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Power Proceeds Allocation Board Recommends \$400,000 in Funding for Unique Manufacturing and Tourism Efforts in WNY

The Western New York Power Proceeds Allocation Board (WNYPPAB) voted today to recommend \$400,000 in funding to Niagara Falls National Heritage Area, Inc. (NFNHA) trolley service and Roger L. Urban, Inc. dba Platters Chocolates relocation and expansion. The WNYPPAB recommendations capitalize on the tourism and workforce strategies laid out in the Western New York Regional Economic Development Council strategic plan and the Buffalo Billion Investment Development Plan. WNYPPAB's recommendations are expected to be considered by the New York Power Authority Board of Trustees at a future date.

"The funding award recommendations by the Western New York Power Proceeds Allocation Board support two projects that will add new jobs at an expanding chocolate production facility and provide a shuttle service for Niagara Falls visitors," said Western New York Power Proceeds Allocation Board Chairman Anthony J. Colucci III. "The Platters expansion gives the chocolate manufacturer the ability to make its product year round, even in the warmest months, while providing tasting tours for visitors. The shuttle encourages visitors to extend their stay by making it easy for them to get to nearby tourism sites in the Niagara Falls area."

Details of the latest projects recommended by the Allocation Board are discussed below:

Niagara Falls National Heritage Area, Inc. Trolley Service

Recommended Award Amount: \$200,000

NFNHA is operating a trolley/bus service as a two year pilot project to provide "hop-on, hop-off" transportation to historic/heritage/tourism destinations located between the Niagara Falls State Park and Youngstown, NY in order to extend visitor stays, increase economic impact for businesses and communities by encouraging tourism spending, provide additional amenities to encourage return visitation, collect visitor data to advance tourism initiatives in WNY and cultivate a culture of strategic planning within the tourism industry and research the development of more routes.

The objective of the NFNHA is to enhance public appreciation for the significant historic and natural resources and landscapes offered by the Niagara region. It looks to make interpretive, environmental, economic and social improvements that benefit residents and visitors alike. In pursuing its mission, the NFNHA encourages historic preservation, recreational access and environmental recovery.

Approximately 8 million people visit the Niagara Falls State Park annually. However, research has shown that many rarely venture beyond the Park's perimeter and it is believed this is primarily due to transportation constraints. The trolley provides an opportunity for passengers to disembark to further explore locations of interest secure in the knowledge that shuttles will reliably arrive at twenty-minute intervals to provide return transportation. The project would also contribute to cutting carbon emissions by reducing motor vehicle traffic and providing bike racks to allow cyclists to explore stop-over areas within the tour route.

Platters Chocolates Relocation and Expansion

Recommended Award Amount: \$200,000.

Since, 2013 Platters has grown revenue to over \$1 million dollars. Platters has reached capacity at its current 17,000 sq. ft. location (954 Oliver Street in North Tonawanda) and plans to relocate into a 23,000 sq. ft. facility in the historic Wurlitzer building where it will incorporate into its business a unique tourism destination to attract a portion of the annual Niagara Falls visitors. Guests will be offered a plant tour featuring Platters staff making sponge candy and other confections using traditional methods. The Wurlitzer building is the site where Wurlitzer Organs and Jukeboxes were once produced, which will add to the attractiveness of the project as a tourist destination.

A key aspect of the expansion will be to incorporate climate control equipment to expand the candy-making season. At present, Platters cannot make its chocolate lines in the summer due to the humidity. The project will allow the company to expand chocolate production while accommodating tours thereby requiring the addition of 35 new jobs over the next four years.

Due to Platters' aggressive expansion, an award of fund benefits to support the purchase of machinery and equipment appears necessary in order for project completion to be fulfilled.

The latest recommendations for proceeds awards stem from legislation signed into law by Governor Cuomo, known as the Western New York Power Proceeds Allocation Act. The legislation authorizes net earnings from the sale of unused hydropower from the NYPA's Niagara Hydroelectric Power Plant to be deposited into the Western New York Economic Development Fund (Fund) to support economic development in Western New York. The Fund has accrued approximately \$41 million to date. Approximately \$32 million from that amount has been approved for awards by the NYPA Trustees on the basis of earlier recommendations by the proceeds Allocation Board. These earnings are designated to spur capital investments and job growth.

The Western New York Power Proceeds Allocation Board reviewed these and other applications for fund proceeds in accordance with requirements of the act. For example, eligible projects must be located within a 30-mile radius of NYPA's Niagara Power Project. The Allocation Board also considers the extent to which an award would be consistent with the strategies and priorities of the area New York regional economic development council. Contracts with awardees will include provisions for periodic audits to ensure that the funds are utilized for agreed-upon purposes. Some projects are subject to legal requirements that must be satisfied before an award of Fund proceeds can be made.

The power proceeds board is comprised of the following members, appointed by Governor Cuomo: Chairman Anthony Colucci III, managing attorney of the law firm of Colucci & Gallaher in Buffalo; Deanna Alterio Brennan, president of the Niagara USA Chamber of Commerce; Brenda Williams McDuffie, president of the Buffalo Urban League; Dennis W. Elsenbeck,

regional executive of National Grid Western Division; and Henry F. Wojtaszek, President and CEO of Off Track Betting of Western New York.

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