

BUFFALO NIAGARA
PARTNERSHIP

2011 Regional Agenda

*A collaborative effort of the cities of Buffalo and
Niagara Falls, counties of Erie and Niagara,
and the Buffalo Niagara Partnership*



2011 REGIONAL AGENDA TOP PRIORITY: UB2020

- ◇ **UB2020** can be one of the largest economic development initiatives in Buffalo Niagara’s history **page 2**
- ◇ Completion of the **Peace Bridge Expansion Project** is vital to trade and commerce across a key connection between the world’s two largest trading partners **page 3**
- ◇ The federal and state governments must place specific focus on a number of **target industry sectors** providing significant growth opportunity in Buffalo Niagara**page 4**
- ◇ Policy and funding priorities related to **transportation** are vital to the growth of Buffalo Niagara’s target industry sectors and the economic strength of the region **page 5**
- ◇ State and federal **land development investments** in Buffalo Niagara will create shovel-ready sites high economic impact potential or access to land for future private sector investment..... **page 6**
- ◇ New York must create a comprehensive **energy policy** focused on economic development, while opportunities to spur renewable energy development and maintain the current grid exist at the federal level..... **page 7**
- ◇ A number of **federal initiatives** before Congress in 2011 affecting economic development nationwide would have significant impact here in Buffalo Niagara **page 8**
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***2011 Regional Agenda
Top Priority
UB2020***

The projected outcomes of the UB2020 program can be the largest economic development initiative in Buffalo Niagara's history. In 2010, legislation offering UB greater flexibility in implementing UB2020 was passed in the State Senate, but was not enacted. Passage of legislation offering greater flexibility to UB will enhance on-going investment in downtown Buffalo, create thousands of construction and permanent jobs and infuse an \$80 million impact on the Buffalo Niagara economy.

UB2020

Implementation of the following policy reforms:

- **A Rational Tuition Policy** that provides predictability and differentiation. This type of policy will enable UB to invest in excellence while expanding access. In addition, it will provide students, parents and families with regular and known increases making it practical to plan their budgets. This would replace the current system of “tuition roulette” where random and often exorbitant tuition increases are passed by the legislature and the funds diverted from the campus and students to fill state budget gaps.
- **Public Private Partnerships.** The University must have the ability to enter into relationships with outside entities to leverage private capital for the public good, which will be used to build out the university's newly established comprehensive physical plan and the associated economic development that accompanies it.
- **Management and Operational Reform.** Replace New York's outdated and inefficient over-regulated environment by creating a level playing field with other state systems and public research universities. These reforms allow UB to capitalize on more efficient business practices and save millions of dollars.

2011 Regional Agenda Peace Bridge Expansion Project

The importance of the Peace Bridge to the national, regional and local economies cannot be overstated – it is a critical infrastructure link between the world’s two leading trading partners and plays an integral role in our region’s competitiveness as a bi-national gateway for commerce, facilitating over \$30 billion in trade annually. The freight transported across the Peace Bridge is linked to more than \$227 billion in U.S. sales, income, and federal taxes and one million U.S. jobs. However, continued congestion at the crossing necessitates an expansion of facilities that will foster greater reliability at the border, enhance national security and maximize the economic potential of Buffalo Niagara’s strategic location on the Can-Am border.

Peace Bridge Expansion Project

- Completion of the Final Environmental Impact Statement (including approval by the City of Buffalo Common Council) and issuance of a Record of Decision by the U.S. Federal Highway Administration
- Federal priority ranking for project and execution of long-term lease or ownership agreement with U.S. General Services Administration to initiate plaza build-out
- Appropriation of roughly \$240-260 million in Federal infrastructure funds for required government land/project components

2011 Regional Agenda Target Industry Sectors

The Buffalo Niagara region is growing – or is poised for growth – in a number of target industry sectors, including Life Sciences and Tourism. In addition to a strategic location, low operating costs, and access to an ample, skilled workforce, the region has unique strengths in the industries that are shaping Buffalo Niagara’s future. In many cases, state and federal attention focused on these sectors is imperative to their development and growth, and, as a result, will provide greater opportunity for new private sector investment.

Target Industry Sector – Life Sciences

Buffalo Niagara Medical Campus

- Support biomedical research, cutting-edge clinical care, world-class education, and neighborhood revitalization through a multi-year investment in the growth and development of an Academic Health Center on the Buffalo Niagara Medical Campus that includes:
 - Downtown acquisition, construction, and development fund - \$86 million state
 - \$15MM toward development of a transportation system to meet the expected employment growth on the campus in the next 5-10 years
 - \$10MM for recruitment of scientists
 - \$25MM for land acquisition supporting University at Buffalo plans for a downtown campus
 - \$16MM for site preparation, acquisition, and infrastructure
 - \$20MM for neighborhood development, including the redevelopment of the Fruit Belt and the growth of businesses and housing along Allen Street and Main Street

Erie Community College (ECC) Health Sciences Building

- A health sciences building to be built on ECC North Campus which will help ECC expand its high demand health sciences programs – \$7.5 MM federal

Target Industry Sector - Tourism

Niagara Experience Center

- Site Acquisition, Design and Beginning Phases of Construction of Niagara Experience Center - \$20MM federal/\$20MM state

Darwin Martin House

- 5th and final phase (interior & landscape) of restoration to Darwin Martin House - \$5MM state

Buffalo Zoological Society

- Construction of new entry complex to expedite visitor processing – \$2MM state

Erie Canal “Flight of Five” Locks Restoration Project

- Restoration of Erie Canal Locks 67-71 to their 1842 condition – \$6MM federal

Gateway Harbor Inn

- Build-out capital to complete boutique hotel in North Tonawanda’s Downtown District – \$500,000 federal

2011 Regional Agenda Transportation Projects

Buffalo Niagara's transportation system is the lifeblood that enables the region's target industry sectors to thrive, providing access within 500 miles – a day's trip – of 41% of the U.S. population and 59% of the Canadian population. With funding streams for transportation in flux, it is imperative that we prioritize regionally significant transportation and logistics projects that will have the greatest impact and return-on-investment, while continuing to fight, as a region, for our share of transportation dollars.

FEDERAL

Niagara Falls National Heritage Area Access and Park Restoration Project

- Reconfiguration and park restoration of a one-mile segment of the Robert Moses Parkway; reconstruct and streetscape a one-mile segment of Buffalo Avenue, and demolish, consolidate, and reconstruct roadway access along a two-mile segment of the Robert Moses Parkway - \$47.6MM total (80% federal/20% local match)

Olcott Harbor Breakwater

- Planning and construction of a breakwater or other wave attenuation system for the Olcott Harbor to protect Lake Ontario shoreline - \$8MM

STATE

Continental 1

- Restoration of NYSDOT funding needed to complete the Route 219/Continental 1 Supplemental Environmental Impact Statement – \$6.5 MM

2011 Regional Agenda Land Development

In the Buffalo Niagara region, specific land development projects have been identified as having tremendous economic impact – either generating much-needed “shovel-ready” opportunities or providing land access toward future private sector investment. With resources scarce, it is essential that we make capital investments strategically, with federal and state dollars forwarding projects agreed upon regionally as having the potential to yield the greatest economic impact.

FEDERAL

Spaulding Fibre

- Prepare infrastructure for shovel-ready 47 acre site - \$2MM

Reuse of Niagara Falls Army Reserve Center

- Site preparation – demolition, rehabilitation of existing structures, and infrastructure – \$2.5MM

STATE

Bethlehem Steel Site

- Design and engineering preparation for site infrastructure – \$500,000

Shovel-ready Sites Initiatives

- Completion of the roadway network at the Riverview Solar Technology and North Youngmann Commerce Center industrial parks - \$4MM
- Development of the Highland Area Renewable Energy Commerce Park - \$15MM

2011 Regional Agenda Energy Policy

Buffalo Niagara's economy is anchored by manufacturing and other large energy users, so the impact of high energy costs is especially burdensome. In New York, a comprehensive energy policy must be crafted dealing with issues such as production, delivery, reliability, cost and the regulatory environment in an integrated fashion focused on economic development. On the federal level, investment in grid maintenance and in renewable energy will open up a host of job-creation opportunities here in the Buffalo Niagara region.

FEDERAL

Energy Innovation

- Increase annual R+D funding for renewable energy programs at the DOE from the current level of about \$250 million to \$450 million per year; extend all renewable energy tax credits for eight years to help stabilize the investment climate for the private sector, and help incentivize the development and deployment of renewable sources of electricity
- Increase allocations for basic and applied research and demonstrations in clean coal and advanced nuclear energy

Grid Infrastructure

- Prioritize funding for the development of smart grid technology (r+d) and for grid infrastructure improvements (capital) in the New York
- Pass the Renewable Integration Credit to offset the substantial costs associated with integrating and deploying increasingly large amounts of solar and wind power into the nation's electric power system

STATE

Economic Development Energy Programs

- Deploy hydropower assets for the greatest economic development return on investment
 - Pass a comprehensive, long-term energy program that includes long-term contracts and an application process that includes progressive, pro-business selection criteria that focuses on more than simply job creation and retention, but also total payroll, capital investment, significance of impact on local economy and net economic benefit to NYS
 - Redeploy “rural and domestic” hydropower for economic development
 - Implement S.5783-a/A.8712-a – the “proceeds bill” – for the greatest economic impact within 30 miles of the Niagara Power Project

Marcellus Shale

- Issue permits for the development of wells in the Marcellus Shale, and monitor New York's production operations to ensure the state can maximize economic opportunities while meeting long-term energy security goals and environmental compliance objectives; state regulations should encourage local sourcing so that in-state businesses and their workers benefit

Grid infrastructure

- Promote effective infrastructure investment in the energy delivery (transmission and distribution) system in order to modernize the grid to account for improved reliability, diversity in generation supply, clean energy sources and overall supply accessibility balancing the return on investment for upstate businesses with price impacts on those businesses

2011 Regional Agenda Federal Action

A number of policy and funding programs before Congress in 2011 can have specific economic impact here in Buffalo Niagara. It is imperative that a collaborative atmosphere emerge in Washington, DC to ensure that initiatives such as these – with their capacity to create private sector investment opportunities and jobs - come to fruition. Either for the benefit – or the necessity – of the U.S. and Buffalo Niagara economies, these items have far-reaching effect on economic development efforts.

Transportation Funding

- Passage of a comprehensive surface transportation bill that supports the unique needs of inland metropolitan regions and provides stable, guaranteed funding for investment in new highway capacity, freight routes, and the reconstruction of aging bridges and roads in Buffalo Niagara

Immigration Reform

- Establish federal immigration policy that facilitates significant international talent attraction, integration and retention and specifically reforms the H-2A and H-1B guest worker visa programs

High Speed Rail

- High-Speed Intercity Passenger Rail Program Phase 2 funding for high speed rail project as outlined in the NYS Rail Plan – \$138 MM statewide

EPA Brownfield Revitalization Fund

- Increase the amount of EPA Brownfield Revitalization funds and their ability to be used within NYS Brownfield Opportunity Areas
- Increase cap for individual remediation grants to \$2MM

Small Business Innovation Research Program

- Long-term reauthorization of the Small Business Innovation Research Program

Summer Youth Employment

- Job training and employment services for Buffalo's Mayor's Summer Youth Employment Program – \$2,330,800

Energy Efficiency & Conservation Block Grant Program

- Continued funding for Energy Efficiency & Conservation Block Grant Program at its American Recovery & Reinvestment Act of 2009 level

Sustainable Communities Regional Planning Grant Program

- Continued funding for the Sustainable Communities Regional Planning Grant Program for Buffalo Niagara regional planning initiatives through U.S. Housing and Urban Development – \$3M

Regional Watershed Protection Project

- Coordinated watershed protection infrastructure planning through the EPA – \$50,000 to build partnership capacity; \$5M to implement Lake Erie Watershed protection and flood control projects (collaboration between Erie, Chautauqua, Cattaraugus Counties)

2011 Regional Agenda New York State Action

At the state level, budget constraints continue to have a direct impact on economic development programs, and, as a result, private sector investment and job creation.

It is imperative that Albany institute policy to strengthen New York's economic development efforts, and strategically allocate resources into the areas with the greatest economic impact. These priorities focus on existing programs that require either greater investment by the state or stronger policy recognizing the employer as the state's customer.

Restoration of deferred tax credits from the 2010-2011 NYS Budget

- Immediately end tax credit deferrals and pay interest for impact of 2010 deferral

Excelsior Jobs Program

- Increase the NYS budget to support the program from \$50 million to \$500 million annually statewide
- Restructure program guidelines and operating procedures so that they are clear, consistent, easily understood and free of rescission by retroactively changing criteria
- Provide benefits at the beginning of an investment; allowing the investing company to access NYS tax credits on a pro-rata basis, year by year as jobs are incrementally created
- Seamlessly grandfather existing Empire Zone certified companies with remaining benefit periods, following the recommendations of the ESD-commissioned AT Kearney study

Land Bank Funding

- To ensure land banks are capitalized, authorize cities to dedicate property foreclosures, asbestos notification fees and housing court fees to fund a local land bank

Upstate Regional Blueprint Fund

- Increase funding to the program and with the additional resources create another funding category for urban projects for municipalities with populations over 200,000

Small Business Innovation Research (SBIR) Program

- Reinstatement of a competitive NYS program to provide matching awards – up to \$50,000 – to companies which have received federal SBIR grants

Brownfields Cleanup

- Recapitalize the New York State Environmental Restoration Program (ERP) – \$50 MM statewide

Restore NY

- Recapitalize Restore NY, the public sector demolition program that was very successful at providing funds for demolition of abandoned properties – \$50 MM statewide

Increase Aid and Incentive for Municipalities (AIM)

- Provide tax relief, funding for land acquisition, demolition/land redevelopment, and other economic development initiatives - \$29MM statewide