



We are the business organization for the bi-national region of **Buffalo Niagara**, a name we created in the mid-1990s for the western end of New York State and the Niagara Region of Ontario.



Ottawa

CANADA

U.S.A.

ONTARIO

Toronto

Lake Ontario

Lake Huron

London

Albany

Buffalo

NEW YORK

Detroit

Lake Erie

Cleveland

PA

New York City

Newark

OH

Columbus

Pittsburgh

Philadelphia

NJ

expertise@work

Applying our unique, nimble, and powerful problem solving capability – the experience and intellectual clout of staff, member volunteers, and paid advisors – to regional economic development opportunities and needs.

Proceeds: Using a regional asset in **creative and sustainable ways** to foster business investment and job creation.





BUFFALO NIAGARA
PARTNERSHIP

Niagara Power Project

2.4 million kilowatts of clean hydropower annually

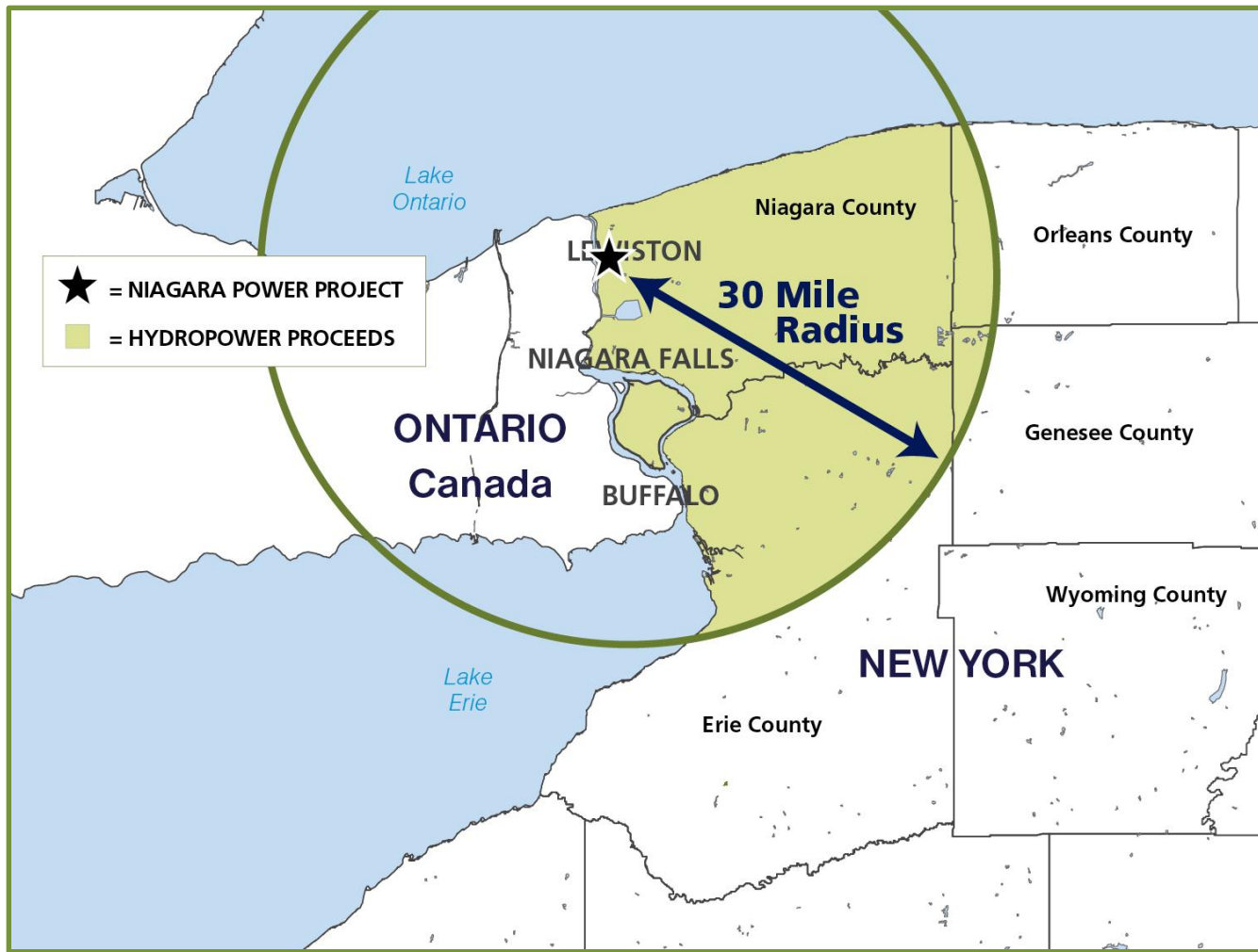




Previously, New York Power Authority unilaterally gave away funds **across New York State** from the sale of unused low-cost hydropower.

Decisions were made **over 400 miles** away from the asset itself.





Now, those funds must be used for economic development purposes **within 30 miles of the Niagara Power Project.**

Proceeds will **grow investment** in Buffalo Niagara, leading to the creation and retention of jobs.

expertise@work – Proceeds

Buffalo Niagara Partnership organized and led a team of subject matter experts who **worked together** for over a decade to achieve success.

Member and other volunteers

Staff

Paid advisors

Multiple-year legislative effort: spanning **3 governors**, large **turnover** in both houses of the State Legislature and a **widely fluctuating state economy**.



A decade-long effort paid off

- 2001** – Concept first conceived as part of a multi-faceted regional action plan organized by the Partnership, called the NOW Campaign – this part = how to take better advantage of the hydropower asset
- 2008** – Initial legislation drafted
- 2010** – Bill passed State Assembly and Senate, signed into law. Implementation was held up by technical issues (but funds could no longer be spent at will by NYPA)
- 2011** – Revised bill passed State Senate, but died in the Assembly at the end of session
- 2012** – ***SUCCESS!*** Proceeds included in the 2012-13 enacted NYS budget

Proceeds has been held in escrow since August 2010, with a current balance of roughly **\$15 million**

Proceeds generates **real money** – not just tax credits or abatements – **for economic development**

Cash balance provides a significant opportunity to hit the ground running

“And they give you cash, which is just as good as money.”

—*Yogi Berra*



+ **\$15 million** already available from 2010
+ **\$7 million** or more annually

> **\$150 million in cash**, over the initial 20 years, dedicated solely for economic development projects within a 30-mile radius of the Niagara Power Project

Proceeds generate benefits

Economic Development

Is a highly flexible economic development tool with virtually no limitations on its use

Job Retention

Private employers are now able to access cash to boost their retention and expansion projects beyond the tax incentives and credits that already were available

Job Growth

Potential to retain and create thousands of jobs

Hydropower

With Proceeds, we can give funding where it's really needed and allocate the hydropower itself to where it has the greatest operational impact. Previously, allocations of low-cost hydropower often were used, even if the actual need wasn't great.



This is an example of regional stewardship.

Proceeds increases economic development in **multiple counties.**

- ✓ Capital investment in buildings
- ✓ Equipment
- ✓ Infrastructure
- ✓ Transportation projects
- ✓ Research and development
- ✓ Support for tourism, marketing, advertising

It is based on a renewable energy source.

Hydropower itself goes to the projects **that most need it.**

Not your everyday regional development “win”

Partnership found **no precedent** for this kind of project, and thus was not able to rely on any case studies or best practices.

We also believe this is **the first time** the direct benefits of a region’s asset have been **reclaimed from a larger state** and put to work for regional economic development purposes.

Uses a renewable energy source and includes a **sustainability** track of required allocation.

The sustainability of Proceeds Allocations

At least 15% goes to...

Energy **efficiency** projects and services

Clean energy technology projects and services

Higher performance and **sustainable building** programs and services

Construction, installation and/or operation of facilities or equipment done in connection to **energy-related projects**



Bottom line =

Proceeds is a major economic development tool from which a wide range of regional growth initiatives can benefit.

It fills **a critical need** that other economic development programs do not.

It offers **direct financial assistance** in the form of cash.

There will be Proceeds, as long as Niagara Falls flows, as long as NYPA produces power from it and sells unused power on the open market.

