# Guide to

# Advanced Business Services

In Buffalo Niagara





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Come grow your business with us.

257 West Genesee Street, Suite 600, Buffalo, NY 14202 BUFFALONIAGARA.ORG

# Letter from Tom

Nearly 15 years ago, GEICO made the decision to invest in the future of Buffalo Niagara. Our organization, Invest Buffalo Niagara, supported the company with project management services and connections throughout the region. Since expanding, the company has hired over 3,000 workers.

Six years ago, Sentient Science a materials informatics software development company servicing the energy and defense industries, came to the same conclusion. The company moved into the Butler Mansion in downtown Buffalo, hired over 35 employees, attracted top talent in technology design and development from across the country, leveraged the University at Buffalo supercomputer, and raised \$22.5 million in Series B funding.

The business case made to GEICO and Sentient Science still holds true today. And it's one we've made to over 60 companies in advanced business services that have expanded or relocated their business to Buffalo Niagara.

Buffalo Niagara's access to talent, educational pipeline, affordable real estate options, and easily accessible location combine to make a compelling case to any professional services operation looking to expand or relocate.

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# **#1 Best City**

### FOR A FRESH START

- Lending Tree, 2018

### BUFFALO RANKED A TOP 10 CITY FOR Career Opportunity - Smartasset, September 2015



# **WORKFORCE STRENGTHS**





GROWTH IN MILLENNIAL POPULATION OVER THE LAST 5 YEARS (NATIONAL AVG.= 5.4%)

### COLLEGES AND UNIVERSITIES PRODUCING NEARLY 25,000 GRADS ANNUALLY

### **Strong Educational Pipeline**



47 colleges and universities are located within 100 miles of downtown, significantly expanding the region's labor draw.

### Buffalo Niagara, More for Your Money

COST OF LIVING				
LOCATION		COST OF LIVING INDEX		
Buffalo-Niagara Falls, NY	\$\$\$\$\$\$\$\$	94.2		
Philadelphia, PA	\$\$\$\$\$\$\$\$\$	113.9		
Miami, FL	\$\$\$\$\$\$\$\$\$\$	115.2		
Chicago, IL	<b>\$\$\$\$\$\$\$\$\$\$</b>	124.1		
Source: C2ER COLI 2018 Q1	\$ = 10 index points			

### AVERAGE COMMUTE TIME: 21.7 MINUTES



4.3 minutes faster than the national average Source: U.S. Census Bureau, 2016

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Access to 6,200+ software developers within 60 miles (U.S. only).



**Turnover rates 15% less** than other comparable metro regions



Access to bilingual employees and employees with a lack of regional accent

Buffalo Niagara Rates High Among These Top 4 Specialized Skills and Knowledge





Significant **labor cost savings**. Median salary for software developer **23% less** than national average.



**Eastern Standard Time** 

increases access to a large portion of the world's customers, including South American, Europe, Africa, and Australia during normal business hours Buffalo Niagara is projected to see a 6.6% growth rate in software

developers over the next 5 years.

66 Our company has about 500 employees in Buffalo, and about 5,000 across upstate New York. It's an educated, and dedicated talent pool that's committed to the region...they have roots here. There has been a significant investment and focus on high school graduation rates as well as workforce development. That distinguishes us from boom/bust cities whose workforce is comprised of transplants who will easily relocate for the next opportunity.
99 - Art Wingerter, President, Univera Healthcare

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### EASILY ACCESSIBLE

100 daily flights with non-stop service to 22 cities and 26 airports. Average one-way fare is only \$183.



Source: U.S. Department of	Transportation – Bureau of	f Transportation Statistics – 2015
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DIRECT FLIGHT TIMES FROM BUFFALO					
Boston, MA	1 hour 20 minutes	Atlanta, GA	2 hours 10 minutes		
New York, NY	1 hour 30 minutes	Minneapolis, MN	2 hours 15 minutes		
Washington, DC	1 hour 30 minutes	Phoenix, AZ	4 hours 45 minutes		
Chicago, IL	1 hour 50 minutes	Las Vegas, NV	4 hours 50 minutes		

# SUPPORT GROUPS

Another strength of Buffalo Niagara's talent pipeline is the IT support groups from which companies can recruit. The region has a passionate and supportive workforce. Below is a short list of support organizations throughout Buffalo Niagara, their membership on meetup.com, and an excerpt of their self-stated mission.

### Python Buffalo

• 536 members

This group is for bringing together people in Buffalo who are interested in everything Python. Whether you are a beginner or expert please join for meetings and presentations about new and old Python techniques and technologies.

### Startup Tech Unleashed

• 794 members

StartupTech Unleashed Inc was created by the need for new and existing business startups to help foster growth and nurture ideas from the conception stage to global domination. We will be focusing on startups, technology & social innovation.

### Buffalo Game Space

• 726 members

The Game Space aspires to create a place where artists, musicians, coders, and designers can freely collaborate and create games of all types.

### Buffalo JS (javascript)

577 members

JavaScript Manifest Destiny: "Whatever program can be written in JavaScript eventually WILL be written in JavaScript." - Isaac Schlueter

### Inclusive Tech Buffalo

330 members

We are a group of individuals looking to meet, educate, and learn from others in the Buffalo tech community. We focus on providing a safe space for women and underrepresented groups; however, anyone else interested in what we do is also welcome.

### Full Stack Buffalo

336 members

We are a group of developers from several different communities. Our meetups are not necessarily language or tech stack specific. Whether you are a backend, frontend or full stack developer, engineer, or specialize in another area of web development, join us.

### Buffalo AI (Artificial Intelligence)

• 409 members

Discussion of all kinds of cool technologies revolving around Al such as Siri, Alexa, Google Home, etc. and the algorithms surrounding them.

### One of the most powerful university-based supercomputers in the country

University at Buffalo Center for Computational Research (CCR) provides UB researchers and affiliated partners, including industry, with access to high performing computing and visualization resources for software development, computational science, advanced database engineering, big data analytics, and other data driven sciences.

- Housed in a 4,000 sq ft machine room
- More than 170Tflops of peak performance capacity
- Industrial cluster alone consists of 216 HP SL230 Gen8 servers
- Visualization laboratory featuring a tiled display wall and a VisDuo 3D projection



# **INCENTIVE HIGHLIGHTS**

Buffalo Niagara is perfectly suited for your expansion or relocation. Available talented labor, unparalleled market access, and a proven track-record of success make your decision easy. Come grow your business with us.

### **Excelsior Jobs Program**

The Excelsior Jobs Program provides job creation and investment incentives to firms in targeted industries like insurance. Firms that create and maintain new jobs or make significant financial investment are eligible to apply for up to four, fully refundable tax credits. Businesses claim the credits over a 10 year period.

### Potential Benefit

- The Excelsior Jobs Tax Credit: A credit of 6.85% of wages per new job to cover a portion of the associated payroll cost.
- The Excelsior Investment Tax Credit: Valued at 2% of qualified investments.
- The Excelsior Real Property Tax Credit: Available to firms locating in certain distressed areas and to firms in targeted industries that meet higher employment and investment thresholds (Regionally Significant Project).

Program participation and the amount of credits authorized is at the discretion of the Commissioner of Economic Development.

### Eligibility Criteria

- A substantial commitment to growth either in employment or through investing significant capital in a New York facility.
- The Job Growth Track comprises 75% of the program.
- 25% is set aside for the Investment Track firms who have at least 50 employees and make significant new capital investments in a New York facility and which meet a benefit-cost threshold of at least \$10 of investment and new wages for every \$1 of tax credit.

As detailed in the charts below, every firm approved for participation in the program is eligible to apply for the Jobs Tax Credit, the Investment Tax Credit, and the R&D Tax Credit. Only certain categories of firms are eligible to also apply for the Real Property Tax Credit.

Job Growth Track / Minimum Eligibility Criteria

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**Minimum Jobs** 25

**Regionally Significant Project Minimum Jobs & Investments** 

**100** JOBS | **\$3** MILLION

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Minimum Benefit Cost Ratio = 10:1 • Total investment, wages and benefits / Excelsior Jobs program Tax Credits







### **START-UP NY**

Governor Cuomo's groundbreaking initiative, is transforming communities across the state into tax-free sites for new and expanding businesses through affiliations with public and private universities, colleges and community colleges. Businesses can operate 100% NYS tax-free for 10 years. No income tax, business, corporate, state or local taxes, sales and property taxes, or franchise fees on or near academic campuses. In addition, businesses may qualify for additional incentives.

#### Potential Benefit

- Approved companies are state-tax free for 10 years (e.g. business/corporate taxes, sales taxes and property taxes)
- Employees in participating companies are state income tax exempt for 5 years (up to 10,000 employees)
- For the second 5 years, employees are state tax exempt on income up to: (up to 10,000 employees)
  - \$200,000 for individuals
  - \$250,000 for head of households
  - \$300,000 for joint returns

#### Eligibility Criteria

To be eligible for the START-UP NY program, a company must either be a startup, new to NYS, a graduate of a certified incubator, or an NYS-company that can clearly demonstrate that it is expanding with net-new job creation. The company must apply directly to the particular sponsoring college or university with which it plans to partner. The company must align with the academic mission of the sponsoring college or university. Each participating academic institution has created a campus plan, designating particular buildings and land as tax-free zones. Eligible properties are on campus, near campus, or may also be controlled by a nonprofit entity (e.g. Industrial Development Agency) affiliated with the school.

#### General Info

An eligible company should begin by thinking about how it would potentially affiliate with a college or university. There are countless ways a company can establish their alignment with the academic mission of their sponsor, such as:

- Jointly submit research and development grant applications.
- Develop a new curriculum to create a steady stream of job candidates with exactly the right skill set(s).
- Develop an internship program or other experiential learning opportunities for students

Each participating school has submitted a plan that outlines the specific industries it is targeting for this program.

### Incentives



### Work Opportunity Tax Credit (WOTC)

Employers that do business in New York State can trim their labor costs through employment based tax credits that may save your business money by cutting federal tax liability.

### Potential Benefit

The Work Opportunity Tax Credit (WOTC) offers employers up to \$2,400 in federal tax savings for hiring low-income individuals with barriers to employment. Qualified individuals must complete at least 120 hours of work to qualify for the partial WOTC of \$1,500 and over 400 hours for the full \$2,400 credit.

### Eligibility Criteria

To qualify employers for the credit, individuals must be verified as members of a targeted group. The groups include:

- People who receive Temporary Assistance for Needy Families (TANF)
- Veterans who: Receive Supplemental Nutrition Assistance Program (SNAP) benefits or have a service related disability
- Ex-felons
- People (age 18-39) who live in a federal empowerment zone or rural county
- Disabled persons receiving rehabilitation services
- Youth (age 16-17) who live in a federal empowerment zone (summer employment only)
- People (age 18-39) who received Supplemental Nutrition Assistance Program (SNAP) benefits
- People who receive Supplemental Security Income (SSI)
- People who receive Long-Term Family Assistance

### buffaloniagara.org/incentives

# **REAL ESTATE OPTIONS**

Buffalo Niagara's office market is affordable and stable across the urban and suburban landscapes of the region. Averaging \$19.60/sq. ft., the office market provides significant savings over other major metro areas and the 13% vacancy rate is on par with the Nation.

### 1275 Delaware Ave, Buffalo

Located one block from Gates Circle, an established neighborhood, where the former Millard Fillmore Gates Hospital is in transformation to a vibrant mixed residential and commercial use building. Within one mile of the Buffalo Niagara Medical Center, Buffalo State College, and Canisius College. Adjacent to Linwood Avenue bike path to downtown Buffalo.



Ground Floor 6,575 sq. ft.

**3rd Floor** 6,900 sq. ft.

### **One Seneca Tower, Buffalo**

5th Floor 6,900 sq. ft.

Class A office space with stunning views of downtown Buffalo and the lakefront in Buffalo's tallest building, acting as the anchor to the Central Business District. Plentiful parking in attached ramp, easy access to public transportation, regional and interstate highways, and an international border crossing at the Peace Bridge. The 38-story tower is in final stages of mixed use re-development featuring office space, residential apartments, and retail on the 3.5-acre plaza.



Office Space 600,000 sq. ft. Open floor plans 22,000 sq. ft. Multiple connected floors with private stairwell access

15 passenger elevators Four-level parking ramp & underground parking garage Multiple spaces to host business functions and events

#### **Real Estate Options**

### **DiG at Innovation Center**

DiG design innovation garage) is the region's largest venue for coworking, providing shared, affordable work space.

innovationcenterbuffalo.org/spaces/coworking/

### **Larkin Center of Commerce Incubator**

The Larkin Center's incubator spaces allow your new business to be surrounded by experts in their fields, as well as like-minded business and creative professionals.

www.larkincenter.com/incubator



SPACE AVAILABLE

### **105 CrossPoint Parkway, Amherst**

Prime location in one of the premier commercial environments of Western New York. CrossPoint Parkway is home to GEICO and Citicorp North America, among others. The site boasts abundant parking just minutes from I-990 expressway, 15 minutes from the Buffalo Niagara International Airport, and 20 minutes from downtown Buffalo.



Suite 110 Floor Area 20,116 sq. ft.

 A small company like ours, instead of growing in a garage in California, gets to grow in a mansion in Buffalo.

- President & CEO Ward Thomas, Sentient Science

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# **HUMAN RESOURCE TIPS**

### How do you know you've found the right job candidate?

Companies with just about any kind of job opening can comb through hundreds or more applications or resumes, conduct phone interviews with dozens of candidates, bring in several of them for an in-person chat, and still have a hard time choosing between a few of them. With that in mind, it might be wise to revisit the properties that will make "the right candidate" stand out the most, even within a group of highly qualified individuals.

### 1. Informed Candidate:

According to a recent survey from Glassdoor, nearly 9 in 10 hiring managers say that when those seeking a job have done a lot of due diligence to learn about the company and how it works, they're far more likely to feel, on their end, that a company will be a good fit for how they like to work. That, in turn, helps ensure a healthy relationship that could last for years or more.

### 2. Identifying an Informed Candidate:

Simply asking "What do you know about the company?" might not be the best way to ascertain whether a candidate is locked in with the company's mission. Instead, hiring managers should be on the lookout for interesting questions that demonstrate a clear knowledge of the firm's mission or values. Likewise, if the candidate knows a good amount about what would be asked of them in the job he or she is seeking and seem to indicate a willingness to grow in that role, that too can be a strong indicator he or she is the right hire.

### 3. Communication is key:

While not everyone is going to have a sterling resume or be a world-class interview, it's still vital that candidates be able to convey their ideas clearly and take initiative throughout the interview process, according to Recruiter.com. Likewise, it can be smart for companies to not only probe what skills a person has already, but also the ones they're actively pursuing or willing to add to their arsenals.

#### 4. Enthusiasm:

If candidates display a passion for the work they'd be doing, even beyond their pursuit of the job itself, that may indicate companies have landed on the right hire. People who are engaged on a personal level with a company or department's goals and vision, and can illustrate that enthusiasm throughout the various stages of the candidate search, are far more likely to stand out to hiring managers, and that impression is usually a strong one for a reason.

To be sure, many candidates will answer questions throughout the interview process with enthusiasm, but those whose approach to that eagerness is a little different from the other job seekers' could be the right people to hire, according to The Muse. When there's little that seemingly separates candidates on paper, those in-person responses can be extremely telling.

For more information on this topic please contact Remedy Intelligent Staffing: www.remedystaffing.com | 716.381.8355

66 Buffalonians have a puritanical work ethic, a deep love of their city, and a tightly knit community that allows you to quickly meet the important decision makers across industries.

- Clark Dever, serial technology entrepreneur







### **Tips on Recruiting**

Hiring is an ever-changing landscape with evolving challenges and obstacles; one element, however, transcends economic factors, market trends, and regional influence: the criticality of hiring the right talent. We break this down into two crucial categories of equal consequence:

### 1. Recruitment

A focused approach exploring specific talent pools to locate, identify, and secure ideal targets while maintaining the malleability to consider outside-the-box candidates if flexibility is an option.

### 2. Retention

Securing the talent is only half the battle. Retaining it, ensuring low turnover, and maintaining team continuity involve collaborative environments, defined roles, challenging yet rewarding projects, work/life balance, competitive pay/benefits, and a clear path to professional development and progression.

Within the Advanced Business Services industry, and specifically in the Buffalo Niagara region, Imagine Staffing encourages our clients to utilize creative recruiting methods to leverage the area's dedicated workforce, abundant networking opportunities, myriad community resources, and revitalized business sectors. There is truly no better time to harness the promise of Western New York.

For more information on this topic please contact Imagine Staffing: www.imaginestaffing.net | 716.218.7819



#### Average Turnover Rate

U.S.A. **9.2%**  Buffalo Niagara **8.6**%

66 It's not unusual to find employees with 20, 30 or even 40 years of industry experience within one or more of the major financial institutions.

- Kevin Quinn, Managing Director, HSBC Bank

### How to Attract the Best Talent in a Strong Labor Market

Recruiting talent is a priority for any organization in a tight labor market. From manufacturing to information technology, the demand for skilled employees is at an all-time high, and companies need intelligent strategies to attract value-add candidates.

On average, companies lose \$14,000 for every job that remains open for three months and they face compounding losses with every open position, as numerous resources become dedicated to picking up the slack, or working to fill the position.

Here are five key tips to help your company attract the right talent despite the tight labor market:

#### 1. Build a strong employer brand

Candidates today are savvy, and they will research your company just as much as you research them. Leverage your social media pages and company website to create a relevant and meaningful experience that makes a candidate want to work with you.

#### 2. Mobilize your employee networks

Often, your current employees can be your best tool for finding that next great hire. That is why 37% of best-in-class companies are engaging their employees in employee referral programs to funnel qualified candidates to their recruitment teams.

#### 3. Treat the job description as a sales pitch

A job description is not only about marketing an open job at your company, it's your first point of contact with job seekers. It's essential to provide compelling reasons for a candidate to want to work at your company. You want to brand your organization as lively, productive, and engaging, so be sure to provide the correct impression! Include a clear job title and defined career path to allow more candidates to interact with your job openings.

#### 4. Determine what skills are really mandatory

Describing the main skills necessary to succeed is essential in attracting qualified applicants, but avoid a laundry list. This is likely to confuse the applicant as far as what skills are a priority and will also eliminate many candidates who may be a great fit, but don't feel they meet every single requirement.

#### 5. Think about mobile first

More than 50% of jobs over LinkedIn are viewed through mobile phones, which means every word counts. Keep your description short, concise, and bulleted for easy reading.

For more information on this topic please contact Acara (formerly known as Superior Group): acarasolutions.com | 1.800.568.8310

Word continues to get out that Buffalo is a great place to live and a great place to do business. That's really helped us attract talent from outside this area, from much bigger cities even, that in the past, might not have entertained the idea of coming here. ??

- Gary Quenneville, Upstate New York Regional Executive, KeyBank

# **BUSINESS EXPANSION CHECKLIST**

# When starting to consider your business expansion, here's a helpful checklist of key items to consider in the site selection process:

- O Have a **solid business plan** defining your goals and needs.
- Secure the necessary financing.
- Identify possible geographic locations for your business.
- Connect with experts, like Invest Buffalo Niagara, in your region that can help facilitate your project.
- Develop and share a Request for Information (RFI) to quickly gather the information and data most important to your decision-making process. You'll want to make sure that the location you choose has the right business resources available now and in the future. These considerations may include:
  - Regional demographic information
  - Real estate options
  - Workforce availability
  - Labor costs
  - Operational costs
  - Any other data that is important to your company's success
- Evaluate RFI responses.
- Conduct site visits in the "short list" of regions you would like to personally visit.
- Choose a location you and your employees will want to call home.
- O Initiate incentives negotiation with each region/state still under consideration.
- O Engage in lease or **purchase negotiations** with land/building owner.
- Ribbon cutting!
- Get to know your new community and network, network, network!

#### **Notes/Questions:**

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### **TIPS:**

### 7

Important to properly sequence real estate, with incentives, public relations, etc.

#2

When preparing an RFI, it is important to provide project parameters (e.g. projected job creation; capital investment; type of operation; estimated decision-making timeline).

**#3** 

It is the responsibility of each EDO to completely and accurately respond to your RFI in a timely manner.

# #4

Avoid location biases based on preconceived notions – let the data speak for itself.

# **REGIONAL HIGHLIGHTS**

HOTTEST CONSTRUCTION MARKET IN THE NORTHEAST

- U.S. Bureau of Labor Statistics, 2015

**RANKED 2ND MOST** 

BOOMING

STARTUP ECOSYSTEM

- Entrepreneur.com, July 2017

8

Most Affordable MAJOR U.S. HOUSING MARKET

- National Association of Home Builders, November 2015

**RANKED #6** 

**BEST QUALITY** 

**OF LIFE** 

The Huffington Post, August 2014

#11 AMERICAN CITY FOR WOMEN EXECUTIVES

RANKED #1 Friendliest City - Travel & Leisure, 2017

RANKED 10TH HAPPIEST CITY TO WORK IN - Forbes, January 2016 12TH BEST College Town FOR MID-SIZED AMERICAN CITIES

- American Institute for Economic Research, November 2015

4TH EASIEST CITY TO GET RICH IN

buffaloniagara.org

### nationalgrid

### **INVESTING IN THE FUTURE OF BUFFALO NIAGARA**

AAA of Western & Central New York

Alcott HR Group

Aleron

Allegany County Industrial Development Agency

Amherst Industrial Development Agency

Architectural Resources

Astronics Corporation

BAK USA

Bank of America

Berardi Immigration

BlueCross BlueShield of Western New York (HealthNow New York, Inc.)

**Buffalo Bills** 

Buffalo Niagara Partnership

**Buffalo Urban Development Corporation** 

Catholic Health System

Cattaraugus County Industrial Development Agency

Chautauqua County Industrial Development Agency

City of Buffalo

**Clearview Social** 

Delaware North Companies, Inc.

Deloitte

**Dunn Tire Corporation** 

Empire State Development Corporation



Employer Services Corporation

Erie County Industrial Development Agency

Ernst & Young, LLP

Frey Electric Construction Company

Genesee County Economic Development Center

> Gross, Shuman, Brizdle & Gilfillan, P.C.

Hamister Group of Companies

Hanna Commercial Real Estate

Harter Secrest & Emery LLP

Hodgson Russ LLP

HSBC Bank USA

HUNT Real Estate Corporation

Imagine Staffing Technology

Independent Health

Kaleida Health

KeyBank, NA

Largo Capital

Lippes Mathias Wexler Friedman LLP

Lockport Industrial Development Agency Lumsden & McCormick, LLP

Martin Group

Merchants Insurance Group

Moog Inc. M&T Bank Corporation National Fuel Gas Company

National Grid

Nestle Purina PetCare

Northwest Bank

NYSEG

Orleans Economic Development Agency

Otis Eastern Service, LLC

**Performance Management Partners** 

Phillips Lytle LLP

Remedy Intelligent Staffing

Schutte Buffalo

Sonwil Distribution

**Speed Global Services** 

TM Montante Development LLC

Tops Markets, LLC

Tronconi Segarra & Associates LLP

Uniland Development Company

Univera Healthcare

University at Buffalo

Walsh Duffield Companies, Inc.

Wegmans Food Markets

West Herr Automotive Group

WNY NYSCAR

Wyoming County Business Center

Come grow your business with us. 257 West Genesee Street, Suite 600, Buffalo, NY 14202 1.800.916.9073 **BUFFALONIAGARA.ORG** 

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