

December 17, 2013

MEMORANDUM TO THE TRUSTEES

FROM THE PRESIDENT and CHIEF EXECUTIVE OFFICER

SUBJECT: Awards of Fund Benefits from the Western New York Economic Development Fund Recommended by the Western New York Power Proceeds Allocation Board

SUMMARY

The Trustees are requested to: (1) accept the recommendations of the Western New York Power Proceeds Allocation Board (“WNYPPAB”) and make awards of Fund Benefits from the Western New York Economic Development Fund (“Fund”) to the applicants listed in Exhibit “A-1” (Visit Buffalo Niagara, Niagara University, Forest Lawn Heritage Foundation, CNC Technical Solutions, Inc., Washington Mills, Inc., Lineagen, Inc., and Ford Motor Company), and Exhibit “A-2” (Niagara Label Company, Inc., OSC Manufacturing & Equipment Services, Inc. and Yancey’s Fancy, Inc./D&Y Cheeses, Inc.), in the amounts listed on such Exhibits.

For clarity, the three applicants listed in Exhibit “A-2” were recommended for an award by the WNYPPAB at its meeting on September 10, 2013. However, these applications were not forwarded to the Trustees for consideration at that time because Authority staff needed to review the proposed projects for compliance with the State Environmental Quality Review Act. That review has been completed and the award recommendations for these projects are being presented to the Trustees for consideration at this time.

For informational purposes, Exhibit “B” lists: (1) projects and applicants the WNYPPAB has determined are ineligible for Fund Benefits; (2) projects the WNYPPAB has determined are not being recommended for an award of Fund Benefits; and (3) applications that have been deferred for future consideration by the WNYPPAB.

BACKGROUND

1. Western New York Power Proceeds Allocation Act

On March 30, 2012, Governor Cuomo signed into law the Western New York Power Proceeds Allocation Act (the “Act”). The Act provides for the creation, by the Authority, of the Western New York Economic Development Fund. The Fund consists of the aggregate excess of revenues received by the Authority from the sale of Expansion Power (“EP”) and Replacement Power (“RP”) produced at the Niagara Power Project that was sold in the wholesale energy market over what revenues would have been received had such energy been sold on a firm basis to an eligible EP or RP customer under the applicable tariff or contract. Under the Act, the monies in the Fund are available to support economic development in Western New York (“WNY”) by eligible applicants for eligible projects as “Fund Benefits.”

Under the Act, an “eligible applicant” is a private business, including a not-for-profit corporation. “Eligible projects” is defined to mean “economic development projects by eligible applicants that are physically located within the State of New York within a thirty-mile radius of the Niagara power project located in Lewiston, New York that will support the growth of business in the state and thereby lead to the creation or maintenance of jobs and tax revenues for the state and local governments.” Eligible projects include, for example, capital investments in buildings, equipment, and associated infrastructure owned by an eligible applicant for fund benefits; transportation projects under state or federally approved plans; the acquisition of land needed for infrastructure; research and development where the results of such research and development will directly benefit New York state; support for tourism and marketing and advertising efforts for WNY state tourism and business; and energy-related projects.

Eligible projects do not include public interest advertising or advocacy; lobbying; the support or opposition of any candidate for public office; the support or opposition to any public issue; legal fees related to litigation of any kind; expenses related to administrative proceedings before state or local agencies; or retail businesses as defined by the board, including without limitation, sports venues, gaming and gambling or entertainment-related establishments, residential properties, or places of overnight accommodation.

Fund Benefits have been provided to successful eligible applicants in the form of grants. It is anticipated that Fund Benefits will be disbursed as reimbursement for expenses incurred by an eligible applicant for an eligible project.

At least 15% percent of Fund Benefits must be dedicated to eligible projects which are “energy-related projects, programs and services,” which is “energy efficiency projects and services, clean energy technology projects and services, and high performance and sustainable building programs and services, and the construction, installation and/or operation of facilities or equipment done in connection with any such projects, programs or services.”

Allocations of Fund Benefits may only be made on the basis of moneys that have been deposited in the Fund. No award may encumber future funds that have been received but not deposited in the Fund.

2. WNYPPAB

Under the Act, the WNYPPAB is charged with soliciting applications for Fund Benefits, reviewing applications, making eligibility determinations, and evaluating the merits of applications for Fund Benefits. WNYPPAB uses the criteria applicable to EP, RP and Preservation Power (“PP”), and for revitalization of industry as provided in Public Authorities Law §1005. Additionally, WNYPPAB is authorized to consider the extent to which an award of Fund Benefits is consistent with the strategies and priorities of the Regional Economic Development Council having responsibility for the region in which an eligible project is proposed.

The WNYPPAB met on March 4, 2013 and, in accordance with the Act, adopted by-laws, operating procedures, guidelines related to the application, and a form of application. At that time, WNYPPAB 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.

WNYPPAB also designated the Western New York Regional Director of Empire State Development Corporation (“ESD”) to be its designee (“Designee”) to act on its behalf on all administrative matters. Among other things, the Designee was authorized to preform analyses of the applications for Fund Benefits and make recommendations to WNYPPAB on the applications.

3. Application Process

In an effort to provide for the efficient review of applications and disbursement of Fund Benefits, the WNYPPAB established a series of application due dates coupled with a schedule of dates through the end of 2013 on which the WNYPPAB would meet to consider applications. In addition, the application process was promoted through a media release and with assistance from state and local entities, including the Western New York and Finger Lakes Regional Economic Development Councils, the Empire State Development Corporation and other local and regional economic development organizations within the State. A webpage was created that is hosted on WWW.NYPA.GOV/WNYPPAB with application instructions, a link to the approved application form and other program details including a contact phone number and email address staffed by the Western New York Empire State Development regional office. Additionally, ESD and the Authority hosted a meeting on June 25, 2013 in Buffalo with a plethora of WNY economic development agencies to further educate them on the Fund and how they can continue to market the Fund to their constituents.

In this fourth round, the WNYPPAB received 40 applications seeking over \$23 million in Fund Benefits. WNYPPAB’s staff analyzed the applications and made recommendations to WNYPPAB concerning each of the applications based on eligibility requirements and Program Criteria. Copies of the recommendations from WNYPPAB staff are attached as “Exhibit “C.”

At its November 18, 2013 meeting, the WNYPPAB took the following actions on applications for Fund Benefits:

4. Recommendations for Awards of Fund Benefits

The WNYPPAB is recommending to the Trustees that the applicants listed on Exhibit “A-1” each receive an award of Fund Benefits in the amounts indicated. Based on the applications, these proposed projects would directly create or retain approximately 902 jobs in WNY. The total investment to be expended on the proposed projects is expected to exceed \$108M.

The WNYPPAB is also recommending that the applicants listed on Exhibit “A-2” each receive an award of Fund Benefits in the amounts indicated. Based on these applications, the

proposed projects would directly create or retain approximately 214 jobs in WNY. The total amount to be expended on these proposed projects is expected to exceed \$38M.

In total, based on the respective applications, the projects listed on Exhibits “A-1” and “A-2” are expected to create or retain approximately 1,116 jobs and result in an expenditure of project investment in the total amount of approximately \$146M.

5. Other Determinations

For the Trustees’ information, Exhibit “B” lists: (1) projects and applicants the WNYPPAB has determined are ineligible for Fund Benefits; (2) projects the WNYPPAB has determined are not being recommended for an award of Fund Benefits; and (3) applications that have been deferred for future consideration. This information is being provided for information only. No action by the Trustees is required with respect to these matters.

DISCUSSION

Under the Act, a recommendation for Fund Benefits by WNYPPAB is a prerequisite to an award of Fund Benefits by the Authority, and the Act authorizes the Authority to award Fund Benefits to an applicant upon a recommendation of the WNYPPAB. Upon a showing of good cause, the Authority has discretion as to whether to adopt the WNYPPAB’s recommendation, or to award benefits in a different amount or on different terms and conditions than proposed by the WNYPPAB. In addition, the Authority is authorized to include within the contract covering an award (“Award Contract”) such other terms and conditions the Authority deems appropriate.

Given the nascent stage of the proposed projects, it is not possible at this time to identify all of the terms and conditions that would be applicable to each award and memorialized in an Award Contract. With the Trustees’ authorization, it is anticipated that the Authority, in consultation with ESD, will negotiate final terms and conditions with successful applicants after receipt of more detailed information concerning the projects and proposed schedules. In addition to appropriate business terms, staff anticipates that Award Contracts will contain provisions for periodic audits of the successful applicant for the purpose of determining contract and program compliance, and where appropriate, terms providing for the partial or complete recapture of Fund Benefits disbursements if the applicant fails to maintain agreed-upon commitments, relating to, among other things, employment levels and/or project element due dates.

RECOMMENDATION

The Vice President, Marketing recommends that:

- (1) the Trustees accept the recommendations of the Western New York Power Proceeds Allocation Board (“WNYPPAB”) and make awards of Fund Benefits to the applicants listed in Exhibits “A-1” and “A-2” in the amounts indicated, conditioned upon an agreement to be negotiated with each applicant on the final terms and conditions that would be applicable to each award to be contained in an Award Contract that is approved by the President and Chief Executive Officer and approved

as to form by the Executive Vice President and General Counsel, or so approved by their designees;

- (2) the Senior Vice President – Economic Development and Energy Efficiency, or his designees, in consultation with the Empire State Development Corporation, be authorized to negotiate with the applicants concerning such final terms and conditions that will be applicable to the awards; and
- (3) the Senior Vice President – Economic Development and Energy Efficiency, or his designees, be authorized to execute on behalf of the Authority Award Contracts for each of the awards listed on Exhibit “A” subject to the forgoing conditions.

For the reasons stated, I recommend the approval of the above-requested action by adoption of a resolution in the form of the attached draft resolution.

Gil C. Quiniones
President and Chief Executive Officer

Att.
WNYPPAB - Awards

RESOLUTION

WHEREAS, the Western New York Power Proceeds Allocation Board (“WNYPPAB”) has recommended that the Authority make awards of Fund Benefits from the Western New York Economic Development Fund (“Fund”) to the applicants listed in Exhibits “A-1” and “A-2”;

NOW THEREFORE BE IT RESOLVED, That the Authority hereby accepts the recommendations of the WNYPPAB and authorizes awards of Fund Benefits to the applicants listed on Exhibits “A-1” and Exhibit “A-2” in the amounts identified in such Exhibits, conditioned upon an agreement between the Authority and each applicant on the final terms and conditions that would be applicable to each award and set forth in a written award contract (“Award Contract”) between the Authority and each applicant that is approved by the President and Chief Executive Officer and approved as to form by the Executive Vice President and General Counsel, or so approved by their designees; and be it further

RESOLVED, That the Senior Vice President – Economic Development and Energy Efficiency, or his designee, in consultation with the Empire State Development Corporation, is authorized to negotiate with successful applicants concerning such final terms and conditions that will be applicable to the awards; and be it further

RESOLVED, That the Senior Vice President – Economic Development and Energy Efficiency, or his designee, is authorized to execute on behalf of the Authority Award Contracts for each of the awards listed on Exhibit “A” subject to the forgoing conditions; and be it further

RESOLVED, That the Chairman, the Vice Chair, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

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	Visit Buffalo Niagara	Buffalo	Erie	Western NY	Increase marketing to Canadian shopping tourists to encourage them to stay overnight and visit other attractions	Tourism/Marketing	\$ 250,000	\$ 500,000	0	0
2	Niagara University	Niagara Falls	Niagara	Western NY	Niagara University will establish the Niagara Global Tourism Institute (Niagara GTI) focused on market research, skills programming, and innovative application of digital technologies and "smart growth" principles to regional tourism strategies.	Tourism/Marketing	\$ 250,000	\$ 415,152	0	2
3	Forest Lawn Heritage Foundation	Buffalo	Erie	Western NY	Developing the Margaret L. Wendt Archive & Resource Center, opening Summer 2014, that will serve as a regional visitors center and tour bus terminal for area excursions. Design plans for this center include a fully furnished record repository & management facility providing a means and place to perform genealogy research, a rapidly growing sector of tourism.	Tourism/Marketing	\$ 150,000	\$ 477,000	0	0
4	CNC Technical Solutions, Inc.	Medina	Orleans	Finger Lakes	CNCTS will be increasing the size and scope of its current industrial reclaim business and will be moving the existing business to a new physical location and will be expanding the business scope and volume.	Business Development	\$ 75,000	\$ 335,850	2	3
5	Washington Mills, Inc.	Niagara Falls	Niagara	Western NY	Project proposes to upgrade an existing high temperature arc furnace with new, state of the art electrode controls. In addition, improvements will be made to their material handling system in order to effectively produce a higher purity product currently being imported from their Washington Mills plant in Canada	Business Development/Energy Project	\$ 140,000	\$ 840,000	105	2
6	Lineagen, Inc.	Buffalo	Erie	Western NY	Lineagen has developed biomarkers that are useful in determining MS and COPD progression rate. The project described here will provide the sales, technical and bioinformatics staff necessary to provide Lineagen's current genetic test offering to western New York and to complete development of new risk-based tests that will improve clinical management for these patients.	Business Development	\$ 250,000	\$ 5,000,000	0	8
7	Ford Motor Company	Hamburg	Erie	Western NY	The proposed project is a multi-faceted program designed to modernize the Buffalo Stamping Plant and greatly enhance the plant's ability to compete as a world-class stamping manufacturer. New technologies will require extensive training for the workforce for which Ford is applying for an award of Fund Benefits.	Workforce Development	\$ 1,000,000	\$ 101,000,000	680	100

Total: \$ 2,115,000 \$ 108,568,002 787 115

Applicants Recommended for an Award of Fund Benefits

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5	Washington Mills, Inc.	Niagara Falls	Niagara	Western NY	Project proposes to upgrade an existing high temperature arc furnace with new, state of the art electrode controls. In addition, improvements will be made to their material handling system in order to effectively produce a higher purity product currently being imported from their Washington Mills plant in Canada	Business Development/Energy Project	\$ 140,000	\$ 840,000	105	2
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7	Ford Motor Company	Hamburg	Erie	Western NY	The proposed project is a multi-faceted program designed to modernize the Buffalo Stamping Plant and greatly enhance the plant's ability to compete as a world-class stamping manufacturer. New technologies will require extensive training for the workforce for which Ford is applying for an award of Fund Benefits.	Workforce Development	\$ 1,000,000	\$ 101,000,000	680	100

Total: \$ 2,115,000 \$ 108,568,002 787 115

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	Niagara Label Company, Inc.	Akron	Erie	Western NY	The purchase of a printing press finishing unit; software; hardware; and quality module increasing production capacity and product offerings	Business Investment	\$ 150,000	\$ 938,880	36	17
2	OSC Manufacturing & Equipment Services, Inc.	Buffalo	Erie	Western NY	OSC Manufacturing & Equipment Services Inc., is moving into the site of the former American Axle facility where it will build out the Manufacturing space for the OSC Green Machine, Mini Excavator, Solar Tree & Power Stations, along with Heavy Equipment Rental and Service, Metal Manufacturing & Attachment Fabrication.	Business Investment	up to \$750,000	\$ 17,539,473	20	26
3	Yancey's Fancy, Inc./D&Y Cheeses, Inc.	Corfu	Genesee	Finger Lakes	The company is going to increase production, expand operations, allow for the development of new specialty cheeses and create employee meeting space.	Business Investment	\$ 500,000	\$ 20,000,000	65	50
Total:							\$ 1,400,000	\$ 38,478,353	121	93

Total Jobs Created & Retained: 214

Projects Deemed Ineligible

Line	Business	City	County	Economic Development Region	Project Description	Classification
1	Lewiston Frontier House	Lewiston	Niagara	WNY	Construction and installation of the micro- brewery and the purchase of all necessary equipment to begin the manufacturing of beer.	Retail ¹
2	1106 & 1110 Main Street	Buffalo	Erie	WNY	Renovation of a residential rental property	Residential ²
3	400 Elmwood Redevelopment	Buffalo	Erie	WNY	Renovation of a residential rental property	Residential ²

¹ In accordance with EDL § 189-a(5), the Board defines "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.

² The applicant proposed a project that is residential in nature.

Applicants Not Recommended for an Award

Line	Business	City	County	Economic Development Region	Project Description	Project Type
4	Alix Rice Peace Park Foundation	Amherst	Erie	Western NY	The Alix Rice Peace Park Foundation is building a public concrete skate park	Tourism/Infrastructure
5	CNC Technical Solutions, Inc Training Center ³	Medina	Orleans	Finger Lakes	Expand the scope and audience of our existing technical training programs	Workforce Development
6	Flat #12 Mushrooms, LLC	Buffalo	Erie	Western NY	Create a mushroom growing operations used in various applications	Agricultural Investment
7	Helios-NRG, LLC	Amherst	Erie	Western NY	Advanced Algal Platform for Waste Remediation and Bioenergy	Innovation/Entrepreneur Development
8	Hull House Foundation	Lancaster	Erie	Western NY	Hull Family Home & Farmstead Heritage Tourism Project	Tourism/Marketing
9	Justice Lifeline, Inc.	Buffalo	Erie	Western NY	Renovate a two story 5,200 sq. ft. brick structure located at 2201 Fillmore Avenue into a Transitional Services Center.	Workforce Development
10	MergerShark, Inc.	Buffalo	Erie	Western NY	The project involves the programming, testing and completion of a database to allow small business owners to determine the value of their businesses.	Innovation/Entrepreneur Development
11	Niagara Arts & Cultural Center, Inc.	Niagara Falls	Niagara	Western NY	NACC Grand Theater Restoration	Tourism/Marketing
12	Precision Scientific Instruments (PSi [®])	Buffalo	Erie	Western NY	High tech manufacturing startup seeking to produce a US Patented Sub-Nano Metrology System	Innovation/Entrepreneur Development
13	ROAR Logistics	Buffalo	Erie	Western NY	Provide operational staff the opportunity to become a Certified Transportation Broker (CTB)	Workforce Development
14	Somerset Union Museum	Barker	Niagara	Western NY	Somerset M. E. Church Renovation	Tourism/Marketing
15	TAM Ceramics Group of NY, LLC	Niagara Falls	Niagara	Western NY	Rare Earth Reclaim Program	Business Investment

³ CNC Technical Solutions submitted two applications for two phases of the same project. The WNYPPAB recommended that the applicant receive an award for the project proposed in their first application and that the applicant receive no award for the project proposed in their second application.

Applications Deferred for Further Analysis

Line	Business	Classification
16	Arts Services Initiative of WNY, Inc.	Deferred for further analysis
17	Buffalo Niagara Enterprise	Deferred for further analysis
18	Buffalo Maritime Center	Deferred for further analysis
19	Riviera Theatre	Deferred for further analysis
20	Niagara Co. Historical Society d/b/a the History Center of Niagara	Deferred for further analysis
21	Greater Buffalo United Accountable Healthcare Network (GBUAHN), MSO, LLC	Deferred for further analysis
22	Onyx Administrative Services of Buffalo New York, LLC	Deferred for further analysis
23	Buffalo Syngas, LLC	Deferred for further analysis
24	Entecco, LLC	Deferred for further analysis
25	Paradigm of WNY, LLC	Deferred for further analysis
26	SyncoPET	Deferred for further analysis
27	City Labs, Inc. A Florida Corporation	Deferred for further analysis
28	Humble Pie	Deferred for further analysis
29	Living Green Insulation Products and Services	Deferred for further analysis
30	Sterling Energy	Deferred for further analysis
31	Trek Industries	Deferred for further analysis
32	Triad Recycling	Deferred for further analysis
33	Eden Valley Growers	Deferred for further analysis

Exhibit C

Applicant Name:	CNC Technical Solutions, Inc. Reclaim Center	REDC Region:	Finger Lakes
Project Type:	Innovation/Entrepreneur Development	County:	Orleans
Industry:	Advanced Manufacturing/Recycling	Locality:	Medina
Amount Requested:	\$250,000	Start Date:	04/01/2014
		Finish Date:	10/01/2014

RECOMMENDED OFFER

Recommended Total Award:	\$75,000
Total Project Cost:	\$338,850
% of Project Cost Recommended:	22%

REGIONAL IMPACT MEASUREMENTS

Number of Jobs Retained:	2
Number of Jobs Created:	3
Average Salary of Jobs:	\$25,000
Indirect Jobs Created	
Other Impact	

PROJECT DESCRIPTION

CNC Technical Solutions is planning a project which will expand the capacity and the scope of its industrial control systems reclamation business. As the need for less expensive alternatives to brand new industrial control systems grows across the United States, companies that are in the reclamation and refurbishment of industrial control systems, like CNC, are finding themselves in a position to grow with market trends. CNC has been a staple business in the Medina community for more than 10 years and as a member of this community would like to grow its business in Medina.

CNC is proposing to expand on its current industrial control systems reclamation business by purchasing a dilapidated, abandoned building adjacent to its own building at the Eastern Gateway of the Village of Medina and restoring and retrofitting said building to suit the needs of this growing business.

CNC currently runs this business simultaneously with that of its hallmark engineering/technical assistance and advanced certification training businesses in the industrial control systems industry sector. Due to the growth each of these businesses has been experiencing in recent years, CNC is beginning to run out of space in its current facility. The completion of this project will allow CNC to grow the reclamation business in a new space suited for the specific needs of that business thus giving CNC the ability to grow at the rate necessary to remain competitive in this industry sector. In addition to reaching this goal this project will also make way for the future ability to grow the advanced certification training business that provides the foundation for CNC Technical Solutions.

OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$0	NYPA:	\$0
IDA:	\$	Other:	\$
PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED			
TYPE	AMOUNT	STATUS	
N/A	N/A	N/A	
BASIS FOR RECOMMENDATION			
<p>This applicant has proposed a project to expand its Industrial Control System reclamation business. This goal will be achieved through the purchase and renovation of a long abandoned and dilapidated building prominently located at the Eastern Gateway of the Village of Medina.</p> <p>For over 10 years CNC Technical Solutions, Inc. has been providing engineering and technical support and technical training for companies that utilize Industrial Control Systems with advanced technologies. CNC works with companies like GM, Ford, ECC and Accellent. Not only will this project give new life to a building facing condemnation and expand the growing market presence of CNC in the Industrial Controls Reclamation business but it will also give way to a future expansion of CNC's Technical Training programs.</p> <p>CNC has proven to be a growing company that will continue to provide new employment opportunities going forward, and a great community partner. The multiple benefits of this project, including: job creation; workforce development; and smart growth, align well with the Fingers Lakes Regional plan for advancing and growing the Regional economy.</p>			

Exhibit C

Applicant Name:	Ford Motor Company	REDC Region:	WNY
Project Type:	Workforce Development	County:	Erie
Industry:		Locality:	Buffalo
Amount Requested:	\$1,000,000	Start Date:	1 st Qtr 2014
		Finish Date:	4 th Qtr 2014
RECOMMENDED OFFER			
Recommended Total Award:	\$1,000,000		
Total Project Cost:	\$101,000,000		
% of Project Cost Recommended:			
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:	680		
Number of Jobs Created:	100		
Average Salary of Jobs:	\$80,000		
Indirect Jobs Created			
Other Impact			
PROJECT DESCRIPTION			
<p>Ford Motor Company operates a stamping plant in WNY which was established in 1950. The facility currently employs 680 full time employees. The WNY facility primarily provides metal stampings for the Edge, the Flex, the F-150 and the Focus. The WNY Stamping plant is the only remaining standalone Ford Stamping Plant in the Country as every other stamping plant was absorbed by bigger assembly facilities. Ford is invest over \$100 million in facility upgrades which will not only secure the future of the stamping plant but will also allow the plant to hire and train 100 new employees.</p> <p>The proposed project is a multi-faceted program designed to modernize the Buffalo stamping plant and enhance the plant's ability to compete as a world-class stamping manufacturer. The investment of \$101 million will be used to upgrade tooling, add new lines and provide stampings and welded sheet metal for the 2015 new model Edge and the 2015 F-150. The installation of new machines and new robots will require the training of the current workforce at the facility on the new technologies and it will require the plant to hire 100 new employees to deal with the expanded capacity. The entire project including upgraded and new machinery will be housed in the current facility which is presently eliminating dated technologies to make space for the new.</p> <p>The completion of this project will secure the position of one of the Region's largest employers as well as create opportunities for growth for many years to come.</p>			
OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$7,000,000	NYPA:	8,700kW hydropower
IDA:	\$	Other:	\$

PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED		
TYPE	AMOUNT	STATUS
ESD Training Grant	\$150,000	Completed
BASIS FOR RECOMMENDATION		
<p>The WNY Ford Stamping Plant has been one of the Region’s largest and most important employers since the mid 1900’s. The WNY stamping facility is operated by Western New Yorkers who have invested themselves in living and working in the Region and securing the opportunities Ford provides for generations to come. The merits of this project speak for itself. With over 101 million dollars invested in the facility and the hiring of 100 brand new employees that will receive advanced technical training, this is the kind of project that is transformative to the Region.</p> <p>This project is truly representative of the kinds of projects the Western NY Regional Economic Development Council (“WNYREDC”) envisioned when it put forth its plan for regional growth and prosperity. The project embodies the fundamental principles of growing the advanced manufacturing industry sector in WNY and it embraces the smart growth concepts that are paramount to the Region’s success.</p> <p>As a longtime staple in the WNY community, the preservation of Ford in WNY coupled with the potential for growth in this community, create the need to place priority on this project and earn the right to keep these stamping operations here.</p>		

Exhibit C

Applicant Name:	Forest Lawn Heritage Foundation	REDC Region:	WNY
Project Type:	Tourism/Marketing	County:	Erie
Industry:		Locality:	Buffalo
Amount Requested:	\$300,000	Start Date:	01/01/2014
		Finish Date:	12/31/2015
RECOMMENDED OFFER			
Recommended Total Award:	\$150,000		
Total Project Cost:	\$477,000		
% of Project Cost Recommended:	31%		
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:	Not applicable.		
Number of Jobs Created:	Not applicable.		
Average Salary of Jobs:	Not applicable.		
Indirect Jobs Created	Not applicable.		
Other Impact			
PROJECT DESCRIPTION			
<p>As one of the most heavily visited historic sites in Western New York, the Forest Lawn Heritage Foundation has identified the need to enhance the visitor experience as it pertains to making connections to the history on display at the illustrious Forest Lawn Cemetery. To fulfill this mission, the Forest Lawn Heritage Foundation has begun the construction of the Margaret L. Wendt Archive and Resource Center which is intended to give each visitor the opportunity to trace the genealogy of any of the families buried in Forest Lawn. Because the cemetery dates almost as far back as the City of Buffalo, many of the visitors will find that they can trace their own genealogy back to the first generation of “Buffalonians” in their family.</p> <p>The Forest Lawn Heritage Foundation has successfully raised the money needed to build the structure that will house the Margaret L. Wendt Archive and Resource Center and the construction on the building has begun. The Foundation, however, is still facing the challenge of securing the remaining funds needed to implement the electronic database that will give visitors access to the historic data contained in the cemetery. The completion of this project will offer both repeat and new visitors to the remarkable grounds a world class experience that will both renew and boost interest in the WNY Region.</p>			
OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$0	NYPA:	\$0
IDA:	\$0	Other:	\$

PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED		
TYPE	AMOUNT	STATUS
N/A	N/A	N/A
BASIS FOR RECOMMENDATION		
<p>Forest Lawn Cemetery is converging on a project based on a massive increase in public interest in genealogy that is projected to result in a significant number of additional visitors each year. Having a history that goes to the earliest days of Buffalo, NY and is paralleled only by places like Arlington National Cemetery, Forest Lawn is a key tourism asset to the WNY Region.</p> <p>This project will allow Forest lawn to implement a system that will give visitors an opportunity to trace their WNY genealogy (or anyone’s genealogy – e.g. Millard Fillmore – 13th President of the United States) back to the beginning of the cemetery which was founded in 1849. The project itself is based on the model of tourist destinations, like Ellis Island, which sees approximately 2 million visitors each year, interested in tracing their genealogy back to their family’s entrance to the U.S.</p> <p>It is well established that one of the WNY Region’s greatest strengths is the history that has been preserved here and this project will capitalize on that history and create a new reason for tourists to come to the WNY Region. The Western NY Regional Economic Development Council set the growth of tourism as a high priority in the WNY Region and, as one of the Region’s greatest tourism assets, this enhanced visitor experience will move the Region closer to that goal.</p>		

Exhibit C

Applicant Name:	Lineagen, Inc.	REDC Region:	WNY
Project Type:	Business Investment	County:	Erie
Industry:		Locality:	Buffalo
Amount Requested:	\$1,000,000	Start Date:	11/01/2013
		Finish Date:	10/31/2014
RECOMMENDED OFFER			
Recommended Total Award:		\$250,000	
Total Project Cost:		5,000,000	
% of Project Cost Recommended:		5%	
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:		0	
Number of Jobs Created:		8	
Average Salary of Jobs:		\$125,000	
Indirect Jobs Created			
Other Impact			
PROJECT DESCRIPTION			
<p>Lineagen operates a genetic testing service for individuals with autism spectrum disorders (ASDs) and other forms of developmental delay. This testing provides clinicians with information that is critical in making informed medical management decisions. Lineagen also has developed biomarkers that are useful in determining MS and COPD progression rate.</p> <p>The project described here will provide the sales, technical and bioinformatics staff necessary to provide Lineagen’s current genetic test offering to western New York and to complete development of new risk-based tests that will improve clinical management for these patients.</p> <p>Immediately upon funding, Lineagen will hire one regional sales manager in the Buffalo/Western New York Region to bring the most comprehensive genetic testing service clinically available to patients in the Region. Additional staff will be hired to develop a DNA sequencing-based predictive model to serve the same markets. Finally, new products for ASD and COPD currently in our development pipeline will be addressed using bioinformatics and computer staffing available in the Buffalo area.</p>			
OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$0	NYPA:	\$0
IDA:	\$0	Other:	\$

PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED		
TYPE	AMOUNT	STATUS
N/A	N/A	N/A
BASIS FOR RECOMMENDATION		
<p>Lineagen is a company that started in Utah back in 2002 whose purpose was to both discover and produce clinical applications that coincide with advancements in genetic research and genetic sciences. Lineagen has successfully transitioned from a research organization into a commercial diagnostics business providing cutting edge programs in Autism, MS, and COPD.</p> <p>As a company based in Utah, Lineagen has identified the Buffalo Niagara Medical Campus as an ideal space to expand its business due to the complimentary research and technology that can be found there.</p> <p>As a company in the Health/Life Sciences industry that has shown strength, profitability and the potential for growth in WNY, the applicant is exactly the kind of company that the Western NY Regional Economic Development Council is targeting to attract to the Region.</p> <p>The applicant is committed to creating jobs in the Health/Life Sciences industry and has displayed long term viability and great potential for future growth which also has the potential to spur growth in similar companies in the Region.</p>		

Exhibit C

Applicant Name:	Niagara University	REDC Region:	WNY
Project Type:	Tourism/Marketing	County:	Niagara
Industry:	Higher Education	Locality:	Niagara Falls
Amount Requested:	\$286,200	Start Date:	07/01/2013
		Finish Date:	06/30/2014
RECOMMENDED OFFER			
Recommended Total Award:	\$ 250,000		
Total Project Cost:	\$ 415,152		
% of Project Cost Recommended:	69%		
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:	0		
Number of Jobs Created:	2		
Average Salary of Jobs:	TBD		
Indirect Jobs Created			
Other Impact			
PROJECT DESCRIPTION			
<p>Niagara University (NU) will establish the Niagara Global Tourism Institute (Niagara GTI) with the primary goal to make WNY more competitive in the tourism industry. The GTI, in its partnership with NU, will also enhance the WNY status as a place for global tourism education and research. The Niagara GTI will build upon the established expertise of existing faculty of NU and also pursue a broader vision that will address the changing tourism marketplace and the impact of new technologies on the tourism industry. Once it is established, the Niagara GTI will be a unique, unbiased resource providing the tourism industry with the information, support for innovation, and skills necessary to improve the performance of WNY as a regional, national, and international tourism destination.</p> <p>This phase of development of the GTI will involve:</p> <ul style="list-style-type: none"> • Establishment of an advisory board and staffing the organization; • Completion of a destination audit and asset mapping research project; • Completion of a comprehensive business plan for the GTI, including a sustainability plan; • Outreach to technology companies to begin development and incubation of smart destination, cutting-edge technology solutions for the tourism industry; and • Outreach to promote tourism as a first-choice career among regional youth. 			

OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$0	NYPA:	\$0
IDA:	\$0	Other:	\$0
PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED			
TYPE	AMOUNT	STATUS	
ESD	\$223,745	Completed.	
BASIS FOR RECOMMENDATION			
<p>A feasibility study, funded by USA Niagara Development Corporation, was completed in 2012, and determined a way in which Niagara University could successfully contribute to the enhancement of the regional tourism economy. The study called for the creation of a Global Tourism Institute as a mechanism for the applicant to support the strategic development of tourism in Western New York.</p> <p>The WNY Region has long needed an unbiased resource to bring the Region’s tourism industry into modern times. This applicant proposes to take on some of the Region’s biggest challenges as they pertain to the tourism industry with no pre-conceived notions about the importance of any one asset or any one strategy over another. The goals set forth by the applicant project promise to give the Region a comprehensive strategy for getting the most out of all of our many tourism assets complimented by a more technologically advanced industry staffed by capable people from the Region who have been given proper training locally.</p> <p>This project is well aligned with the priorities of the WNYREDC and can have a profound economic impact on WNY.</p>			

Exhibit C

Applicant Name:	Visit Buffalo Niagara	REDC Region:	WNY
Project Type:	Tourism/Marketing	County:	Erie & Niagara
Industry:	Tourism	Locality:	N/A
Amount Requested:	\$250,000	Start Date:	01/01/2014
		Finish Date:	12/15/2014
RECOMMENDED OFFER			
Recommended Total Award:	\$250,000		
Total Project Cost:	\$500,000		
% of Project Cost Recommended:	50%		
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:			
Number of Jobs Created:			
Average Salary of Jobs:			
Indirect Jobs Created			
Other Impact	Increased visitation to region.		
PROJECT DESCRIPTION			
<p>A study conducted by Longwoods about the Canadian shopper provided evidence that the WNY Region has failed to capitalize on Canadians crossing the border into WNY. The study showed that Canadians who cross the border are laser focused on retail shopping because they are unaware of other experiences they might enjoy in the Region.</p> <p>Visit Buffalo Niagara in conjunction with the Niagara Tourism & Convention Corp. has designed the Canadian Marketing Initiative to overcome this perception gap, build on their strengths and broaden the appeal of WNY. Visit Buffalo Niagara and the Niagara Tourism & Convention Corp. have completed the first phase of the Initiative, which included research, creative development, message texting and initial implementation.</p> <p>This phase of the project will begin enhanced marketing communications to targeted audiences in Ontario, including advertising, travel trade shows, media events and FAM tours.</p>			
OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$0	NYPA:	\$0
IDA:	\$0	Other:	\$

PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED		
TYPE	AMOUNT	STATUS
N/A	N/A	N/A
BASIS FOR RECOMMENDATION		
<p>One of the longstanding strengths of WNY is the attraction of Canadian shoppers to its many retail locations. One of the longstanding weaknesses of WNY is the failure of WNY to capture other avenues of Canadian spending from this set of visitors.</p> <p>This applicant has put forth a strategy that will broaden the interests of the Canadian visitor in the WNY Region and begin to extend the stays and increase the frequency of said visitors. This in turn will increase the employment base of the WNY tourism industry, will increase profit margins of local businesses and will generate additional state and local tax revenues. It would only take 5% of Canadian day shoppers spending one night in WNY to increase spending by almost 10 million dollars.</p> <p>Investment in WNY is happening at an unprecedented rate and the interest in building new attractions and places of overnight accommodation is at an all time high. Visit Buffalo Niagara has demonstrated a clear understanding of the Region’s current opportunity to advance the WNY economy and they have put forth a strong strategy to capitalize on that opportunity.</p>		

Exhibit C

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		
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>		

Exhibit "C"

Applicant Name:	Niagara Label Company, Inc.	REDC Region:	WNY
Project Type:	Business Investment	County:	Erie
Industry:	Print Manufacturing/Pressure Sensitive Labels	Locality:	Akron
Amount Requested:	\$225,000	Start Date:	6/24/2013
		Finish Date:	12/31/2013
RECOMMENDED OFFER			
Recommended Total Award:	\$150,000		
Total Project Cost:	\$938,880.00		
% of Project Cost Recommended:	15 %		
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:	36		
Number of Jobs Created:	17		
Average Salary of Jobs:	50,000		
Indirect Jobs Created			
Other Impact			
PROJECT DESCRIPTION			
<p>Niagara Label is an advanced label design and manufacturing company that currently employs 36 people in the rural community of Akron, NY. Niagara Label makes brand labels for everything from the most notable East Coast wineries to the major U.S. amusement parks. The company is currently experiencing a growth in demand from its customers that its current production capabilities cannot keep pace with. The company has determined that it needs to upgrade its equipment and hire and train 17 new employees in order to keep pace with demand. The company has extended its debt financing of this project to the maximum amount allowed by its bank under its current lending agreements and the company still has a funding gap for which it needs assistance to close.</p> <p>The project scope includes: the purchase of a printing press finishing unit; software; hardware; and quality module increasing production capacity and product offerings. A 2100 sq. ft. expansion is also needed to complete project in its entirety.</p> <p>Niagara Label is seeking assistance from the Power Proceeds Fund to complete the second phase in this two phase project. The first phase was to purchase the Digital Finishing Unit which was \$625,840.00 of the total project and was put into motion by a grant awarded from Empire State Development.</p>			
OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$100,000	NYPA:	\$
IDA:	\$	Other:	\$

PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED		
TYPE	AMOUNT	STATUS
BASIS FOR RECOMMENDATION		
<p>Niagara Label is applying to this Board for assistance in completing the \$938,880.00 second phase of a two phase project totaling \$1,564,720.00.</p> <p>Since March of this year, this project has gained the support of the Western New York Regional Council, the Erie County Industrial Development Agency, Empire State Development, and New York State Assembly Member Jane Corwin.</p> <p>As an advanced manufacturing company Niagara Label is in an industry cluster which has been prioritized by the WNYREDC. The Council has shown support for this particular project by endorsing a \$100,000 grant given to the company by ESD. This project proposes to increase production to meet demand, thereby increasing employment with the creation of 17 new jobs in the rural Village of Akron. The new jobs this project will create will pay employees an average of \$50,000, which is well over the Regional average. This kind of job growth at the rates the company will pay is significant for a place like the Village of Akron.</p> <p>The path to a grant from ESD for this company was extensive. Initially Niagara Label was instructed to investigate all potential lending for this project and they met with the ECIDA and applied for a loan through them. They were approved for a loan with the ECIDA, however, their primary bank lender instructed them that they could not take on any additional debt, as they already borrowed \$1 million from their primary lender. At this point the company came back to ESD and showed evidence of maximum debt financing and the largest equity investment the company could safely make. Maxed out on loans and equity investment the company was still left with a \$250,000 gap in financing for this 2 part project. ESD awarded the company a \$100,000 grant so that they would be able to move forward with phase 1 of the project. A \$150,000 grant from the WNY Economic Development Fund will allow the company to fully execute the project in its entirety.</p> <p>Assembly Member Jane Corwin has also identified this project as a major win for the Village of Akron. The Assembly Member’s office has been in contact with ESD all along the way on this project and they have emphasized that this is a family owned and operated company that has a long history in Akron, NY and has remained steadfast in its commitment to grow in WNY. The Assembly Member’s office also called attention to the fact that this company has always been community conscious, which is evidenced by the fact that they always look for local companies to fill their needs before they look outside the Region.</p>		

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

BASIS FOR POINTS	100 POSSIBLE POINTS	TOTAL SCORE: 90
REDC STRATEGIC ALIGNMENT	30 POINTS	SCORE: 25
<p>The applicant is a print manufacturing company that provides manufacturing jobs at very good wages. This is in alignment with the goals set forth by the WNYREDC to prioritize the growth of the advanced manufacturing sector in WNY as it is the natural evolution of the Region which has always been known for manufacturing.</p>		
PROJECT READINESS	25 POSSIBLE POINTS	SCORE: 25
<p>This applicant has successfully demonstrated that it is ready to move forward immediately following a notification of an award benefit.</p>		
ECONOMIC IMPACT	30 POSSIBLE POINTS	SCORE: 25
<p>The applicant is an Akron based company and they propose to hire 17 new employees that will earn over the Regional average following expansion. This would have a significant impact on the Village of Akron and the WNY Region.</p>		
LONG TERM IMPACT ON APPLICANT	10 POSSIBLE POINTS	SCORE: 10
<p>This applicant has provided a great deal of evidence regarding the importance of moving this project forward so that they can meet the demand of their customer base and continue on a growth trajectory. The flip side negative impact that not doing this project would have on this company would be devastating. The company has shown that they would need to lay people off and that they would likely lose their biggest customer.</p>		
COMMITMENT TO REGIONAL GOALS	5 POSSIBLE POINTS	SCORE: 5
<p>There is no reason to believe from this project application that the applicant would not make every effort to satisfy affirmative action goals. The company has also demonstrated goals that match State, Regional and Local priorities for Regional Economic Development.</p>		

Exhibit "C"

Applicant Name:	Yancey's Fancy, Inc./D&Y Cheeses, Inc.	REDC Region:	WNY
Project Type:	Business Investment	County:	Genesee
Industry:	Agriculture	Locality:	Corfu
Amount Requested:	\$500,000	Start Date:	9/24/13
		Finish Date:	6/30/14
RECOMMENDED OFFER			
Recommended Total Award:	\$500,000		
Total Project Cost:	\$20,000,000		
% of Project Cost Recommended:	2.5%		
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:	65		
Number of Jobs Created:	50+		
Average Salary of Jobs:			
Indirect Jobs Created			
Other Impact			
PROJECT DESCRIPTION			
<p>Yancey's Fancy, a New York artisan cheese production and packaging company, is planning to either buy an existing building in Wisconsin or expand their plant at their current location in Pembroke, NY.</p> <p>The company needs to increase production, expand operations, allow for the development of new specialty cheeses and create employee meeting space.</p> <p>At the Pembroke location, the company would extend the existing footprint to 70,000 sq. ft. for the first level and add an additional 42,000 sq. ft. second floor for dry goods inventory, corporate offices, employees meeting space, and employee lockers and facilities. In total the NY project will be a 112,000 sq. ft. expansion to the existing 29,000 sq. ft. building for a new total 141,000 sq. ft. facility. The company currently employs 110 FTE's and pledges an addition of 50 new jobs within 3 years of the completion of the expansion.</p> <p>This project which totals \$20 million will also include a \$2 million reverse osmosis system for the recovery of whey waste, \$2 million in new equipment and the creation of 50 new jobs.</p>			
OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$500,000	GCEDC Loan:	\$200,000
IDA:	\$500,000	National Grid:	\$250,000

PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED		
TYPE	AMOUNT	STATUS
ESD Capital Grant	\$75,000	Complete
BASIS FOR RECOMMENDATION		
<p>D&W Cheese/Yancey’s Fancy is a fast growing manufacturer of specialty and artisan cheeses. It has grown in Pembroke to where it now employs 108 people and is in need of substantially larger facilities. The company has several options including the purchase of an existing dairy operation in Wisconsin or to invest substantially in expanded facilities and capacity at its plant in Pembroke. Just two months ago ground broke on a new sewer line that will run down right by the plant and this is also allowing for the substantial new capacity in manufacturing this project will bring.</p> <p>Should a Pembroke site be chosen, YF would add 112,000 sf of production space, distribution, offices, and employee facilities to its existing 29,000 sf plant. The total investment of over \$20 million would retain 65 and create 50 new jobs. Should YF choose the Wisconsin option, YF would maintain its artisan business but transfer the work for 65 existing jobs from Pembroke to Wisconsin.</p> <p>Ancillary to the project is the fact that YF will build a \$2M reverse osmosis system for their whey waste. This is a very positive environmental investment as YF has been simply spreading their whey over a landfill with a DEC Monitor. This project takes this environmental cost and concern away.</p> <p>The Finger Lakes Regional Economic Development Council has identified both food processing as well as tourism development as key industry clusters for the region. This project will create a substantial number of new jobs for a rural area and will increase the tourism traffic.</p> <p>This project is clearly high priority for the Finger Lakes Region as evidenced in the collaborative efforts of ESD and the IDA to incentivize the growth of Yancey’s Fancy here in Western New York. The Western New York Economic Development Fund now has the opportunity to give an award to this project and secure the commitment of this company’s future growth in the the Finger Lakes Region of WNY.</p>		
BASIS FOR POINTS	100 POSSIBLE POINTS	TOTAL SCORE: 90
REDC STRATEGIC ALIGNMENT	30 POINTS	SCORE: 25
<p>As stated above the Finger Lakes Regional Economic Development Council has prioritized the food processing industry cluster as an industry with major growth potential for the region. The Council has also prioritized tourism which Yancey’s has played a major role in, in recent years. This project was endorsed by the Finger Lakes REDC when they approved a \$500,000 grant from ESD.</p>		
PROJECT READINESS	25 POSSIBLE POINTS	SCORE: 25
<p>This project has indicated that it is ready to move forward immediately following a notification of an award benefit.</p>		

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

ECONOMIC IMPACT	30 POSSIBLE POINTS	SCORE: 25
<p>The economic impact this project will have on the Finger Lakes Region is significant. There is a swing factor of 115 jobs involved in the decision to move this project forward in the Region. If the project does not happen in the Finger Lakes it will happen out of State and 65 jobs will leave with the project. If the project does happen in the Finger Lakes it will bring 50 new jobs to the Region and the State. That kind of impact in a rural community of the Finger Lakes Region cannot be overstated.</p>		
LONG TERM IMPACT ON APPLICANT	10 POSSIBLE POINTS	SCORE: 10
<p>The applicant has shown detailed evidence of their need to grow from their current market position and the proposed expansion is massive. This project will boost them to becoming a national player in their industry which will give way to even greater future growth.</p>		
COMMITMENT TO REGIONAL GOALS	5 POSSIBLE POINTS	SCORE: 5
<p>There is no reason to believe from this project application that the applicant would not make every effort to satisfy affirmative action goals. The company has also demonstrated goals that match State, Regional and Local priorities for Regional Economic Development.</p>		

Exhibit "C"

Applicant Name:	OSC Manufacturing & Equipment Services, Inc.	REDC Region:	WNY
Project Type:	Business Investment	County:	Erie
Industry:	Advanced Manufacturing, Logistics & Energy	Locality:	Buffalo
Amount Requested:	\$3,000,000	Start Date:	7/15/13
		Finish Date:	3/31/14
RECOMMENDED OFFER			
Recommended Total Award:	Up to \$750,000 pending pursuit of other economic development assistance first and securing remaining project financing		
Total Project Cost:	\$17,539,473		
% of Project Cost Recommended:	8%		
REGIONAL IMPACT MEASUREMENTS			
Number of Jobs Retained:	20		
Number of Jobs Created:	26		
Average Salary of Jobs:	\$25,000 - \$90,000+		
Indirect Jobs Created			
Other Impact			
PROJECT DESCRIPTION			
<p>OSC Manufacturing & Equipment Services Inc., is moving into the site of the former American Axle facility where it will build out the Manufacturing space for the OSC Green Machine, Mini Excavator, Solar Tree & Power Stations, along with Heavy Equipment Rental and Service, Metal Manufacturing & Attachment Fabrication.</p> <p>The OSC all electric Mini Excavators are run by a robust lithium ion battery that reduces fossil fuels & greenhouse emissions. These machines have been tested by industry partners who attest to the fact that they bring more power at a significantly lower operating cost. OSC's goal is to start the mass marketing and sales of these machines which will provide manufacturing jobs and growth in the advanced manufacturing industry cluster to WNY.</p>			
OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
ESD:	\$	NYPA:	\$
IDA: Loan	\$1,000,000	Other:	\$

PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED		
TYPE	AMOUNT	STATUS
S485-b, S485-e, or PILOT	Not specified	Not specified
BASIS FOR RECOMMENDATION		
<p>This project offers the WNY Region a chance to be on the cutting edge of Clean Technology by participating in the manufacture of excavation machines with zero emissions.</p> <p>As State and Federal guidelines continue to demand lower emissions on construction sites the industry is searching for ways to reduce emissions with driving up costs in excess of their budgets. This applicant has provided evidence that the machine they will be manufacturing will have zero emission, equal power and much lower operating costs which quickly make up for the additional expense of purchasing this machine.</p> <p>The Western new York Regional Economic Development Council as well as the New York Power Authority has made it a priority to develop projects that capitalize on the Region’s penchant for advanced manufacturing as well as projects that use alternative energy sources to reduce emissions. This applicant has demonstrated that this project will create advanced manufacturing jobs while improving the environmental outlook in the commercial construction industry.</p>		