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USA NIAGARA BOARD APPROVES \$750,000 GRANT TOWARD \$15 MILLION HOTEL PROJECT

Board also approves funding for Strategic Assessment for Niagara University School of Hospitality and Tourism Management, grant for T.G.I. Friday's

USA Niagara Development Corporation (USAN) Board of Directors today met and approved funding for three items which will bring significant private investment, job creation and future strategic direction for Niagara University's College of Hospitality and Tourism Management in establishing a presence in downtown Niagara Falls.

"I am so gratified with the approval of our agenda today—one which advances significant, new private sector investment, jobs and tax revenues, as well as the start of an innovative process to create a city-college partnership that I believe could play a major role in defining a strategic approach to the collaboration and development of the tourism economy here in iconic Niagara Falls over the next generation," said USAN President Christopher Schoepflin.

The USAN Board approved a \$750,000 USAN capital grant toward the \$15 million redevelopment of the former Fallside Hotel. In 2009, Merani Hospitality, Inc. acquired the vacant 135,000-square-foot hotel property, located at 401 Buffalo Avenue. Merani Hospitality's plans include an upscale rated hotel with a full service signature restaurant, banquet venue and 200 well-appointed, first-class guest rooms. The project will help to fulfill the need for additional quality downtown lodging, contribute to the overall beautification and usability of the area and create 55 new jobs. The USAN grant will be distributed by the City of Niagara Falls via a USAN-City funding agreement. As previously announced, the project will also receive a \$2 million convertible loan from Empire State Development's Upstate Regional Blueprint Fund. The project is expected to be completed by December 2013.

Faisal Merani, President of Merani Hospitality, Inc., said: "I just wanted to take this opportunity to thank USA Niagara for their continued support of this project. I truly believe that this property would not only provide an economic boost to the area, but more than that would be something that the residents of Niagara can look to as a step in the right direction. Every time I speak of the hotel I get a story about a wedding in the Grand Ballroom, or good times in the

circle dining room, and what a shame it is that it was allowed to become run down and eventually vacant. With the help of USA Niagara we can change that."

Also approved by the Board was a \$75,000 grant toward the \$750,000 renovation/construction of the former Old Falls Sports Bar & Grille that converted 5,000 square feet of space for the nationally known T.G.I. Friday's restaurant. The grant is from USAN's Grant Program and will reimburse a portion of the \$525,000 leasehold improvement costs related to the retail space renovations. The project is projected to employ 15 new full-time employees and 20 part-time equivalent employees. A grand opening celebration was held on June 27, 2011 and the restaurant is currently open for business.

Mr. Michael DiCienzo, Vice President of T.G.I. Friday's franchise owner NFNY Hotel Management, LLC said: "We are pleased about the outcome of the T.G.I. Friday's project. It was completed within budget and on time. We enjoyed working with USA Niagara as they provided a great deal of support. We are very excited to have this venue and believe it will serve the Niagara Falls region well."

USAN Directors also gave authorization for USAN to provide up to \$50,000 in funding to support Niagara University's (NU) College of Hospitality and Tourism Management in conducting a Strategic Assessment. The College is a founding member of the Leading Hotel Schools of the World and is recognized globally within the industry, ranking in the top 20 hospitality and tourism programs in the country. Representatives from NU and USAN have spent several months discussing the possibility of NU establishing a presence in downtown Niagara Falls. Building upon the benefits of Niagara County Community College's soon-to-be-completed Niagara Falls Culinary Institute, an NU presence could potentially add hundreds of additional students to the downtown landscape. Long-term, well-trained graduates of these institutions will be future investors, entrepreneurs and hoteliers. The Strategic Assessment will examine current best practices in tourism, hospitality and hotel education internationally. It will include strategies for maximizing economic development impact, enhancing tourism development opportunities and strengthening the existing program at NU. The Assessment is expected to be completed on a six month timeline.

Niagara University President Rev. Joseph Levesque remarked: "Niagara University has always had a total commitment to the community. We also have long recognized the importance of tourism and tourism education. We established the first tourism bachelor's degree in the U.S., and over the past decade we have internationally recognized as one the leading hotel schools in the world. NU is particularly excited about this opportunity to bring our resources to bear on supporting new strategies for the development of tourism as a major economic driver for Niagara Falls, Niagara County, and all of Western New York."

Senator Mark Grisanti attended the meeting and afterward remarked: "Merani Hospitality is off to a great start in the City of Niagara Falls. Their revival of the old Inn on the River to an immaculate Four Points, is nothing short of amazing. I am very excited to see their ideas and hard work pay off on their second project, which will add a tremendous boost to Niagara Falls and the economic development within the city. Niagara University is a great neighbor in this community. It is with great pleasure to see them receive this award in an effort to further

improve their world-class education in hospitality and tourism. This university is truly an anchor for the Western New York region. In the Senate I sponsored a bill which was unanimously passed to expand the footprint of USA Niagara to include the only aquarium in the State of New York, which is located here in the heart of Niagara Falls. This piece of legislation also went as far as to make every corner of Niagara Falls a part of the economic development process. While it failed in the assembly, I will continue to work on this as it's crucial to the success and prosperity of Niagara Falls."

Assemblyman John D. Ceretto also attended the meeting and said: "It is great to see new development on Buffalo Avenue in Niagara Falls. This city attracts millions of visitors a year from around the world and new and improved hotels will go a long way to improving the stay of our guests."

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.

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