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**USAN BOARD OF DIRECTORS APPROVE \$4.35 MILLION OF FUNDING,  
DEVELOPMENT AGREEMENT TOWARD NCCC'S CULINARY INSTITUTE**

*The Cordish Company to donate remaining Rainbow Centre Mall and adjoining "Balloon Parcel" for redevelopment*

USA Niagara Development Corporation (USAN) Board of Directors today met and approved the General Project Plan (GPP) for Niagara County Community College's (NCCC) proposed Culinary Institute to locate in the former Rainbow Centre Mall. The Directors authorized USAN to enter into a development agreement for the construction of a Culinary Institute, as well as authorized the commitment of \$4,353,500 in USAN funds for this project.

"ESD and USAN strongly believe that bringing a collegiate Culinary Institute to downtown Niagara Falls would be a transformational initiative for the city, bringing with it the critical mass needed in order to build a thriving downtown culture," said USAN Chairman Dennis M. Mullen. "Not only does this project transform a vacant, blighted structure into an occupied and functioning facility, but, more importantly, it will create an environment where students will work, live and play. This project has many critical elements to it, including the need to integrate our young people into the city. Today's students are tomorrow's entrepreneurs. On behalf of Governor Paterson, New York State is proud to be a leading partner in the redevelopment and revitalization of downtown Niagara Falls."

The \$26.1 million Culinary Institute project has two main components: the first is the school itself, which includes approximately 70,000 square feet of space in the southern portion of the former Rainbow Centre Mall. This would include space for conventional classrooms and lecture halls, cooking labs, administrative office space, and common areas. The concept plan also includes active ground floor uses along Old Falls Street, such as a student-operated restaurant and pastry deli facilities, a college bookstore, a "Niagara Wine Trail" shop and an office for NCCC's Small Business Development Center. In addition, the project will feature a "cooking center" for tourists and the general public to participate in short cooking lessons, as well as a tiered academic theater, which will serve as a student instructional space and potentially as community and broadcast space. The Culinary Institute is expected to cost approximately \$17 million.

The second component to this project is the complete rehabilitation of the 1,500-car parking structure located within the Mall, which is owned by the City of Niagara Falls. Expected to cost

approximately \$9 million, the rehabilitation of this garage would offer the necessary parking and accessibility not only for the Culinary Institute, but for visitors and patrons of downtown hotels, businesses, entertainment facilities, the newly re-constructed Old Falls Street and the State Park.

“Falls Street is the core of downtown Niagara Falls,” said USAN President Chris Schoepflin. “The successful redevelopment of the properties in that core will help all areas of downtown from Third Street to Buffalo Avenue and towards the entire city for that matter. The Culinary Institute and parking infrastructure project approved by our directors today can accomplish so many positive things from an economic and community development perspective.”

Confirmed city and state funding sources for this \$26 million project include a \$9 million Upstate Regional Blueprint grant from Empire State Development (ESD), USAN’s parent corporation; \$4.35 million from USAN; a \$6.6 million matching grant from the New York State Legislature; and \$2.5 million from the City of Niagara Falls. Additionally, NCCC has raised approximately \$2.1 million from various sources, including federal funding. Niagara County previously pledged \$1.5 million for the project.

Should all involved parties agree to all required elements of the project, preliminary design activities would be able to commence in November, allowing for interior demolition and site abatement to be substantially complete by early 2011. The parking ramp rehabilitation would also begin in early 2011, at which time construction on the Culinary Institute could begin. Should this schedule remain on target, the Institute could be open by September 2012.

The GPP outlines the number of activities and agreements needed to facilitate the actual development of the project, including:

- A Donation Agreement whereby the Cordish Company agrees to donate the balance of their leasehold interest in the Mall and other adjacent property including 310 Rainbow Boulevard (the “Balloon Parcel”), as a gift to the NCCC Foundation.
- Upon completion of the Donation Agreement, the NCCC Foundation and the City would enter into a Transfer Agreement, through which the City would accept the leasehold rights for the former Mall and other associated property and relinquish the NCCC Foundation from any and all requirements associated with prior agreements with the Cordish Company.
- Upon completion of the Donation and Transfer Agreements, a Development Agreement would be entered into by NCCC, USAN, the City and possibly Niagara County, which would specify the respective responsibilities of each of the agencies in the realization of the Culinary Institute. Some major terms would include the following:
  - NCCC and the City would designate USAN as the developer of the project, which would involve being responsible for a planning, design and construction procurement and oversight for the Culinary Institute and rehabilitation/upgrade work for the City Parking Ramp.
  - For a period of three years after the opening of the Culinary Institute, the City would grant USAN exclusive rights to market, solicit and procure future

development, redevelopment, and/or adaptive reuse proposals in the remaining space at the former Rainbow Centre Mall and on associated adjoining property. Any specific development proposal(s) would be subject to approval by the City Council.

- In conjunction and with approval from USAN, the City would agree to develop and administer an overall long-term maintenance and operations program for the City Parking Ramp to ensure the longevity of the investments made as part of the project, to improve operations and revenue control to promote greater use, and to maintain the ramp as a safe and effectively run facility.
- At the completion of the project, Niagara County would agree to take ownership and/or title to the portion of the former Mall containing the Culinary Institute.

The Donation Agreement of the remaining Mall and adjoining Balloon Parcel between the Cordish Company and NCCC will mark the end of a 75-year leasehold the City and the Niagara Falls Urban Renewal Agency entered into with Rainbow Square, Ltd., a local holding company established by the Cordish Company of Baltimore for the exclusive rights to develop and operate the Rainbow Centre Mall. This lease was entered into in 1981.

“The proposal to locate the Culinary Institute in the Rainbow Mall is a very exciting project for the City of Niagara Falls. I am very pleased with the tremendous progress that has been made by all parties involved in this complicated process and look forward to this proposal becoming a reality in the very near future,” said Niagara Falls Mayor, Paul A. Dyster.

“On behalf of NCCC, I must recognize that this project would not be possible without the unwavering support and dedication of Dennis Mullen and ESD,” said NCCC President James Klyczek. “Without the State’s commitment and belief that this project will both benefit the college, as well as have a transformational impact for investment in downtown Niagara Falls, we would not have reached this critical milestone. We at NCCC recognize the opportunity and benefits of growing NCCC’s Culinary Arts, Tourism and Hospitality Management programs’ educational mission and enhancing the students’ experiences by tying them closer to the tourism and hospitality industry in Niagara Falls. Today, we are one step closer in fully seizing and capitalizing on that opportunity. I’d like to thank all of the development partners who each play an important role in this process and hope their support carries us to a positive conclusion for all involved, but most importantly, for our students.”

“As a result of the generosity of Mr. David Cordish, the Culinary Institute will be a positive accomplishment for both the County of Niagara and The City of Niagara Falls,” said City Council Chairman Sam Fruscione.

USAN, a subsidiary of Empire State Development Corporation, is solely dedicated to the support and promotion of economic development initiatives in Niagara Falls by leveraging private investment and encouraging growth and renewal of the tourism industry in the City of Niagara Falls. For more information, visit [www.usaniagara.com](http://www.usaniagara.com).