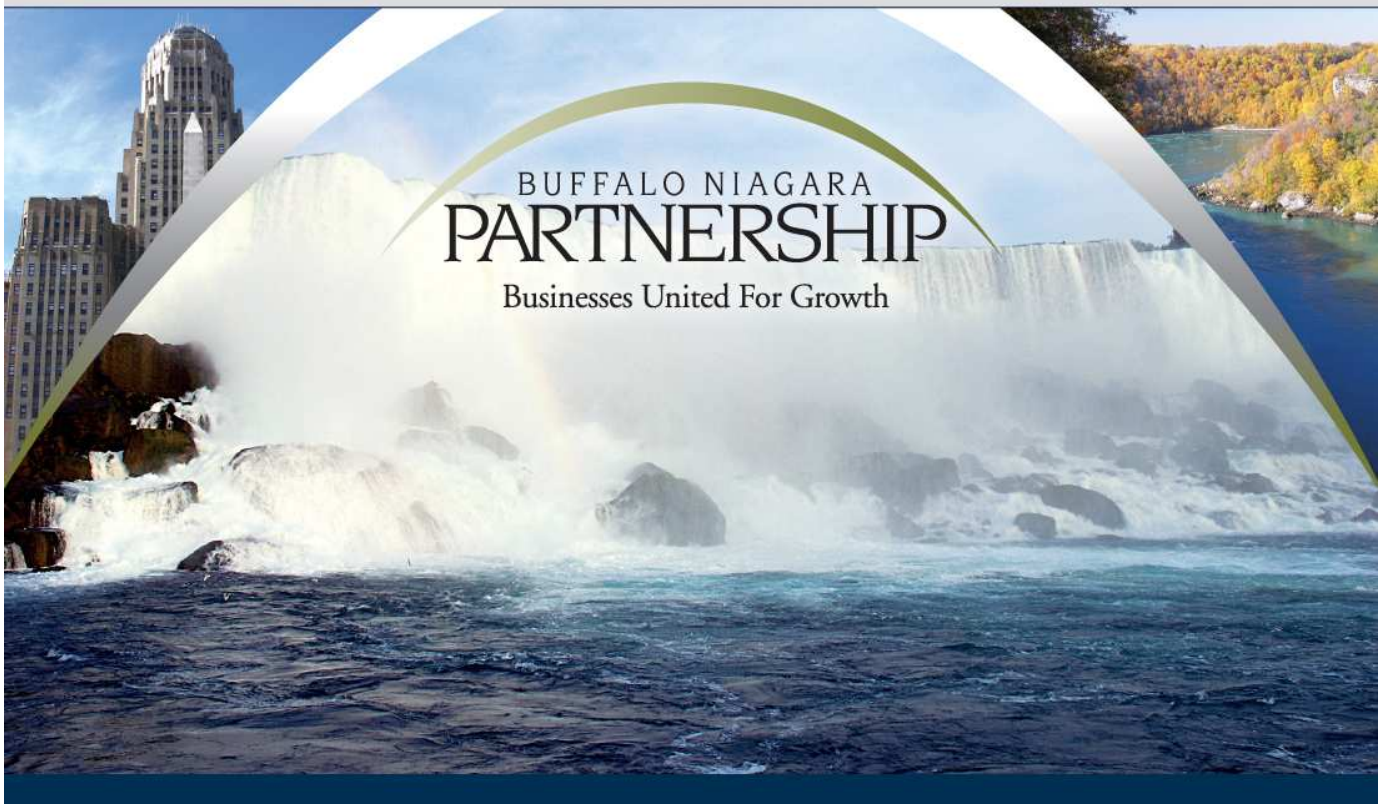




2010 REGIONAL AGENDA

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



2010 REGIONAL AGENDA TOP PRIORITY: UB2020

◇ **UB2020** can be one of the largest economic development initiatives in the history of the Buffalo Niagara region..... **page 2**

◇ The Buffalo Niagara region is thriving in a number of **target industry sectors** and it is crucial for our state and federal governments to place specific focus on growing these industries..... **page 3**

◇ Policy and funding priorities related to **transportation** are vital to the growth of our Buffalo Niagara’s target industry sectors and the economic strength of the region **page 4**

◇ State and federal **land development investments** in Buffalo Niagara must be directed toward creating shovel-ready sites with the highest economic impact potential**page 5-6**

◇ To combat the nation’s highest energy costs, New York must create a comprehensive **energy policy** for the Buffalo Niagara region that focuses on economic development..... **page 7**

◇ With the sunseting of New York’s Empire Zones program, it is crucial that Albany create a **new economic development program** that is transparent, user-friendly and consistent for employers and developers **page 8**

◇ **National health care reform** must address the rising cost of health care, and not place additional burden on employers..... **page 9**

◇ The federal government must renew its focus on revitalizing and growing the **Great Lakes regional economy** **page 10**



2010 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 2009, legislation offering UB greater flexibility in implementing UB2020 was passed in the State Senate, but was not enacted. Since then, UB has worked with its SUNY colleagues in crafting proposals that would position the State University to assist the State in its resurgence from tough fiscal times with "no cost and high impact." This coordinated public policy strategy provides an alternative vehicle for securing the freedoms UB sought last year but would apply more broadly to all of SUNY.

UB2020

Implementation of the following public policy proposals:

- Differential Tuition – A differentiated tuition policy will allow SUNY research universities to invest in excellence while expanding access and providing a pathway for comprehensive colleges.
- Tuition & Self Generated Revenues “Off Budget” – Moving tuition and self generated revenues “off budget” will protect campus income from balancing state budget gaps in difficult financial times and move tuition policy decisions to the SUNY Board of Trustees in an effort to create a rational, predictable policy.
- Management and Operational Reform – Would replace New York’s outdated and inefficient regulations, creating a level playing field with other state systems and public research universities, by providing access to market capital and public private partnerships.

2010 Regional Agenda ***Target Industry Sectors***

The Buffalo Niagara region is growing – or is poised for growth – in a number of target industry sectors. 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/Academic Health Center

- Acquisition, construction and development fund - \$100MM state
 - \$25MM toward a multi-modal transportation structure for the Global Vascular Institute/Clinical and Translational Research Center
 - \$10MM for recruitment of scientists
 - \$25MM for land acquisition supporting University at Buffalo (UB) plans for a downtown campus
 - \$20MM for site preparation, acquisition, and infrastructure
 - \$20MM for neighborhood development
- Workforce development - \$2MM state
 - \$2MM for programs, including job training, to link emerging jobs to Buffalo's youth and residents

Target Industry Sector - Tourism

Niagara Experience Center

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

Buffalo State College/Art District Improvements

- Stadium to be used for Buffalo State College, Buffalo Public Schools and amateur sports attraction - \$40MM state
- Parking Ramp (Phase 1) - Planning and site preparation for ramp to serve Buffalo State campus, Burchfield-Penney, the Stadium, Albright-Knox, and eventually the Richardson - \$5MM state

Darwin Martin House

- Final phase of restoration to Darwin Martin House - \$10MM state

Target Industry Sector – Advanced Manufacturing/Life Sciences

Small Business Innovation Research Program

- Federal reauthorization of the Small Business Innovation Research Program (SBIR) for a 14-year period

Target Industry Sector - Agribusiness

Rural Broadband

- Funding to increase broadband access in Buffalo Niagara's rural areas - federal

2010 Regional Agenda Transportation

Buffalo Niagara's transportation system is its lifeblood that enables the region's target industry sectors to thrive – providing access within 500 miles to 55% of the U.S. population and 63% of the Canadian population. With funding streams for transportation in jeopardy, it is imperative that we prioritize transportation and logistics projects to have the greatest impact and return-on-investment, while continuing to fight, as a region, for our share of transportation dollars.

FEDERAL

Transportation Funding Reauthorization

- Reauthorization of SAFETEA-LU by Congress

Peace Bridge Expansion Project

- Following approval of the final Environmental Impact Statement by the City of Buffalo, a “record of decision” by the Federal Highway Administration requested by Spring 2010 and an executed lease agreement with the General Services Administration for the new Customs plaza.

Olcott Harbor Breakwater

- Planning and construction of a breakwater or other wave attenuation system for the Olcott Harbor on Lake Ontario - \$2MM

Niagara Falls International Railway Station

- Construction of Niagara Falls International Railway Station - \$40MM (\$17.6MM and \$4.4MM state including \$18MM in previous funding authorizations) *Alternatively support NYS' pending Federal Railroad Administration/ American Recovery and Reinvestment Act HSIPR - \$22.93MM, Track 1 AFD/ Construction funding application*

High Speed Rail

- Support American Recovery and Reinvestment Act (ARRA) funding for the 460-mile “Empire Corridor” high speed rail (HSR) project as outlined in the NYS Rail Plan, with subsequent enhancements connecting through Buffalo west to Toronto and Chicago

Southtowns Connector

- Bridge construction connecting downtown Buffalo with the outer harbor (TIGER grant) - \$90MM

“Niagara Falls National Heritage Area Access and Park Restoration Project”

- Reconfiguration of two segments of the Robert Moses Parkway Corridor and adjoining roads (TIGER grant) - \$52.5MM

Niagara Falls International Airport Runway 10L-28R Mill and Overlay

- Resurface the 10,825-foot main runway at the Niagara Falls International Airport (NFIA) – \$9.5MM

2010 Regional Agenda

Land Development

In the Buffalo Niagara region, a number of land development projects have been identified as generating much-needed “shovel-ready” opportunities. When making capital investments, it is essential that we do so 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 business development site - \$2MM

Buffalo/Lackawanna Waterfront Corridor

- Design, environmental review and construction of relocated sewer station to support development at Buffalo Lakeside Commerce Park, the former Bethlehem Steel site, and Outer Harbor properties - \$8MM

Buffalo/Lackawanna Sewer System Consolidation and Pump Station Improvements

- Upgrade the Erie County Pump Station to accommodate future growth at Buffalo Lakeside Commerce Park - \$1MM

Reuse of Niagara Falls Army Reserve Center

- Demolition, rehabilitation of existing structures, and infrastructure to prepare the site for economic development – \$2.5MM

Buffalo Revitalization Initiative

- Property acquisition, remediation and development - \$15MM federal
- Business district revitalization - \$15MM

Brownfields Cleanup

- Increase EPA brownfield revitalization funds, particularly to support Brownfield Opportunity Areas (BOAs); also increase cap for remediation grants to \$2MM

Energy Efficiency & Conservation Block Grant Program

- Provide annual funding for federal Energy Efficiency & Conservation Block Grant Program (originally funded as part of ARRA)

2010 Regional Agenda
Land Development

STATE

Bethlehem Steel Site

- Rail Relocation - \$2MM
- Secure release of contract for multimodal “Bills Train” money for transportation infrastructure development.

Shovel-ready Sites Initiatives

- Provide funding for the completion of the roadway network at the Riverview Commerce Park and North Youngmann Commerce Center industrial park - \$4MM
- Provide Funding to develop the Highland Area Renewable Energy Commerce Park - \$15MM
- Establish a regional fund (Erie/Niagara) for land acquisition - \$2MM
- Establish a regional fund (Erie/Niagara) for demolition to support site preparation - \$5MM

Riverbend Commerce Park

- First phase of infrastructure, including roads and utilities - \$3MM

Brownfields Cleanup

- Recapitalize the NYSDEC Environmental Restoration Program

2010 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. New York needs a comprehensive energy policy dealing with issues such as production, delivery, reliability, cost and the regulatory environment in an integrated fashion focused on economic development. Also, revenue-generating policy changes outlined below could be used to support funding requests included in this 2010 Regional Agenda.

STATE

- Reduce taxes and other statutory and regulatory costs on energy, including repeal of New York's 18A assessments on energy usage;
- Redeploy hydropower currently supplied for "rural and domestic" uses within the franchise territories of three upstate utilities should be for statewide economic development over a period of three years;
- NYPA negotiate new Replacement Power (RP) and Expansion Power (EP) contracts as soon as possible; Contracts should be at least seven years, and implemented in a rolling renewal process, reviewable annually;
- Passage of S.5783-a/A.8712-a – the "proceeds bill" – which would dedicate RP and EP for economic development purposes whether or not all the power has been allocated and/or allocated but unused by specific businesses. The proceeds from the sale of unallocated and/or allocated but unused power should be reported by NYPA annually and should be set aside for economic development purposes – including the items included in this agenda – within a 30-mile radius of the Niagara Power Project;
- Create a consistent set of criteria for prospective recipients of low cost power and/or proceeds that includes:
 - Contribution of competitively priced power to firm's viability
 - Attraction and retention
 - Total payroll
 - Capital investment
 - Energy efficiency
 - NYS net economic impact
 - Significance to local/regional economy (role in supply chain)
 - Regional economic vitality relative to NYS
- Centralize current New York State programs, with a focus on streamlining the application process for greater ease, consistency and transparency, with one common application judged with one set of 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 (e.g. role in the supply chain);
- 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;
- Renew Article X of the New York Public Service Law;

2010 Regional Agenda Statewide Economic Development Policy

With the sunset of New York's Empire Zones program, it is crucial for Albany to create an economic development program that works for the Buffalo Niagara region. The new program should capitalize on the region's strengths, greatest opportunities for growth and strategic direction, and be more transparent, user-friendly and reliable than its predecessor.

STATE

Empire Zone Replacement Program

Support the establishment of a New York State flagship program to replace the existing Empire Zone program that:

- Establishes program guidelines and operating procedures that are clear, consistent, easily understood and free of rescission by retroactively changing criteria;
- Fosters private sector “speed to market” investment decisions by eliminating excessive bureaucratic red tape and delays;
- Uses a system of “tiered” incentives favoring projects adhering to smart growth principles such as investing in an economically distressed community (using census tract definitions), investing on a brownfield site, redeveloping an existing building, LEED certified construction, providing workforce training, proximity to public transportation etc.;
- Criteria for entrance into the program should not be focused on job creation numbers alone (or even primarily), but should also focus on:
 - Capital investment
 - NYS net economic impact
 - Significance to local/regional economy (role in supply chain)
 - Total payroll
 - Net wealth creation in host community
 - Consistency with regional target industry strategies
- Allows NYS tax credits due to program entrants to be monetized;
- The new flagship program must seamlessly grandfather existing Empire Zone certified companies with remaining benefit periods, following the recommendations of the AT Kearney study (which ESD commissioned) on strategic economic development

Local Revenue Streams

- Lessen cities' reliance on state aid by allowing utilization of revenue opportunities that do not burden taxpayers, such as elimination of the state practice of sharing certain locally generated revenue streams, for example, motor vehicle moving violations, marriage licenses and handicapped parking fees

2010 Regional Agenda Health Care Reform

National health care reform has a direct impact on economic development efforts in the Buffalo Niagara region, particularly its impact on employers, specifically, but not limited to, small businesses and the life sciences and manufacturing industries.

Health care reform must address the rising cost of health care, and not place additional burden on employers already dealing with new and increased taxes at the state and federal level in addition to the recent recession.

National Health Care Reform

National health care reform should achieve these fundamental objectives:

- Provide quality, affordable coverage, which would require:
 - a meaningful and enforceable individual mandate, not an employer mandate;
 - subsidies for individuals;
 - financial subsidies where applicable for small businesses;

- Include cost containment provisions that will bend the increasing medical trend, seeking to provide greater quality at lower costs with provisions focusing on:
 - prevention and wellness;
 - payment reform to reimburse for quality not quantity;
 - tort reform;
 - improving efficiencies in our delivery system; and
 - embracing technology, including electronic medical records with appropriate safeguards on personal information;

- Refrain from new or increased taxes on insurers, employers or pharmaceutical or medical device manufacturers to fund the program;

- Allow an acceptable phase in of the requirements of any reform bill. For example:
 - allow all persons at least one year to comply with the basic insurance requirements;
 - allow all businesses one to three years to comply with their requirements, thus allow them to spread any increased costs gently across three years' worth of price adjustments to their products/services, reducing the drag on the fragile economy;
 - provide at least three to five years for health care providers and insurance companies to adopt outcome methods of payment;

- No “public option”

2010 Regional Agenda Great Lakes Economic Revitalization

The bi-national Great Lakes region is the most important economic region in North America, accounting for 33% of the U.S. population, 32% of its GDP, 30% of its merchandise exports and 28% of its patents – even in the face of a significant reordering of the world’s economy. The Buffalo Niagara region must receive our share of a renewed federal focus on the Great Lakes, and is a pivotal geographic component in enhancing the trade relationship between the world’s two largest trading partners – the U.S. and Canada.

FEDERAL

Great Lakes Business Agenda

- Federal government support for the policy priorities of the *Business Agenda for Economic Transformation in the Great Lakes Region*
 - Create federal transportation infrastructure policy and funding that supports the unique needs of inland metropolitan regions that today operate as global gateways and centers of trade and commerce
 - Create a 21st century northern border with Canada that balances national security with economic security
 - Establish federal immigration policy that facilitates significant international talent attraction, integration and retention
 - Build an innovation strategy that fuels research, development and commercialization activity in the Great Lakes region
 - Renew and leverage the Great Lakes and its natural attributes to transform the economic region by supporting business development and research opportunities compatible with fresh water technology

Buffalo Niagara’s Fair Share of the Great Lakes Restoration Act

- The Great Lakes Restoration Act will invest \$475 million to confront invasive species, pollution and toxic sediments. As a region with a history of heavy manufacturing, it is important that Buffalo Niagara receive the funds necessary to repair our coastal waters.