



KATHY HOCHUL  
Governor

# Western NY Power Proceeds Allocation Board

ANTHONY J. COLUCCI III  
Chairman

## WESTERN NEW YORK POWER PROCEEDS ALLOCATION BOARD MINUTES

February 13, 2024 – 3:00 P.M.

### VIDEO CONFERENCE

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Minutes of the Meeting of the Western New York Power Proceeds Allocation Board held at Niagara Power Project, 5777 Lewiston Road, Lewiston, NY 14092.

**Board Members Present:**

Anthony Colucci – Chairman  
Brenda McDuffie – Member  
Deanna Brennen – Member  
Paul Brown – Member  
Dennis Elsenbeck - Member

**NYPA Staff Present:**

Lori Alesio	Executive Vice President and General Counsel
Karen Delince	Vice President and Corporate Secretary
Richard Smith	Senior Director – Economic Development
Angela Rossi	Program Manager- Economic Development
Lorna Johnson	Senior Associate Corporate Secretary
Sheila Quatrocci	Senior Associate Corporate Secretary
Michele Stockwell	Senior Assistant Corporate Secretary
Carol Sampson	Community Relations Representative II

**Opening Remarks**

*Chair Anthony Colucci welcomed members of the Board, the staff of Empire State Development Corporation ("ESDC"), and the staff of the New York Power Authority ("NYPA"). He stated that this meeting of the Board had been duly noticed as required by the Open Meetings law. The meeting was called to order at 3:00 p.m.*

1. **Adoption of the February 13, 2024 Proposed Meeting Agenda**

Member Brenda McDuffie made a motion to adopt the February 13, 2024 proposed meeting agenda. The motion was seconded by member Paul Brown. The agenda was unanimously adopted.

**Conflicts of Interest**

*Chair Anthony Colucci stated that the members had been polled prior to the meeting regarding possible conflicts of interest with the entity previously provided for their review.*

*Chairman Anthony Colucci declared a conflict of interest and has been recused from the vote as it relates to Whiting Door Manufacturing Corporation.*

2. **Adoption of the November 1, 2023 Meeting Minutes**

*Chair Colucci asked if there were any amendments to the Minutes.*

Upon motion made by member Deanna Brennen and seconded by member Dennis Elsenbeck, the minutes of the November 1, 2023 meeting were adopted.

**3. Fund Update**

Mr. Richard Smith, Senior Director of Economic Development, submitted the December 2023 Western New York Economic Development Fund Update report, to date:

- Total deposits to the fund are \$84,063,000.
- Total interest earned on deposits is \$2,393,961, making total funds deposited \$86,456,961.
- No Administrative Expenses have been withdrawn.
- Disbursements to grantees amount to \$36,302,700, making the current fund balance equal to \$50,154,260.
- Awards under Standard Projects amount to \$35,971,181.
- Energy-related projects awarded is \$6,737,815, making total fund benefits awarded \$42,708,996.
- Total fund benefits available to be awarded by the Allocation Board amounted to \$43,747,965.

A minimum amount of 15% of the fund is dedicated to energy-related projects, \$12,609,450.

Total Awards made for energy-related projects, to date, amounts to \$6,737,815.

Fund benefits currently available to be awarded for energy-related projects only, is \$5,871,635.

- As it relates to the power that supports the program, the estimated unallocated Expansion Power ("EP") and Replacement Power ("RP"), to date is 42 megawatts. The estimated allocated but unused hydropower, to date, is 200 megawatts, making the total estimated unutilized EP and RP, to date, 222 megawatts.
- The recommendation before the Board for consideration today is for a standard project and Energy Related Project in the amount of \$1,087,000.

Chair Colucci stated that this is an informational item and does not require any action by the Board and thanked Mr. Smith for the report.

Western New York Economic Development Fund Update<sup>1</sup>

December-23

The Fund		
<i>this</i>	Total Deposits to the Fund to Date:	\$84,063,000
<i>plus</i>	Total Interest Earned on Deposits to Date:	\$2,393,961
=	<b>Total Funds Deposited:</b>	<b>\$86,456,961</b>
Expenditures		
<i>this</i>	<b>Total Funds Deposited:</b>	<b>\$86,456,961</b>
	Total Administrative Expenses Withdrawn:	\$0
	Disbursements to Grantees:	(\$36,302,700)
<i>plus</i>	<b>Total Expenditures:</b>	<b>(\$36,302,700)</b>
=	<b>Current Fund Balance:</b>	<b>\$50,154,260</b>
Awards		
<i>this</i>	<b>Total Funds Deposited:</b>	<b>\$86,456,961</b>
	Standard Projects:	\$35,971,181
	Energy Related Projects <sup>2</sup> :	\$6,737,815
<i>minus</i>	<b>Total Fund Benefits Awarded<sup>3</sup>:</b>	<b>\$42,708,996</b>
=	<b>Total Fund Benefits Available to be awarded by the WNYPPAB<sup>4</sup>:</b>	<b>\$43,747,965</b>
Energy-Related Projects		
<i>this</i>	Minimum Amount (15%) of the Fund Dedicated to Energy-Related Projects:	\$12,609,450
<i>minus</i>	Total Awards (8%) Made for Energy-Related Projects to Date (not including today):	\$6,737,815
=	<b>Fund Benefits Currently Available to be Awarded for Energy-Related Projects Only:</b>	<b>\$5,871,635</b>
Today's Recommendations		
<i>this</i>	Standard Projects:	\$87,000
<i>plus</i>	Energy-Related Projects or Project Components:	\$1,000,000
=	<b>2 Total Recommendations Before the WNYPPAB Today:</b>	<b>\$1,087,000</b>
Expansion Power ("EP") and Replacement Power ("RP") Summary		
<i>this</i>	Estimated Unallocated EP and RP to Date (MW):	42
<i>plus</i>	Estimated Allocated but Unused Hydropower to Date (MW) <sup>5</sup> :	200
=	<b>Total Estimated Unutilized EP and RP to Date (MW)<sup>6</sup>:</b>	<b>242</b>

<sup>1</sup> The "Fund", known as the "Western New York Economic Development Fund", is created and administered by the New York Power Authority ("NYPA"). It is funded with the aggregate excess of revenues ("Net Earnings") received by NYPA from the sale of Expansion Power ("EP") and Replacement Power ("RP") produced at NYPA's Niagara Power Project that is sold in the wholesale energy market over what revenues would have been received had such Power been sold on a firm basis to an eligible EP or RP customer.

<sup>2</sup> As defined by the Western New York Power Proceeds Allocation Act, a minimum of 15% of Fund Benefits shall be dedicated to "energy-related projects, programs and services". In accordance with EDL § 189-a(6), "energy-related projects, programs and services" means: (1) energy efficiency projects and services; (2) clean energy technology projects and services; (3) high performance and sustainable building programs and services; and (4) the construction, installation and/or operation of facilities or equipment done in connection with any such projects, programs or services.

<sup>3</sup> Funds awarded to applicants to the Fund who are recommended for an award by the WNYPPAB and approved by the NYPA Trustees are known as "Fund Benefits." Disbursement of Fund Benefits is subject to satisfaction of certain terms and conditions.

<sup>4</sup> Total Fund Benefits Available to Be Awarded is calculated as Total Funds Deposited minus the sum of Total Fund Benefits Awarded and Total Administrative Expenses Withdrawn.

<sup>5</sup> The NYPA Trustees may allocate EP or RP to eligible companies. Such customers may use the entire allocation, or such customers may "take down" only a portion of the allocation based on their needs at the time. EP and RP that is unallocated, or that is allocated but not taken down, is eligible to be used for WNYEDF "Net Earnings".

<sup>6</sup> Unutilized EP and RP consists of an estimate of both unallocated hydropower and allocated hydropower that has not been taken down by customers.

**WNYEDF Awards by County <sup>7</sup>**

WNYPPAB Recommendation (Multiple Items)

County	Company	WNYPPAB Approvals (\$)
<b>Erie</b>	425 Michigan Ave, LLC	\$500,000
	Coolture	\$210,000
	Eden Valley Growers	\$80,000
	Field & Fork Network	\$166,912
	Ford Motor Company	\$1,000,000
	Forest Lawn Heritage Foundation	\$150,000
	Innomotive Solutions Group LLC	\$150,000
	Launch NY	\$5,418,000
	Living Green Insulation Products and Services, LLC	\$40,946
	Michigan Street African American Heritage Corridor Commission,	\$250,000
	Nexus Natural Gas LLC	\$570,000
	OSC Manufacturing & Equipment Services, Inc.	\$562,500
	PLS III LLC dba We Care Transportation Services	\$1,000,000
	Visit Buffalo Niagara	\$250,000
	43North LLC	\$6,000,000
	Explore and More...A Childrens Museum	\$1,700,000
	Amos Zittel & Sons	\$380,000
	D'Youville College	\$400,000
	Martin House Restoration Corporation	\$700,000
	General Mills	\$500,000
	Buffalo Arts and Technology Center	\$418,768
	43 North LLC (II)	\$6,000,000
	43North LLC (II)	\$2,000,000
	CL New Co., Inc. dba Campus Labs	\$400,000
	Invest Buffalo Niagara	\$65,836
	PostProcess Technologies, LLC	\$90,000
	Triad Recycling and Energy Corp.	\$150,000
	Hauptman - Woodward Medical Research Institute	\$1,000,000
	River Road Research, Inc.	\$220,000
	Eastman Machine Company	\$170,000
	Hispanic Heritage Council of WNY, Inc.	\$300,000
	Launch New York, Inc.	\$250,000
	Buffalo Niagara Convention & Visitors Bureau, Inc.	\$120,000
	Top Seedz LLC	\$366,605
	Whiting Door Mfg. Corporation	\$595,000
	The Economic Development Group, Inc. dba Northland Workforce	\$1,174,600
<b>Erie Total</b>		<b>\$33,349,167</b>
<b>Genesee</b>	Yancy's Fancy, Inc.	\$500,000
	Plug Power	\$1,500,000
<b>Genesee Total</b>		<b>\$2,000,000</b>
<b>Niagara</b>	Aquarium of Niagara	\$1,750,000
	Diversified Manufacturing, Inc.	\$450,000
	Global Outreach Mission, Inc.	\$102,829
	Niagara University	\$285,000
	Washington Mills	\$140,000
	NFIA Stakeholders Group, Inc.	\$24,750
	The WNY Women's Foundation, Inc.	\$100,000
	Cambria Asphalt Products	\$72,750
	Borderworx Logistics, LLC	\$285,000
	Tulip Manufacturing	\$1,000,000
	Niagara University (II)	\$500,000
	NFIA Stakeholders Group, Inc. (II)	\$90,000
	Platters Chocolates	\$200,000
	Niagara Falls National Heritage Area	\$200,000
	Moog, Inc.	\$1,600,000
	Historic Palace, Inc.	\$142,000
	Carousel Society of the Niagara Frontier	\$30,000
	Ashdan Screw Machine Products, Inc.	\$12,500
	The Center for Kashmir, Inc.	\$225,000
<b>Niagara Total</b>		<b>\$7,209,829</b>
<b>Orleans</b>	Quorum Group LLC dba Takeform Architectural Graphics	\$150,000
<b>Orleans Total</b>		<b>\$150,000</b>
<b>Grand Total</b>		<b>\$42,708,996</b>

<sup>7</sup> The companies in this list are the applicants to the Fund whose proposed projects were recommended for an award of Fund Benefits by the WNYPPAB.

\*The "Energy Projects (\$)" amount represents the estimated portion of each award that the WNYPPAB considers to be an "energy-related project" as defined by the Western New York Power Proceeds Allocation Act and in accordance with EDL § 189-a(6) (see footnote 2 above for more detail).

**4. Awards of Fund Benefits from the Western New York Economic Development Fund – Round 33**

Ms. Angela Rossi, Manager of Business Power Allocations and Compliance, submitted the following report and resolution for consideration and adoption:

**Application for Fund Benefits from the Western New York Economic Development Fund**

**“SUMMARY**

The Western New York Power Proceeds Allocation Board (“Allocation Board” or “Board”) is requested to recommend to the Board of Trustees of the Power Authority of the State of New York (“NYPA” or “Authority”) that an award of Fund Benefits be made to Whiting Door Manufacturing Corporation (“Whiting”). The project and award amount being recommended is discussed in Exhibits “A” and “A-1”.

**BACKGROUND**

**1. Western New York Power Proceeds Allocation Act**

The Western New York Power Proceeds Allocation Act (the “Act”) was signed into law on March 30, 2012. The Act provides for the creation, by the Authority, of the Western New York Economic Development Fund (“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 NYPA’s 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, 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 western New York 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, or for proposed eligible expenditures to be incurred by the eligible applicant for an eligible project when NYPA has authorized advance disbursements.

At least 15% percent of the Fund is dedicated to eligible projects which are “energy-related



projects, programs and services,” which is defined as “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 based on moneys that have been deposited in the Fund. No award may encumber funds that have not been deposited in the Fund.

## 2. Western New York Power Proceeds Allocation Board

Under the Act, the Allocation Board is charged with soliciting applications for Fund Benefits, reviewing applications, making eligibility determinations, evaluating the merits of applications for Fund Benefits, and making recommendations to NYPA on Fund Benefit awards. The Allocation Board uses the criteria applicable to EP, RP and PP allocations, and for revitalization of industry, provided for in Public Authorities Law § 1005. Additionally, the Board 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.

At its meeting on March 4, 2013, the Board, in accordance with the Act, adopted by-laws, operating procedures, guidelines related to the application, and a form of application. A copy of the relevant criteria (collectively, “Program Criteria”), adapted from this Board’s “Procedures for the Review of Applications for Fund Benefits,” is attached as Exhibit “B” to this memorandum.

The Board also 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.”

## 3. Application Process

Initially, the Allocation Board established a series of application due dates coupled with a schedule of dates the Board expected to meet to consider applications. The program was initially 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, ESD and local and regional economic development organizations within the State. A webpage was created that is hosted on [WWW.NYPA.GOV/WNYPPAB](http://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. As the program is now well-known, a rolling application process is used and the Allocation Board meets regularly to consider applications for Fund Benefits.

## DISCUSSION AND RECOMMENDATIONS TO THE BOARD

In this 33<sup>rd</sup> round, the Allocation Board has before it two applications that have been made available to the Board for review. Staff analyzed the applications and is now making recommendations to the Board.

As detailed in Exhibit “A-1”, NACC seeks funds to support restoration and upgrade of its Legacy Theater, associated restrooms, and energy infrastructure. The theater is restricted from full use by aging features that do not comply with current codes. Proposed upgrades would address handicapped compliance and restoration of the historic, Neo-Classical interior details including wall and ceiling finishes, plaster details and original lighting and the HVAC system which does not include air purification



or ventilation systems. Other upgrades include improvements to the electrical and fire alarm systems to comply with applicable building codes. NYPA would access the component of the Fund reserved by statute for energy-related projects, programs and services to support costs associated with replacing the HVAC system. NACC would spend approximately \$8.5M on its project.

As detailed in Exhibit "A-2", Irish Welding seeks funds to replace a 3,000 ft. water line that is old and subject to significant vibration caused by nearby railroad traffic. Major leaks frequently occur, which require time consuming and costly repairs that are difficult to execute due to location and ownership constraints. This has prompted the local municipality to require the Applicant to install its own water line including a backflow, water pit and sprinkler system upgrades, and prepare to discontinue its use of the current water line. Irish Welding would spend approximately \$437K on its project and retain 83 full time positions at its four locations.

Based on a review of these applications and in consideration of relevant Program Criteria, Staff recommends that the Allocation Board recommend to the NYPA Trustees that the applicants receive an award of Fund Benefits in the amount indicated on Exhibits "A", "A-1" and "A-2".

To the extent the applications propose a project that must receive approval and/or comply with other legal requirements, such as the State Environmental Quality Review Act, before the project may proceed, Staff recommends that any affirmative recommendation by the Board for such a project not be forwarded to the NYPA Board of Trustees for action until after the Board receives appropriate notification that all such approvals and requirements have been satisfied, and that such recommendations be made subject to further consideration by the Board in the event that such approvals and/or legal requirements are not satisfied.

#### PROJECT STATUS

Under the Act, a recommendation for Fund Benefits by the Allocation Board is a prerequisite to an award of Fund Benefits by NYPA. Upon a showing of good cause, NYPA has discretion to adopt the Allocation Board's recommendations or to award Fund Benefits in different amounts or on different terms than recommended by the Board. In addition, the Authority is authorized to include in any contract providing for the implementation of an award ("Award Contract") any terms and conditions that NYPA deems appropriate.

Given the preliminary stage of the projects identified in the accompanying Exhibits, Staff is not able to recommend proposed definitive terms and conditions that should be included in any Board recommendation for an award. Accordingly, except as otherwise indicated, Exhibits "A-1" and "A-2" offer general considerations relating to disbursement of fund benefits for NYPA's consideration. It is anticipated that staff would negotiate final terms and conditions if an award is made after the receipt of more detailed information concerning the project.

#### RECOMMENDATION

Based on the foregoing discussion and information, Staff recommends that the Allocation Board recommend to the NYPA Board of Trustees that the applicants listed in Exhibits "A", "A-1" and "A-2" receive an award of Fund Benefits in the amounts recommended in the Exhibits for the projects proposed.

For the reasons stated, Staff recommends the adoption of the above-requested action by adoption of a resolution in the form of the attached draft resolution.

**Recommendation for Niagara Arts & Culture Center, Inc.**

*Ms. Rossi stated that the staff is recommending that the Power Proceeds Allocation Board recommend a Fund Benefit award of \$1,000,000 to Niagara Arts & Culture Center, Inc. to support the historic restoration and upgrade of its existing Legacy Theater. Currently, the theater is limited in its use due to aging and outdated features that do not meet current code requirements. The proposed upgrades to the building will address these issues and ensure that the theater is fully accessible and compliant with modern standards, including addressing the lack handicapped compliance and restoring the historic Neo-Classical interior details. Additionally, the HVAC system, which is 100 years old, will be upgraded to include air purification and ventilation systems. Other improvements will also be made to the electrical and fire alarm systems to meet NYS and international building codes.*

*The Niagara Arts & Culture Center, Inc., is a not-for-profit corporation that acquired the former Niagara Falls High School located on the corner of Portage and Pine Avenues in Niagara Falls in 2001. NACC provides arts and cultural education to the community, serves as a cultural tourist destination, offers affordable space for artists, and serves as a public gathering place for community events and groups. The building itself has a rich history, as it was completed in 1924 on the site of the original 1903 school building that burned down. In recognition of its historical significance, the building was added to the National Register of Historic Places in 2002. Currently, the 180,000 sq ft. space houses three theaters, two public and numerous private galleries, a radio station, and public classroom space. It is home to over 100 artists, including painters, sculptors, ceramicists, educators, woodworkers, photographers, theater companies, and dance companies.*

*This project encompasses the historic restoration and upgrade of the existing Legacy Theater and its support spaces at the Niagara Arts & Culture Center. The specific focus of this funding request is to design and construct state-of-the-art HVAC and electrical systems that prioritize creative design solutions, high efficiency, and clean energy. NACC expects to complete its restoration project by June 2026. The total cost of the project is \$8.5 million. If this project is approved for funding, the award will represent 12% of the total project cost. Although there are no job commitments with this funding track, the project will create a minimum of 15 temporary construction jobs and 8 permanent & part time positions upon completion.*

*Several other aspects of this project support a recommendation for a Fund Benefit Award:*

- 1. NACC improvements would further grow a cultural destination along Pine Avenue, attracting more tourists and residents, and through this stimulating economic growth, creating job opportunities, and further fostering a sense of place and community.*
- 2. The project is a component of a \$30M place-based tourism investment under the Regional Revitalization Partnership (ESD, local philanthropy, and the City of Niagara Falls). It also complements other RRP components, including a \$5M small business capital improvement program to help improve adjoining storefront businesses, as well as planned public infrastructure investments by the City of Niagara Falls.*
- 3. The Project was announced in the Fall of 2018 when fundraising began but was delayed due to the Covid Pandemic. Fundraising efforts continued; however, a funding gap remains that a Proceeds award would help address.*
- 4. Improves energy efficiency by updating old HVAC systems and supports adaptive reuse of a historic building.*
- 5. Supports tourism in Niagara Falls, NY: The Applicant's strategic plan calls for developing programming that will extend tourist stays.*
- 6. The prospectus titled "Developing Niagara Falls 2020: New Opportunities in a World-Renowned Waterfront City" refers to the City of Niagara Falls as poised to capture a greater share of*

*regional redevelopment activity. The Project leverages a natural wonder of the world to drive growth in hotel, retail, dining, and entertainment demand.*

*In closing, Ms. Rossi said that this project aligns well with the 2022 WNY REDC strategies and priorities that call for a renewed focus on tourism due to its large share of the regional economy and lingering negative impacts from the Pandemic.*

**On motion made by Member Deanna Brennen and seconded by Member Paul Brown, staff's recommendation to award \$1,000,000 to Niagara Arts and Cultural Center, Inc. was adopted**

### **Recommendation for Irish Welding**

*Ms. Rossi stated that Staff is recommending that the Power Proceeds Allocation Board recommend a Fund Benefit award of \$87,000 to Irish Welding to support the installation of a new water line for the Applicant's continued operation at its facility located at 1444 Clinton Street in East Buffalo. Currently, Irish Welding receives its water from a line owned by another company, which is over 3,000 feet in length, very old, and subjected to a great deal of vibration caused by the railroad. As a result, major leaks often occur, requiring time-consuming, costly, and difficult repairs due to location and ownership constraints. The City of Buffalo has now required Irish Welding to install its own water line, including backflow, water pit, and sprinkler system upgrades, and prepare for discontinued use of the existing water line. Failure to comply could potentially lead to the closure of the Clinton Street location. This would not only affect the 38 full-time employees at the Project Location but also the three employees at the Clinton Street location, 22 employees at the Katherine Street location, and 20 employees in Rochester, totaling 83 employees across all locations.*

*Irish Welding Supply Corp. is a fourth-generation, family-owned company that has been in operation since 1932. Over the years, the company has diversified its offerings, including industrial gases, welding supplies, propane, carbonated gas, and dry ice products. Also, Irish is one of the biggest suppliers of dry ice regionally.*

*Today, Irish Welding and its related entities, Irish Propane Corp. and Straight Up Beverage Corp., primarily distribute carbonic supplies and gases, soft drink syrup, and juice products in WNY. Irish Welding is a distributor of propane and related products, while Straight Up manufactures beverage syrups for restaurants and bars. The Irish Companies are registered by NY State as a certified Women's Business Enterprise (MWBE). The specific focus of this funding request is to reimburse the Applicant for a portion of the Excavation and Water Line Construction costs.*

*Irish Welding expects to complete its restoration project by April 2024, with a total project cost of \$436,790. If approved, the requested funding would represent 20% of the total project cost. Funding this project would not only enable Irish Welding to retain 83 full-time equivalents at the project and other locations over seven years but also prevent the closure of its primary location, which would subsequently force the closure of its three other locations.*

*Additionally, funding supports a company located in East Buffalo, near NFTA bus routes, that hires underemployed and unemployed individuals. Irish Welding is authorized by the DOT and provides CDL and service technician training to entry-level employees.*

*In closing, Ms. Rossi said that the project aligns well with WNY REDC strategies and priorities as it expands workforce development in target sectors and for underrepresented populations.*

***On motion made by Member Dennis Elsenbeck and seconded by Member Paul Brown, staff's recommendation to award \$87,000 to Irish Wedding was adopted***

NOW THEREFORE BE IT RESOLVED, That the Western New York Power Proceeds Allocation Board ("Board") hereby recommends that the Power Authority of the State of New York ("NYPA") make an award of Fund Benefits to the applicants recommended in the foregoing report, for the reasons set forth in the therein and any attachments thereto; provided that (i) if an application proposes a project that must receive approvals and/or comply with other legal requirements, such as the State Environmental Quality Review Act, before it may proceed, the recommendation for such application shall not be forwarded to NYPA until Staff, on behalf of the Board, receives appropriate notification that such legal approvals and/or requirements which are necessary for the project(s) to proceed have been satisfied, and (ii) such recommendations shall be subject to further Board review in the event that such approvals and/or legal requirements are not satisfied; and be it further

RESOLVED, That Staff is authorized on behalf of the Board to transmit the Board's decision and recommendations to NYPA subject to the qualification stated above regarding legal approvals and/or requirements, and to do any and all things and take any and all actions to effectuate the Board's decision and the foregoing resolution.

5. **Adoption of the Proposed 2024 Meeting Schedule**

Upon motion made by member McDuffie and seconded by member Elsenbeck, the proposed 2024 meeting schedule were adopted.

6. **Next meeting and Adjournment**

The next meeting of the Western New York Power Proceeds Allocation Board is scheduled to be on Thursday, April 11, 2024.

Upon motion made by member McDuffie and seconded by member Elsenbeck the meeting was adjourned at approximately 3:19p.m.

*Karen Delince*

Karen Delince  
Corporate Secretary

Exhibit "A"  
2/13/2024

Applications for Proceeds and Fund Recommendations

Line	Business	City	County	Economic Development Region	Project Description	Project Type	Recommended Award Amount	Total Project Cost	Jobs Retained	Jobs Created
1	Niagara Arts and Cultural Center, Inc.	Niagara Falls	Niagara	Western NY	Facility Upgrades	Tourism	\$1,000,000	\$8,500,000	-	-
2	Irish Welding Supply Corporation	Buffalo	Erie	Western NY	Waterline and related infrastructure upgrades	Business Investment	\$87,000	\$436,790	83	0
<b>Total:</b>							<b>\$1,087,000</b>	<b>\$8,936,790</b>	<b>83</b>	<b>-</b>

**Total Jobs Created & Retained: 83**



KATHY HOCHUL  
Governor

## Western NY Power Proceeds Allocation Board

ANTHONY J. COLUCCI III  
Chairman

### Western New York Economic Development Fund Recommendation Memo

#### EXHIBIT A-1

Applicant Name:	Niagara Arts & Cultural Center, Inc. ("NACC")	REDC Region:	Western New York
Project Type:	Tourism	County:	Niagara
Industry:	Not for Profit	Locality:	Niagara Falls
Amount Requested:	\$1,000,000	Start Date:	April 30 2024
		Finish Date:	June 1 2026
<b>RECOMMENDED OFFER</b>			
Recommended Total Award:		\$1,000,000	
Total Project Cost:		\$8,500,000	
% of Project Cost Recommended:		12%	
<b>PROJECT BUDGET (Proposed by Applicant)</b>			
<b>Use of funds</b>	<b>Amount</b>	<b>Source of Funds</b>	<b>Amount</b>
1. HVAC, Plumb., Elect., Fire, ADA	\$4,583,200	WNY EDF	
2. Plaster, Drywall Ceiling, Flooring	\$1,621,300	\$1,000,000	
3. Design, Dev., Architect	\$846,200	ESD Grant	
4. Asbestos Removal, Air Mon.	\$489,400	\$4,000,000	
5. Lights, Rigging, Signs, Fixtures	\$475,200	Charitable Donations	
6. Demolition	\$262,600	\$2,574,000	
7. Wages, Feasibility	\$222,100	NYS Council on the Arts	
		\$500,000	
		National Grid	
		\$426,000	
<b>Total:</b>		<b>Total:</b>	
<b>\$8,500,000</b>		<b>\$8,500,000</b>	
<b>REGIONAL IMPACT MEASUREMENTS</b>			
Job Commitments:		The Funding Track under which the application was submitted does not require job-related commitments.	
Average Salary of Jobs:		N/A	
Indirect Jobs Created:		N/A	
Other Impact:			

<b>PROJECT DESCRIPTION (Adapted from Application)</b>			
<p>Identified as a core asset in the 2008 Comprehensive Plan for City of Niagara Falls, the Niagara Falls Arts and Cultural Center (“NACC”) serves as a community anchor, the gateway to Little Italy and the Pine Ave. commercial district, and is located near other important historical and cultural amenities.</p> <p>The NACC is a not-for-profit corporation that seeks funds to support restoration and upgrade of its Legacy Theater, associated restrooms, and energy infrastructure. The theater is restricted from full use by aging and outdated features that do not comply with current codes. Upgrades proposed by the project would address handicapped compliance and restoration of the historic, Neo-Classical interior details including wall and ceiling finishes, plaster details, original lighting and the HVAC system, which is 100 years old and does not include air purification or ventilation systems. Other upgrades include improvements to electrical, and fire alarm systems to meet New York state and international building codes.</p> <p>Full restoration of the theater would significantly increase capacity, enhance ability to stage a broader array of events, and allow the Applicant to meet modern safety, performance, energy efficiency, and accessibility standards. It would significantly grow the Applicant's position as an anchor for cultural tourism in Niagara Falls, expand job opportunities, and enhance the Applicant’s ability to serve as a hub for community engagement.</p>			
<b>OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED</b>			
n/a			\$
			\$
<b>PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED</b>			
<b>TYPE</b>	<b>AMOUNT</b>	<b>STATUS</b>	



**BASIS FOR RECOMMENDATION**

The Project was announced in the Fall of 2018 when fundraising began but was delayed due to the Covid Pandemic. Fundraising efforts continued; however, a funding gap remains that a Proceeds award would help address. The Project would:

- improve energy efficiency by updating old HVAC systems;
- support adaptive reuse of an historic building; and
- support tourism in Niagara Falls, NY:
  - The Applicant’s strategic plan calls for developing programming that will extend tourist stays. This Project would help ensure that tourists will visit a facility that meets expectations for high-quality theater performances and entertainment.
  - The prospectus titled “Developing Niagara Falls 2020: New Opportunities in a World-Renowned Waterfront City”, refers to the City of Niagara Falls as poised to capture a greater share of regional redevelopment activity. The Project leverages a natural wonder of the world to drive growth in hotel, retail, dining, and entertainment demand.
- The NACC is in Census tract 209 where 49% of the population lives in poverty, partners with workforce training agencies such as the Dept of Social Services, A4TD, Summer Youth, and serves as a community hub at a major intersection of the city where it is served by NFTA metro buses, tourism trolleys, and rent-a-bike stations.
- The Project aligns well with the 2022 WNY REDC strategies and priorities that call for a renewed focus on tourism due to its large share of the regional economy and lingering negative impacts from the Pandemic.

**ANTICIPATED DISBURSEMENT TERMS**

Fund Benefits would be used to reimburse the Applicant for a portion of HVAC, electrical and plumbing costs associated with the Project. It is anticipated that: (1) funds would be disbursed in arrears upon completion of the project; and (2) reimbursement would be made upon presentation to NYPA of invoices and such other documentation acceptable to NYPA such as verification that the Applicant has incurred eligible expenses of approximately \$8.5M; and (3) other terms and conditions that will be specified in the Fund Benefits Agreement.



KATHY HOCHUL  
Governor

## Western NY Power Proceeds Allocation Board

ANTHONY J. COLUCCI III  
Chairman

### Western New York Economic Development Fund Recommendation Memo

EXHIBIT A-2

#### ANTICIPATED DISBURSEMENT TERMS

Fund Benefits would be used to reimburse the Applicant for items 2 – 6 appearing in the Use of Funds section. It is anticipated that items 3 – 6 will be incurred to prepare for the program's commencement and items 1 and 2 will be incurred over the program's 10-year duration. Reimbursement for most expenses would be made in arrears upon presentation to NYPA of invoices and other documentation deemed acceptable to NYPA such as verification that the Applicant has incurred eligible expenses of approximately \$806K in year 1 and \$391K annually in years 2 through 10 (\$3.5M total) for a total project cost of approximately \$4.3M. Financial support for other expenses would likely be made in a different manner that would be worked out with the Applicant.

Applicant Name:	Irish Welding Supply Corporation (“Irish Welding”)	REDC Region:	Western New York
Project Type:	Business Investment	County:	Erie
Industry:	Manufacturing	Locality:	Buffalo
Amount Requested:	\$87,000	Start Date:	April 1 2024
		Finish Date:	April 30 2024
RECOMMENDED OFFER			
Recommended Total Award:		\$87,000	
Total Project Cost:		\$436,790	
% of Project Cost Recommended:		20%	
PROJECT BUDGET (Proposed by Applicant)			
Use of funds		Amount	Source of Funds
Excavation & Water Line Constr. \$397,526 Sprinkler Syst., Paving, Plumbing \$30,264 Fees \$9,000		WNY EDF \$87,000 Bank Loan \$250,000 Equity \$99,790	
Total: \$436,790		Total: \$436,790	

REGIONAL IMPACT MEASUREMENTS			
Job Commitments:		Applicant will retain 83 full time equivalents (“FTE”) at the project and other locations over seven years.	
Average Salary of Jobs:		\$54,000	
Indirect Jobs Created:		N/A	
Other Impact:			
PROJECT DESCRIPTION (Adapted from Application)			
<p>Irish Welding Supply Corp. (“Irish”) is a fourth generation, family-owned company that distributes carbonic supplies and gases, and soft drink syrup and juice products, primarily in Western New York.</p> <p>Irish is located in East Buffalo where it receives its water from a line that is owned by third party. The line is over 3,000 feet in length, very old and subjected to a great deal of vibration caused by railroad traffic. This causes major leaks often, which requires time consuming and costly repairs that are difficult to execute due to location, length, and ownership constraints. This has prompted the local municipality to require the Applicant to install its own water line, including a backflow, water pit and sprinkler system upgrades and to take steps to cease using the current water line.</p> <p>The Applicant has 38 full time employees at the Project Location, three at its Clinton Street location, 22 at its Katherine Street location and 20 full time employees in Rochester for a total of 83. Employment at all locations is in jeopardy if the project location closes.</p>			
OTHER ECONOMIC DEVELOPMENT BENEFITS RECEIVED			
PREVIOUS STATE ASSISTANCE OFFERED OR PROVIDED			
TYPE	AMOUNT	STATUS	
BASIS FOR RECOMMENDATION			
<ul style="list-style-type: none"> <li>Project costs exceed the Applicant’s ability to borrow funds, causing a funding gap.</li> <li>Helps the Applicant avoid closing its primary location, which would force closure of its three other locations.</li> <li>Retains 83 full time positions located in WNY and Rochester.</li> <li>Reduces wasted water and ends expensive and frequent repairs by eliminating reliance on an aging waterline.</li> <li>Supports a business that is primarily located in East Buffalo and near NFTA bus routes; hires underemployed, unemployed people; and is a DOT-authorized provider of CDL and service technician training to entry level employees.</li> </ul>			
<ul style="list-style-type: none"> <li>Aligns well with WNY REDC strategies and priorities as it expands workforce development in target sectors and for underrepresented populations.</li> </ul>			

<b>ANTICIPATED DISBURSEMENT TERMS</b>
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Fund Benefits would be used to reimburse the Applicant for a portion of the Excavation and Water Line Construction costs. It is anticipated that: (1) funds would be disbursed in arrears upon completion of the project; and (2) reimbursement would be made upon presentation to NYPA of invoices and such other documentation acceptable to NYPA such as verification that the Applicant has incurred eligible expenses of approximately \$437K; and (3) other terms and conditions such as annual commitments that will be specified in the Fund Benefits Agreement.
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## Western NY Power Proceeds Allocation Board

KATHY HOCHUL  
Governor

ANTHONY J. COLUCCI III  
Chairman

### Exhibit B

#### Criteria adapted from the Western NY Power Proceeds Allocation Board's "Procedures for the Review of Applications for Fund Benefits"

1. The extent to which an award of Fund Benefits would be consistent with the strategies and priorities of the Regional Economic Development Council ("REDC") having responsibility for the region in which an Eligible Project is located.<sup>1</sup> The Western New York Regional Economic Development Council which is responsible for Eligible Projects in Erie and Niagara Counties Strategies & Priorities are:
  - Promote "Smart Growth" by investing in areas that infrastructure already exists and achieves certain goals, such as: preserving historic buildings; reviving downtowns; reviving main streets; investing in existing neighborhoods; and investing in former industrial sites. A project consistent with Smart Growth will also focus on: enhancing walkability; enhancing multiple modes of transportation; connecting disadvantaged communities to employment clusters; spurring mixed-use private investment in existing communities and preserving/enhancing natural lands and or resources.
  - Promote workforce development by increasing diversity in the labor force, developing and cultivating that includes workers with advancement potential, underemployed, unemployed and special population; align education and skills training to job market for current and future industry needs.
  - Foster entrepreneurship and new business formation and growth. Designing a plan that brings new technologies and/or products to the marketplace, increases new startups in strategic industries and facilitates the commercialization of products that can lead to job growth in the Region.
  - Increase the industry profile of agriculture in WNY by: creating better access to markets; creating new products; creating new more efficient processes; creating strong regional brands; creating programs that promote careers in agriculture.
  - Utilize Western New York's proximity to Canadian and U.S. population centers to advance economic development in WNY. Bi-national projects will: utilize cross-border planning to create transportation and logistical infrastructure; improve operational relationships; promote the attractiveness of WNY as a hub for global trade.
  - Position the WNY region as a global energy hub through new sources of clean energy, energy efficiency and energy efficient transportation.
  - Support growth of advanced manufacturing by making research more available to manufacturers to help them innovate.
  - Spur growth in the health and life sciences industry through improved commercialization, recruit high profile research talent and reducing the cost burden of healthcare while improving health outcomes.

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

- Expand the scope of higher education by increasing accessibility to Higher Education for communities that currently have limited access to educational opportunities; better aligning education with the industry needs and creating support structures for start-ups which will assist start-ups with commercialization, business planning, workforce preparation, facilities, etc.
- Grow visitors and visitor spending by raising the profile of WNY as a national and international destination; connect multiple tourist destinations in WNY; improve the profile of the WNY Gateway to the United States.

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

2. The extent to which an award of Fund Benefits would be consistent with the strategies and priorities of the Regional Economic Development Council ("REDC") having responsibility for the region in which an Eligible Project is located.<sup>2</sup> The Finger Lakes Regional Economic Development Council which is responsible for Eligible Projects in Orleans and Genesee Counties Strategies & Priorities can be found at: <http://regionalcouncils.ny.gov/content/finger-lakes>.
3. The number of jobs that would be created as a result of an award of Fund Benefits.
4. The applicant's long term commitment to the region as evidenced the current and/or planned capital investment in applicant's facilities in the region.
5. The ratio of the number of jobs to be created to the amount of Fund Benefits requested.
6. The types of jobs that would be created, as measured by wage and benefit levels, security and stability of employment.
7. The amount of capital investment, including the type and cost of buildings, equipment and facilities, proposed to be constructed, enlarged or installed.
8. The extent to which an award of Fund Benefits would affect the overall productivity or competitiveness of the applicant and its existing employment.
9. The extent to which an award of Fund Benefits may result in a competitive disadvantage for other business in the State.
10. The growth potential of the applicant's facilities and the contribution of economic strength to the area in which the applicant's facilities are or would be located.
11. The extent of the applicant's willingness to satisfy affirmative action goals.
12. The extent to which an award of Fund Benefits is consistent with state, regional and local economic development strategies and priorities and supported by local units of government in the area in which the business is located.
13. The impact of an award of Fund Benefits on the operation of any other facilities of the applicant, and on other businesses within the region.
14. That the business is likely to close, partially close or relocate resulting in the loss of a substantial number of jobs.
15. That the applicant is an important employer in the community and efforts to revitalize the business are in long-term interests of both employers and the community.
16. That a reasonable prospect exists that the proposed award of Fund Benefits will enable the applicant to remain competitive and become profitable and preserve jobs for a substantial period of time.

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