



For Immediate Release: February 23, 2012

Contact:

Austin Shafran (ESD) | lashafran@esd.ny.gov | (800) 260-7313

Laura Magee (ESD) | lmagee@esd.ny.gov | (800) 260-7313

**PREFERRED DEVELOPER SELECTED FOR DEVELOPMENT
OF KEY DOWNTOWN SITE IN NIAGARA FALLS, NY**

The Hamister Group, Inc. proposes \$22.4 million hotel, retail and housing development plan

Empire State Development (ESD), USA Niagara Development Corporation (USAN) and the City of Niagara Falls today announced that The Hamister Group, Inc. was selected as the preferred developer in response to the request for proposals (RFP) USAN issued on behalf of the city for development of a key city-owned site located at 310 Rainbow Boulevard in downtown Niagara Falls, New York. The Niagara Falls City Council voted to officially name Hamister as the preferred developer at its meeting Wednesday and authorized USAN and city staff to engage the developer in negotiations for a development agreement.

“This is another step forward for a project that is a direct result of substantial investment by the state into Niagara Falls,” said ESD President, CEO & Commissioner Kenneth Adams. “Between the Culinary Institute, Old Falls Street and now the development of 310 Rainbow Boulevard, we are not only reinvigorating the downtown area, but creating new jobs and expanding the tax base.”

“We are thrilled to be selected as the preferred developer for 310 Rainbow Boulevard and to be a part of the growth of downtown Niagara Falls,” said The Hamister Group, Inc. Senior Vice President of Business Development Daniel Hamister. “This project is a perfect example of what can be accomplished when a government agency sets a goal and streamlines the process in order to get the job done. We are proud of the relationship that we have maintained with USA

Niagara throughout the RFP process and look forward to that same positive working relationship with the City of Niagara Falls and Niagara County.”

USAN received seven responses to the RFP, which was due December 9, 2011. Of those, Hamister’s \$22.4 million proposal was determined to best meet the RFP objective of creating a relatively high-density mix of uses with a focus on active ground-level development that would contribute to visitor and resident offerings along historic Old Falls Street. Preliminary details include 104 upscale hotel rooms, 24 residential units and up 8,000 square feet of retail space. The proposed project is estimated to directly create 219 construction jobs and 130 permanent jobs based on ESD’s model of the state’s economy developed by Regional Economic Models, Inc. or REMI.

“Today’s announcement confirms that Niagara Falls can attract top talent and investment,” said City of Niagara Falls Mayor Paul Dyster. “This mixed-use project will enhance our downtown’s pedestrian character and provide additional street-level retail offerings for both residents and tourists.”

The project site is located at 310 Rainbow Boulevard, at the northwest corner of Old Falls Street, 300 feet from the entrance to Niagara Falls State Park, which enjoys approximately eight million annual visitors. Totalling 0.88 acres, the site was recently acquired by the City of Niagara Falls in conjunction with a larger effort to develop the Niagara County Community College-sponsored Hospitality, Tourism and Culinary Institute in a portion of the former Rainbow Centre Mall. As part of the Culinary Institute project and in cooperation with the city, \$9 million in upgrades are being made to an adjoining 1,600 space, city-owned parking ramp. Direct access to the ramp is available from the subject site via an elevator lobby that fronts on Rainbow Boulevard. The site also benefits from a number of investments along the recently-restored Old Falls Street corridor, including \$12 million in street improvements, the award-winning Conference Center Niagara Falls and the Seneca Niagara Casino complex.

USAN President Christopher Schoepflin said, “It is especially gratifying to be working toward the development of the first mixed-use building downtown in over a generation. Our approach along Old Falls Street has been to create a great sense of place and make other strategic public investments like the Culinary Institute which would leverage private investment, new jobs, and revenues. Today is a significant step in that direction.

Senator Mark Grisanti said, “I am excited that we are one step closer to new development in downtown Niagara Falls. The 310 Rainbow Boulevard site is highly desirable, being just steps from a scenic wonder, and it is my hope that Hamister Development Company is able to take full advantage of the possibilities for growth and investment at this underutilized location.”

Senator George D. Maziarz said, “Economic development and job growth continue to be top priorities for the residents of Niagara Falls and Western New York. With this new project in the works, I will continue to ensure that the jobs created go to local residents, the tax base is increased and that our investments stay in Niagara Falls.”

Assemblyman John Ceretto said, “Mr. Hamister’s proposal is impressive and maximizes private investment. With a developer from the region at the helm and with reassurances that our great local workforce will play a role in development, the economic impact of this project will be maximized.”

City of Niagara Falls Council Chairman Sam Fruscione said, “The Hamister proposal for 310 Rainbow Boulevard holds significant potential for our downtown and the City Council is pleased to support this project. It will build upon the positive momentum generated by the NCCC Culinary Institute and the cooperative efforts of the City and State to develop our tourism corridor.”

The Hamister Group, Inc., founded in 1977 and based in Buffalo, is a recognized leader in hotel and healthcare facility development and management. Its hotel holdings include facilities in Pittsburgh, Knoxville and Louisville. They are currently also advancing a project in Buffalo to adaptively reuse the Tishman Building on Lafayette Square as a mixed-use office, residential and hotel property featuring a new Hilton Garden Hotel.

Empire State Development (ESD) is New York’s chief economic development agency (www.esd.ny.gov). The mission of ESD is to promote a vigorous and growing economy, encourage the creation of new job and economic opportunities, increase revenues to the State and its municipalities, and achieve stable and diversified local economies. Through the use of loans, grants, tax credits and other forms of financial assistance, ESD strives to enhance private business investment and growth to spur job creation and support prosperous communities across New York State. ESD is also the primary administrative agency overseeing Governor Cuomo’s Regional Economic Development Councils and the marketing of “I Love NY,” the State’s iconic tourism brand. For more information on Regional Councils and Empire State Development, visit www.nyworks.ny.gov and www.esd.ny.gov.



###