

Applicants Recommended for an Award of Fund Benefits

Line	Business	City	County	Economic Development Region	Project Description	Project Type	Recommended Award Amount	Total Project Cost	Jobs Retained	Jobs Created
1	Praxair, Inc.	Tonawanda	Erie	Western NY	Upgrade of the technology and R&D center	Business Investment	\$500,000	\$38,775,000	1,354	22
2	NFIA Stakeholders Group, Inc.	Niagara Falls	Niagara	Western NY	Fiber optics assessment	Infrastructure/Downtown Investment	\$125,000	\$250,000	-	-

Total: \$625,000 \$39,025,000 1,354 22

Total Jobs Created & Retained: 1,376

Applications Deferred for Further Analysis

Line	Business	Classification
1	City Labs, Inc.,	Deferred for further analysis
2	Riviera Theatre and Organ Preservation Society Inc.	Deferred for further analysis
3	WNY Science & Technology Advanced Manufacturing Park	Deferred for further analysis

Western NY Power Proceeds Allocation Board Exhibit “C”

Criteria adapted from the Western NY Power Proceeds Allocation Board’s “Procedures for the Review of Applications for Fund Benefits”

1. The extent to which an award of Fund Benefits would be consistent with the strategies and priorities of the Regional Economic Development Council (“REDC”) having responsibility for the region in which an Eligible Project is located.¹ The Western New York Regional Economic Development Council which is responsible for Eligible Projects in Erie and Niagara Counties Strategies & Priorities are:
 - Promote “Smart Growth” by investing in areas that infrastructure already exists and achieves certain goals, such as: preserving historic buildings; reviving downtowns; reviving main streets; investing in existing neighborhoods; and investing in former industrial sites. A project consistent with Smart Growth will also focus on: enhancing walkability; enhancing multiple modes of transportation; connecting disadvantaged communities to employment clusters; spurring mixed-use private investment in existing communities and preserving/enhancing natural lands and or resources.
 - Promote workforce development by increasing diversity in the labor force, developing and cultivating that includes workers with advancement potential, underemployed, unemployed and special population; align education and skills training to job market for current and future industry needs.
 - Foster entrepreneurship and new business formation and growth. Designing a plan that brings new technologies and/or products to the marketplace, increases new start ups in strategic industries and facilitates the commercialization of products that can lead to job growth in the Region.
 - Increase the industry profile of agriculture in WNY by: creating better access to markets; creating new products; creating new more efficient processes; creating strong regional brands; creating programs that promote careers in agriculture.
 - Utilize Western New York’s proximity to Canadian and U.S. population centers to advance economic development in WNY. Bi-national projects will: utilize cross-border planning to create transportation and logistical infrastructure; improve

¹ As provided for in EDL § 189-c(4), criteria 2-15 are adapted from the criteria for eligibility for Expansion Power, Replacement Power and Preservation Power under Public Authorities Law § 1005. The specific criteria identified in PAL § 1005(13)(b)(4)-(5) are relevant to power allocations under these programs but do not have any logical application to allocations of Fund Benefits. Therefore, the Board does not expect to use these criteria to evaluate applications for Fund Benefits. Additionally, in accordance with PAL § 1005(13), criteria 13-15 listed herein will only be used in the case of Eligible Projects which are proposed by Applicants as, and determined by the Board to be, “revitalization” projects.

operational relationships; promote the attractiveness of WNY as a hub for global trade.

- Position the WNY region as a global energy hub through new sources of clean energy, energy efficiency and energy efficient transportation.
- Support growth of advanced manufacturing by making research more available to manufacturers to help them innovate.
- Spur growth in the health and life sciences industry through improved commercialization, recruit high profile research talent and reducing the cost burden of healthcare while improving health outcomes.
- Expand the scope of higher education by increasing accessibility to Higher Education for communities that currently have limited access to educational opportunities; better aligning education with the industry needs and creating support structures for start-ups which will assist start-ups with commercialization, business planning, workforce preparation, facilities, etc.
- Grow visitors and visitor spending by raising the profile of WNY as a national and international destination; connect multiple tourist destinations in WNY; improve the profile of the WNY Gateway to the United States.

For more information on the Western New York Regional Economic Development Council please go to <http://regionalcouncils.ny.gov/content/western-new-york>.

2. The extent to which an award of Fund Benefits would be consistent with the strategies and priorities of the Regional Economic Development Council (“REDC”) having responsibility for the region in which an Eligible Project is located.² The Finger Lakes Regional Economic Development Council which is responsible for Eligible Projects in Orleans and Genesee Counties Strategies & Priorities can be found at: <http://regionalcouncils.ny.gov/content/finger-lakes>.
3. The number of jobs that would be created as a result of an award of Fund Benefits.
4. The applicant’s long term commitment to the region as evidenced the current and/or planned capital investment in applicant’s facilities in the region.
5. The ratio of the number of jobs to be created to the amount of Fund Benefits requested.
6. The types of jobs that would be created, as measured by wage and benefit levels, security and stability of employment.
7. The amount of capital investment, including the type and cost of buildings, equipment and facilities, proposed to be constructed, enlarged or installed.
8. The extent to which an award of Fund Benefits would affect the overall productivity or competitiveness of the applicant and its existing employment.

² As provided for in EDL § 189-c(4), criteria 2-15 are adapted from the criteria for eligibility for Expansion Power, Replacement Power and Preservation Power under Public Authorities Law § 1005. The specific criteria identified in PAL § 1005(13)(b)(4)-(5) are relevant to power allocations under these programs but do not have any logical application to allocations of Fund Benefits. Therefore, the Board does not expect to use these criteria to evaluate applications for Fund Benefits. Additionally, in accordance with PAL § 1005(13), criteria 13-15 listed herein will only be used in the case of Eligible Projects which are proposed by Applicants as, and determined by the Board to be, “revitalization” projects.

9. The extent to which an award of Fund Benefits may result in a competitive disadvantage for other business in the State.
 10. The growth potential of the applicant's facilities and the contribution of economic strength to the area in which the applicant's facilities are or would be located.
 11. The extent of the applicant's willingness to satisfy affirmative action goals.
 12. The extent to which an award of Fund Benefits is consistent with state, regional and local economic development strategies and priorities and supported by local units of government in the area in which the business is located.
 13. The impact of an award of Fund Benefits on the operation of any other facilities of the applicant, and on other businesses within the region.
 14. That the business is likely to close, partially close or relocate resulting in the loss of a substantial number of jobs.
 15. That the applicant is an important employer in the community and efforts to revitalize the business are in long-term interests of both employers and the community.
 16. That a reasonable prospect exists that the proposed award of Fund Benefits will enable the applicant to remain competitive and become profitable and preserve jobs for a substantial period of time.
-
-

Recommended Award: Exhibit "D"

Applicant Name:	NFIA Stakeholders Group, Inc.	REDC Region:	WNY
Project Type:	Dark Fiber Assessment	County:	Niagara
Industry:	Multiple Industry Sectors	Locality:	Niagara Falls
Amount Requested:	\$125,000	Start Date:	7/1/2014
		Finish Date:	12/31/2014

RECOMMENDED OFFER

Recommended Total Award:	\$125,000
Total Project Cost:	\$250,000
% of Project Cost Recommended:	50%

REGIONAL IMPACT MEASUREMENTS

Number of Jobs Retained:	N/A
Number of Jobs Created:	N/A
Average Salary of Jobs:	N/A
Indirect Jobs Created	N/A
Other Impact	

PROJECT DESCRIPTION (adapted from application)

The NFIA (Niagara Falls International Airport) Stakeholders Group is made up of different members of the Buffalo Niagara Region that share an interest in the expansion of air services in Niagara Falls and the long-term economic success of the greater Niagara Region. The purpose of this project is to perform a study of the existing dark fiber infrastructure that feeds into the Niagara Falls Air Reserve Station, the Niagara Falls International Airport, the former Army Reserve Center site, the Niagara Airport Commercial Park, the Wheatfield Business Park and the Calspan site. The Stakeholders Group has identified dark fiber capacity as being a key feature for the long-term economic development of the above stated sites. The results of this study will provide guidance to the Stakeholders on what, if any, gaps in coverage exist and allow them to add capacity to ensure that all of the named sites remain stable and are able to accommodate future growth.

BASIS FOR RECOMMENDATION

The sites involved in this study make up the largest employment base in Niagara County. Securing the future of each of these sites is paramount to the long-term economic success of the entire Buffalo Niagara Region.

The Niagara Falls Air Reserve Center currently employs over 3,000 people in Niagara County and, due to the changing nature of military missions, the base must constantly upgrade its own technological infrastructure to attract more advanced missions. This study will provide a much needed assessment to the airbase and give them an understanding of where upgrades are needed to secure its future.

The Niagara Falls International Airport is very important to regional efforts surrounding tourism. This study of dark fiber capacity will also lend itself to the future success of the airport. As the airport

markets itself to prospective carriers the capabilities of the existing fiber infrastructure will be considered. This study will give the Airport a clear sense of what the current capability is and it will identify places where improvements must be made to accommodate a targeted customer base.

As technology has evolved so has the need to meet certain thresholds when it comes to fiber infrastructure. The above named sites are of the highest priority to Niagara County and the Greater Buffalo Niagara Region. To ensure the future of all of these sites and the economic future of the WNY Region this study must be done in the near term.

It is the recommendation to this Board that it recommend a grant of \$125,000 to the NFIA Stakeholders Group, Inc. to provide one half of the financing needed to successfully perform this study. Due to the nature of the project it is recommended that the grant be paid to the Stakeholders group in advance of the start of the study but only upon confirmation that (1) another funding entity has committed to a matching grant for the completion of the study and (2) the data sought by the study is not otherwise available from New York State or other publicly available resources.

Recommended Award: Exhibit "D"

Applicant Name:	Praxair, Inc.	REDC Region:	WNY
Project Type:	Update of R&D Facility	County:	Erie
Industry:	Industrial Gas	Locality:	Tonawanda
Amount Requested:	\$2,500,000	Start Date:	7/01/2014
		Finish Date:	7/01/2016

RECOMMENDED OFFER

Recommended Total Award:	\$500,000
Total Project Cost:	\$38,775,000
% of Project Cost Recommended:	1%

REGIONAL IMPACT MEASUREMENTS

Number of Jobs Retained:	1354
Number of Jobs Created:	22
Average Salary of Jobs:	\$82,000
Indirect Jobs Created	
Other Impact	

PROJECT DESCRIPTION (adapted from application)

Praxair is one of the largest employers in the Town of Tonawanda where the company operates a facility responsible for: Global Plant Engineering; Research and Development; North American Operations Communications; Global Plant Monitoring; Customer Demand Monitoring; and Fleet Dispatch and Back Office Support Functions. To continue the success of the Tonawanda facility and maintain the current growth trajectory, Praxair must complete a major facility upgrade. These upgrades are estimated to cost \$38,775,000, and will allow Praxair to keep pace with technological advancement while at the same time maintaining and growing the workforce in Tonawanda. This project is confirmation of Praxair's willingness to make a long term commitment to the WNY Region but other geographical locations continue to be considered.

BASIS FOR RECOMMENDATION

As stated in the project description, Praxair has long been one of the largest employers in WNY, including in Tonawanda. The value of Praxair to the WNY community is significant. This project represents an opportunity for New York State to work with a major U.S. corporation to ensure a long-term commitment to the WNY Region.

The Praxair facility in the Town of Tonawanda plays a central role in several aspects of the company's global operations. It would be a sound use of Fund Benefits to support the upgrade of this facility and maintain its status as a state of the art research center.

It is the recommendation to the Board that it recommend a grant of Fund Benefits in the amount of \$500,000 to complete a comprehensive NYS incentive package that will secure the long-term future of Praxair in WNY. Due to the nature of this project and the incentives being offered by Empire State

Development, it is recommended that this grant be paid out in 3 milestone payments (50%/25%/25%) coinciding with the milestone payments proposed by ESD for other project incentives.