Recommendation Memo**

Applicant Name:	Coolture	REDC Region:	Western New York
Project Type:	Business Investment	County:	Erie
Industry:	Advanced Manufacturing, Health/Life Sciences	Locality:	Buffalo
Amount Requested:	\$300,000	Start Date:	June 2013
		Finish Date:	December 2015
<b>RECOMMENDED OFFER</b>			
Recommended Total Award:	\$300,000		
Total Project Cost:	\$3,150,000		
% of Project Cost Recommended:	10 %		
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:	5		
Number of Jobs Created:	32		
Average Salary of Jobs:	\$45,313		
Indirect Jobs Created			
Other Impact			
<b>PROJECT DESCRIPTION</b>			
<p>Coolture introduced the first athletic-styled cooling apparel designed to improve human performance during exercise, physical therapy, leisure activities, competitive sports, or whenever heat becomes a challenge; a life-changing product for those who are chronically ill and/or active and athletic. Recently Coolture has gained great momentum and the demand for our product is growing faster than the supply. We have asked for approximately 10% of our project cost to help our company ramp up production and grow our brand and our employment base at an accelerated pace. We believe this project will lead to the next great Buffalo company that will gain Global notoriety, shine a spotlight on the new Western New York entrepreneurial friendly community and provide new employment opportunities for under-represented communities.</p>			
<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
N/A		N/A	
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
N/A		N/A	
<b>BASIS FOR RECOMMENDATION</b>			

This project is based in Advanced Manufacturing and is striving to become the example of the kind of success an entrepreneurial venture can experience in Western New York. The applicant has demonstrated a desire to grow new jobs and is providing job opportunities to historically underrepresented populations. The company is contributing significant equity to the project as well. The applicant is contributing to the renaissance of the City of Buffalo by pursuing space in currently vacant buildings that will be redeveloped, preferably in a “green” manner. This applicant has demonstrated great commitment to smart growth, eco friendly design and workforce development, all of which represent the priorities of the Western New York Region.

Applicant Name:	Content Savvy, Inc.	REDC Region:	Western New York
Project Type:	Innovation/Entrepreneur Development	County:	Erie
Industry:	All (software to benefit all industries)	Locality:	Snyder
Amount Requested:	\$500,000	Total Project Cost:	\$3,643,000
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:	12 (current project workforce)		
Number of Jobs Created:	5+		
Average Salary of Jobs:	Not Listed		
Indirect Jobs Created			
Other Impact			
<b>PROJECT DESCRIPTION</b>			
<p>Content Savvy offers software as a service (SaaS) solutions to organizations enabling them to leverage “big data” for real-time competitive advantage and smarter decision making. Competitive intelligence covers many mission critical business functions including reputation tracking, industry tracking, sales prospecting, trend spotting, etc. It allows companies to stay ahead of the news, ward off potential PR crises, and gather rapid research when exploring new opportunities.</p>			
<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED FOR THIS PROJECT</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
N/A		N/A	
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
N/A		N/A	
<b>BASIS FOR RECOMMENDATION</b>			
<p>This company has been offered funding assistance from Innovate NY, a venture capital fund supported by State assistance, which should move the project forward.</p>			

**Western New York Economic Development Fund  
Recommendation Memo**

Applicant Name:	Graycliff Conservancy, Inc.	REDC Region:	Western New York
Project Type:	Infrastructure/Downtown Investment & Tourism Marketing	County:	Erie
Industry:	Tourism	Locality:	Derby
Amount Requested:	\$219,088	Total Project Cost:	\$219,088
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:	0		
Number of Jobs Created:	0		
Average Salary of Jobs:	N/A		
Indirect Jobs Created	0		
Other Impact			
<b>PROJECT DESCRIPTION</b>			
Complete the restoration of the interior of the Graycliff's Estate Foster House, which will allow tours of the building; purchase of a point-of-sale system to track visitorship both for Graycliff and its tourism partners.			
<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED FOR THIS PROJECT</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
N/A		N/A	
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
NYS EPF		\$149,782	
NYS EPF		\$125,000	
<b>BASIS FOR RECOMMENDATION</b>			
Graycliff has received recent state assistance for renovations and they did not identify any other leverage/private fundraising, or equity contribution.			

Applicant Name:	NBT Solutions, Inc.	REDC Region:	Western New York
Project Type:	Business Investment	County:	Erie
Industry:	Logistics/Trade	Locality:	Buffalo
Amount Requested:	\$33,230	Total Project Cost:	\$166,150
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:	3		
Number of Jobs Created:	2		
Average Salary of Jobs:	\$62,000		
Indirect Jobs Created	0		
Other Impact			
<b>PROJECT DESCRIPTION</b>			
<p>On March 16, 2010, the FCC's (Federal Communications Commission) National Broadband Plan was unveiled in an effort to improve broadband Internet access throughout the United States by 2020. The American Recovery and Reinvestment Act of 2009 (ARRA) required that the FCC draft the National Broadband Plan which is intended to achieve affordability and maximizing use of broadband to advance consumer welfare, civic participation, public safety and homeland security, community development, health care delivery, energy independence and efficiency, education, employee training, private sector investment, entrepreneurial activity, job creation and economic growth, and other national purposes.</p> <p>The plan is having an impact on the number of households now connected to the Internet. In its report issued in November of 2013, RVA, LLC estimated that Fiber to the Home (FTTH) services are now available to 21.3 million North American homes, an increase of more than 10 percent over the past six months. In addition, the report goes on to say that all but eight of nearly 880 FTTH service providers surveyed have fewer than 30,000 subscribers, with only five having more than 50,000 access lines and 97 percent of them having fewer than 10,000. "While large providers such as Verizon in the U.S., Bell and Bell Aliant in Canada and Telmex in Mexico continue to be very important, small providers such as rural telcos, real estate developers, small competitive providers and even rural electric cops are playing a key role in driving the expansion of fiber to the home," said Michael Render, president of RVA LLC, which tracks FTTH deployment for the Council.</p> <p>The implications of the report are that the gap in broadband and Internet services are being filled by smaller providers. NBT Solution believes- and our market research confirms- that as these small providers grow they will require tools to help them design, manage, and market, the fiber assets they are putting in place. Through a series of focus group meetings with small fiber provides such as GWI (Maine) and Pangaea (North Carolina) we have determined that there is not a fiber optic management tool available to small fiber providers. The products that are on the market are too expensive, require large licensing fees, are "feature-bloated", and require extensive training and setup to use. Our proposed project is to design, build, and market a web-based, geospatial fiber optic management tool that is intended for small fiber companies (200-2000 miles of fiber). The application will help these organizations with the lifecycle of fiber optic construction and management by helping them with the costing and sizing required at the design phase of a project; the marketing of these fiber assets to clients; and the maintenance of these assets. The product will be cloud-based to eliminate large computer technology investments by the fiber providers and it will be built on open source technologies to minimize licensing fees. Clients will pay for the application using a subscription payment model that includes monthly payments.</p>			

**Western New York Economic Development Fund  
 Recommendation Memo**

<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED FOR THIS PROJECT</b>	
<b>SOURCE</b>	<b>AMOUNT</b>
<b>N/A</b>	<b>N/A</b>
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>	
<b>SOURCE</b>	<b>AMOUNT</b>
<b>N/A</b>	<b>N/A</b>
<b>BASIS FOR RECOMMENDATION</b>	
<p>Although the project has merits and it is likely to benefit the company, the applicant indicates the project will proceed without an allocation of Fund benefits over a longer time horizon. It was also not clear if the applicant sought any loan assistance to help finance the working capital request for this project.</p>	

Applicant Name:	Niagara Hospice/First Choice Health	REDC Region:	Western New York
Project Type:	Business Investment	County:	Niagara
Industry:	Health/Life Sciences	Locality:	Niagara Falls
Amount Requested:	\$500,000	Total Project Cost:	\$1,192,254
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:	0		
Number of Jobs Created:	27		
Average Salary of Jobs:	Undetermined		
Indirect Jobs Created	200		
Other Impact			
<b>PROJECT DESCRIPTION</b>			
Through comprehensive case management, goals include: Keep enrollees living healthier in their homes; Increase employment opportunities; Reduce Medicaid waste/abuse and provide greater access to healthcare; Create cost savings for NYS Medicaid program reducing counties/state share of Medicaid costs; Enhance viability of WNY network providers to the program; reduce inappropriate utilization of nursing home admissions, ER, Urgent Care & inpatient admissions, and promote prevention/patient safety.			
<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED FOR THIS PROJECT</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
N/A		N/A	
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
N/A		N/A	
<b>BASIS FOR RECOMMENDATION</b>			
Although the social/health benefits of this program may be beneficial to the community, the project does not have direct economic development benefits that warrant a Fund award. In addition, the applicant is requesting funds to pay for another state agency's (NYDOH) requirement of a reserve fund.			

Applicant Name:	Roycroft Campus Corporation	REDC Region:	Western New York
Project Type:	Tourism/Marketing	County:	Erie
Industry:	Preservation	Locality:	East Aurora
Amount Requested:	\$150,000	Total Project Cost:	\$150,000
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:	0		
Number of Jobs Created:	2		
Average Salary of Jobs:	N/A		
Indirect Jobs Created	0		
Other Impact			
<b>PROJECT DESCRIPTION</b>			
<p>The Roycroft Campus, located in the village of East Aurora, is undergoing restoration to its grandeur of the turn of the 20th Century. The Copper Shop, built in 1902, is operated as an Arts &amp; Crafts Gallery and Gift Shop, the gathering and concluding point for tours, a demonstration area for Roycroft Era typesetting printing, and administrative offices. Work to be completed in this phase of the project includes restoration of exterior concrete blocks, windows, and doors.</p>			
<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED FOR THIS PROJECT</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
NYS EPF		\$100,000	
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
CCAP		\$250,000	
Capital Grant		\$1,500,000	
CCAP		\$100,000	
<b>BASIS FOR RECOMMENDATION</b>			
<p>NYS has already made significant investment into the Roycroft Campus which includes an award of \$100,000 toward this project.</p>			

**Western New York Economic Development Fund  
Recommendation Memo**

Applicant Name:	Twin Cities Community Outreach, Inc.	REDC Region:	Western New York
Project Type:	Other	County:	Niagara
Industry:	Health/Life Sciences	Locality:	Tonawanda
Amount Requested:	\$175,000	Total Project Cost:	\$185,000
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:	0		
Number of Jobs Created:	0		
Average Salary of Jobs:	100% Volunteer facility		
Indirect Jobs Created	0		
Other Impact			
<b>PROJECT DESCRIPTION</b>			
We have three projects; one of which is of dire need. The projects are: (1) roof replacement, which is by far our greatest need as we must provide adequate facility for our non-profit agencies; (2) stand-by generator, to provide power in the event of an outage, resulting in the loss of thousands of dollars worth of perishable food; and, (3) solar panels, to reduce future utility costs.			
<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED FOR THIS PROJECT</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
N/A		N/A	
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>			
<b>SOURCE</b>		<b>AMOUNT</b>	
N/A		N/A	
<b>BASIS FOR RECOMMENDATION</b>			
The services provided by the organizations housed in the applicant's facility seem to provide valuable social services to the community; however, the Fund benefits are designed to promote economic development in the designated area. This is not an economic development project.			

Applicant Name:	Zoological Society of Buffalo, Inc.	REDC Region:	Western New York
Project Type:	Infrastructure/Downtown Investment	County:	Erie
Industry:	Tourism	Locality:	City of Buffalo
Amount Requested:	\$1,000,000	Total Project Cost:	\$13,936,356
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Number of Jobs Retained:	0		
Number of Jobs Created:	4		
Average Salary of Jobs:	\$40,613		
Indirect Jobs Created	0		
Other Impact			
<b>PROJECT DESCRIPTION</b>			
<p>The Buffalo Zoo is requesting \$1 million to assist in the funding of a new \$14 million polar bear habitat. The current bear exhibit, last updated in the 1930s, does not meet modern standards of the Association of Zoos and Aquariums. As a result, Buffalo's adult polar bears have had to be relocated to other zoos out of state. Unless a new exhibit is built, the loss of the Zoo's most popular species will become permanent, which will be devastating to attendance and financial stability.</p>			
<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED FOR THIS PROJECT</b>			
<b>SOURCE</b>	<b>AMOUNT</b>		
Erie County & City of Buffalo	\$4,085,000		
ESD/Other State	\$926,000		

**Western New York Economic Development Fund  
 Recommendation Memo**

<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>	
<b>SOURCE</b>	<b>AMOUNT</b>
EDF	\$37,500
CEFAP	\$100,000
EOF	\$ 1,250,000
Community Projects Grant	\$6,750,000
<b>BASIS FOR RECOMMENDATION</b>	
<p>Since 2002, the Zoo has been the recipient of various grants from NYS, Erie County and the City of Buffalo totaling \$13,000,000 for various renovation projects at the Zoo. For this project (arctic polar bear exhibit), the Zoo has secured over \$5,000,000 to date in public funded grants.</p>	

**Western New York Economic Development Fund  
Recommendation Memo Finding**

Applicant Name:	Market Arcade Film & Arts Center, Inc.	REDC Region:	Western New York
Project Type:	Infrastructure/Downtown Investment	County:	Erie
Industry:	Arts & Entertainment	Locality:	Buffalo
Amount Requested:	\$1,300,000	Total Project Cost:	\$1,850,000

**PROJECT DESCRIPTION**

Market Arcade Film & Arts Center must upgrade to digital projection in mid-2013 or it will be forced to close. This project would mean an upgrade of film projection equipment for commercial movie viewing.

**BASIS FOR RECOMMENDATION**

Economic Development Law (“EDL”) § 189-a(5) defines “eligible projects” and further excludes certain categories of projects from such definition, including “retail businesses” as defined by the WNYPPAB and “residential properties” . As noted above, the Board has defined “retail business” to mean “a business that is primarily used in making retail sales of goods or services to customers who personally visit such facilities to obtain goods or services”.

Based on a review of the application and the Board’s definition of “retail business,” Staff recommends that the Board find and determine that the project is not an eligible project. The application submitted by the Market Arcade Film & Arts Center, Inc. proposes a project that constitutes a retail business.

Applicant Name:	Niagara Falls Memorial Medical Center	REDC Region:	Western New York
Project Type:	Workforce Development	County:	Niagara
Industry:	Health/Life Sciences	Locality:	Niagara Falls
Amount Requested:	\$2,000,000	Total Project Cost:	\$13,376,411

**PROJECT DESCRIPTION**

Transformation of vacant South Jr. High School into a vibrant Center for Community Health and assisted living programs. The project is located on a Brownfield site. This project will turn one of the 3 floors of the building into a Senior residence and another floor will be designed for carry out medical services.

**BASIS FOR RECOMMENDATION**

Economic Development Law (“EDL”) § 189-a(5) defines “eligible projects” and further excludes certain categories of projects from such definition, including “retail businesses” as defined by the WNYPPAB and “residential properties” . As noted above, the Board has defined “retail business” to mean “a business that is primarily used in making retail sales of goods or services to customers who personally visit such facilities to obtain goods or services”.

Based on a review of the application and the Board’s definition of “retail business,” Staff recommends that the Board find and determine that the application proposes a project that is not an eligible project. The application submitted by the Niagara Falls Memorial Medical Center proposes a project that is both a retail business and a residential property.