

**PLEASE NOTE - We welcome public comment on the items on the following agenda. To ensure maximum opportunity for participation, speakers representing themselves may speak for up to 2 minutes each, and those representing groups may speak for up to 4 minutes (1 speaker per group). Speakers' comments may address only items considered at today's meeting. Materials relating to matters that are scheduled for discussion in open session will be available at the meeting and will be posted on ESD's website prior to the meeting in accordance with the Public Officers Law**

**USA NIAGARA DEVELOPMENT CORPORATION**

**Meeting of the Directors**

**At the offices of the  
USA Niagara Development Corporation  
222 First Street, 7<sup>th</sup> Floor  
Niagara Falls, N.Y. 14303**

Wednesday

March 28, 2012 – 3:00 p.m.

**AGENDA**

**I. CORPORATE ACTIONS**

- A. Approval of Minutes of the July 19, 2011 and August 30, 2011 Directors' Meeting
- B. USA Niagara Development Corporation – Annual Operating and Capital Budgets – Approval of the Corporation's Operating and Capital Budgets for Fiscal Year 1021-2013 (April 1, 2012- March 31, 2013)
- C. Niagara Falls Convention and Conference Facility Civic Project and Old Falls Street – 2012 Capital Budget – Approval of the Niagara Falls Convention and Conference Facility and Old Falls Street 2012 Capital Budget; Authorization to Disburse Funds

**II. FOR CONSIDERATION**

- A. City Parking Ramp II – Rainbow Boulevard Elevator Tower Initiative – Funding Agreement with the City of Niagara Falls – Authorization to Enter into a Funding Agreement to Provide Funds to the City of Niagara Falls; and to Take All Related Actions

**III. FOR INFORMATION**

- A. Quality Inn – Old Falls Street Retail Expansion Project – Oral Report

**DRAFT – SUBJECT TO REVIEW AND REVISION**

**USA NIAGARA DEVELOPMENT CORPORATION  
d/b/a Empire State Development Corporation**

Meeting of the Directors  
held at the USA Niagara Offices  
222 First Street – 7<sup>th</sup> Floor  
Niagara Falls, New York 14303

With video conference to:

Empire State Development Corporation  
633 Third Avenue  
New York, New York 10017  
37<sup>th</sup> floor Conference Room

July 19, 2011

**MINUTES**

**In Attendance**

**Directors:**

Joan Aul – Acting Chair  
Steve Brown  
Gary Smith

**Present for**

**USA Niagara:**

Chris Schoepflin, President  
Leecia Eve, General Counsel  
Eileen McEvoy, Corporate Secretary  
Holloway Ortman, Project Manager  
John Risio, Project Manager  
Jim Seymour, Project Manager  
Paul Tronolone, Senior Project Manager  
Jocelyn Viola, Office Manager

**Present for ESD**

**(Downstate – via video):**

Julia Borukhov, Financial Project Manager  
Thomas Brennan,  
Maria Cassidy, Deputy General Counsel  
Robert Kwon,  
Carlos Otero, Vice President – Contract Administration

**DRAFT – SUBJECT TO REVIEW AND REVISION**

**Present for ESD  
(Upstate):**

Laura MaGee, Upstate Communications Associate

**Present for City of  
Niagara Falls:**

Paul Dyster, Mayor

**Also Present:**

Senator George Maziarz  
Glen Aronow, Chief of Staff  
Senator Mark Grisanti  
Assemblyman John Ceretto  
Patrick Kelly, Chief of Staff  
Father Levesque, Niagara University  
Michael DiCienzo - Sheraton at the Falls  
Mark Bibb - Sheraton at the Falls  
Faisal Merani - Merani Hospitality  
The Press  
The Public

The meeting of the USA Niagara Development Corporation, a wholly-owned subsidiary of the New York State Urban Development Corporation d/b/a the Empire State Development Corporation (“ESD”), was called to order at 10:30 a.m. by Acting Chair Aul. It was noted for the record that notices to the public and news media of the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Acting Chair Aul then noted for the record the guidelines by which the public is allowed to comment on items on the Agenda.

The Chairman then called for a motion to approve the Minutes of the March 18, 2011 Directors’ Meeting.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

There being no questions, comments or corrections, upon motion duly made and seconded, the follow resolution was unanimously adopted:

**APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE MARCH 18, 2011 MEETING OF THE DIRECTORS OF THE USA NIAGARA DEVELOPMENT CORPORATION**

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RESOLVED, that the Minutes of the meeting of the Corporation held on March 18, 2011 as presented to this meeting, are hereby approved and all actions taken by the Directors present at such meeting as set forth in such Minutes, are hereby in all respect ratified and approved as actions of the Corporation.

\* \* \*

Mr. Schoepflin then asked the Directors to approve the T.G.I. Friday’s Retail-USA Niagara Development District Grant Program Project.

Mr. Schoepflin provided a detailed synopsis of the specifics of this project. Among other things, Mr. Schoepflin explained that the project involves the \$750,000 renovation and construction to the former Old Falls Sports Bar & Grill converting 5,000 square feet of space to the nationally known TGI Friday’s restaurant.

Mr. Schoepflin went on to note that the \$75,000 grant being provided under the Niagara Development District Grant Program will be used for reimbursement of a portion of the \$525,000 leasehold improvement costs related to the retail space renovations. Mr. Schoepflin further noted that the funds will not be used to reimburse furniture, fixtures and equipment costs, contingency or soft costs. Mr. Schoepflin explained that no USA Niagara corporate

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funding was being provided to this project.

Following Mr. Schoepflin’s full presentation, Ms. Aul called for questions or comments. Director Smith asked if the employment incentive must be maintained for a specific amount of time. Mr. Schoepflin noted that with this particular program, there is no timeframe involved.

Director Smith asked for the rationale with regard to equipment costs being excluded when the background grant program allows new equipment purchases. Mr. Schoepflin stated that USA Niagara chose not to include equipment as the Corporation preferred to make this a straight bricks and mortar transaction. In this instance, Mr. Schoepflin further noted, the ratio of the owner’s equity made this a reasonable course to follow.

There being no further questions or comments, and upon motion duly made and seconded the following resolution was unanimously adopted:

USA Niagara Development Corporation – Authorization to Approve a Grant; Make a Determination of No Significant Effect on the Environment; and Authorization to Take Related Actions

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RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, the Directors hereby approve and recommend for funding by the Niagara County Development Corporation a grant in an amount not to exceed \$75,000 to NFNH Hotel Management, LLC, in accordance with the terms and conditions set forth in the materials presented to the Directors at this meeting; and be it further

RESOLVED, that the Directors make a Determination of No Significant Effect on the Environment, in accordance with the terms and conditions set forth in the materials presented to the Directors at this meeting; and be it further

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RESOLVED, that the Directors authorize the President, or his designee to take all actions that he deems necessary or appropriate in connection with the foregoing resolution.

\* \* \*

Mr. Schoepflin then thanked Mr. DiCienzo and his general manager, Mr. Bibb for attending the meeting, noting that they finished the project in 60 days and were now open for business.

Director Brown commented favorably with regard to this welcome addition.

Next, Mr. Schoepflin asked the Directors to authorize the Corporation to enter into a Funding Agreement with Niagara University in connection with the Strategic Assessment Initiative for Niagara University's College of Hospitality and Tourism Management.

Mr. Schoepflin explained that the Initiative will examine current best practices in tourism, hospitality and hotel education on an international basis. He further explained that it would include strategies for maximizing economic development impact, enhancing tourism development opportunities and strengthening the existing program at Niagara University.

Mr. Schoepflin went on to outline the objectives of the Initiative including producing detailed, costed, options analysis for increasing Niagara University's permanent presence in Niagara Falls, specifically in the downtown tourism district that is also within USA Niagara's Development District.

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Mr. Schoepflin further noted that a funding source for the Initiative will be USA Niagara/City MOU funds, pursuant to the 2009 Memorandum of Understanding between USA Niagara and the City of Niagara Falls. Mr. Schoepflin went on to note that no USA Niagara Corporate funds will be used to fund the Initiative.

Mr. Schoepflin then noted that the President of Niagara University, Father Levesque, was present at the meeting.

Acting Chair Aul called for questions or comments. Father Levesque stated his belief that this is a wonderful opportunity for Niagara and further noted his appreciation for the consideration.

Directors Smith and Brown expressed their support of what they believe to be a positive partnership for the community.

Mayor Dyster spoke positively in regard to this Initiative and with regard to USA Niagara's efforts overall.

There being no further questions or comments, and upon motion duly made and seconded the following resolution was unanimously adopted:

USA Niagara Development Corporation – Authorization to Enter into a Funding

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Agreement; Authorization to Provide Funds to Niagara University; and Take All Related Actions

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RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to enter into a Funding Agreement with Niagara University, for the purposes of advancing activities under the Strategic Assessment Initiative for Niagara University’s College of Hospitality and Tourism Management, substantially on the terms and conditions set forth in the materials presented to this meeting, with such changes as the President and the Chief Executive Officer of the Corporation or his designee(s) may deem appropriate; including the funding of an amount not to exceed \$50,000 and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she in his or her discretion consider to be necessary to effectuate the foregoing resolutions.

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Before asking the Directors to authorize USA Niagara to enter into a Funding Agreement with the City of Niagara Falls for the 401 Buffalo Avenue Hotel Redevelopment Initiative, Mr. Schoepflin noted that Senator Maziarz from the 62<sup>nd</sup> District had joined the meeting.

Mr. Schoepflin then explained that the presentation involved a hotel redevelopment project involving the acquisition, renovation and purchase of furniture, fixtures and equipment for the former Fallside Hotel.

Among other things, Mr. Schoepflin noted that the project will help fulfill the need for additional quality downtown lodging, contribute to the overall beautification and usability of the area and create 55 net new jobs. Mr. Schoepflin added that it is anticipated that the project will be completed in December 2013.

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Mr. Schoepflin further noted that Merani Hospitality accepted an Upstate Regional Blueprint Fund incentive proposal from Empire State Development for a \$2,000,000 convertible loan. In addition to the loan, Mr. Schoepflin continued, the Incentive proposal also includes a \$750,000 grant to be disbursed by the City via USA Niagara.

Mr. Schoepflin further explained that the loan was approved by the Upstate ESD Board on June 28, 2011. He went on to explain in detail the various actions taken by the Board in approving this project and explained that the materials relating to this approval are attached to and incorporated in the USA Niagara materials relating to the present action.

Before summarizing the request for actions before the USA Niagara Board, Mr. Schoepflin noted that Faisal Merani was present at the meeting and available to answer any questions that may be raised.

Following his full presentation, Ms. Aul called for questions or comments. Director Smith asked for a clarification with regard to the job creation numbers. Mr. Schoepflin provided a detailed explanation with regard to job numbers and the timeframe within which they apply.

Director Smith then inquired with regard to the number of hotel rooms that can be sustained in this area. Mr. Schoepflin explained, in part, that about 2/3 of the currently

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available rooms are on the economy side and that there certainly is a market for that. He added that there is also growth in the need for upscale industry recognized brands such as the Courtyard by Marriott and the like.

USA Niagara staff therefore believes it is reasonable, Mr. Schoepflin continued, to make hotel investments until a fair representation of both economy and upscale rooms is achieved.

There being no further questions or comments, and upon motion duly made and seconded the following resolution was unanimously adopted:

USA Niagara Development Corporation – Authorization to Enter into a Funding Agreement; to Provide Funds to the City of Niagara Falls; to Adopt Upstate Empire State Development’s Findings; and Take All Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the 401 Buffalo Avenue Hotel Redevelopment Initiative (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to enter into a Funding Agreement with the City of Niagara Falls, for the purposes of advancing activities under the 401 Buffalo Avenue Hotel Redevelopment Initiative, substantially on the terms and conditions set forth in the materials presented to this meeting, with such changes as the President and the Chief Executive Officer of the Corporation or his designee(s) may deem appropriate; including the funding of an amount not to exceed \$750,000 and be it further

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RESOLVED, that based on the materials presented at this meeting, the Corporation hereby finds, pursuant to New York State Public Authorities Law Section 2879-b, that the project would not be able to go forward if a labor peace agreement were required and hereby waives such requirement in connection with the project; and be it further

RESOLVED, that the provision of financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she in his or her discretion consider to be necessary to effectuate the foregoing resolutions.

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Before calling for a motion to adjourn, Acting Chair Aul called for any comments from those present at the meeting. Senator Maziarz was the first to comment.

Senator Maziarz stated with regard to the last item approved at today's meeting, that the local newspaper had reported that a grant of \$550,000 from the City and another \$550,000 grant from USA Niagara would be made to open a restaurant in the Holiday Inn. He asked if that was part of the proposal considered today.

Mr. Schoepflin stated that the paper had provided incorrect information in that this project relates to 401 Buffalo Avenue, the former Fallside Hotel, and not to the Holiday Inn.

Mr. Schoepflin added that the Holiday Inn project is not before the Board today and will not come before this Board at any point in time.

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Director Smith stated that he had also read that and when he called the paper he was told it was a misprint.

Senator Maziarz then asked whether or not there will be \$1.1 million of public monies going to a restaurant in the Holiday Inn. Mr. Schoepflin stated that there is a proposed \$3.8 million project in which the City and Empire State Development are involved in but that USA Niagara is not involved with that project.

Senator Gristanti asked if the \$3.8 million that will be utilized for the project includes the restaurant or whatever is anticipated for the Holiday Inn.

Mr. Schoepflin stated that that is a separate project that is scheduled to receive \$1.8 million of public money on the \$3.8 million. He reiterated that that is not today's project and that it will not be a future item for the USA Niagara Board to consider.

Mayor Dyster then noted that an article in the Buffalo News reported that there were two hotel projects when in fact there are three. Mayor Dyster went on to note that those projects are the Four Points Sheraton which is completed, the Fallside which was approved by the USA Niagara Board today and the Holiday Inn project.

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Senator Maziarz noted that he was referring to an article in the Niagara Gazette stating that USA Niagara would contribute \$550,000 and the City of Niagara Falls would contribute \$550,000 for a national chain restaurant in a Holiday Inn.

Senator Maziarz then stated that articles such as these generate many calls to his and others' offices. Senator Maziarz further stated that although he and his colleagues have asked to be kept in the loop on such matters, that that has not happened and that is why they are here today.

The calls, Senator Maziarz continued, are mainly from restaurants in Niagara Falls who are struggling when they hear a national chain is going to get \$1.1 million to locate in a hotel.

Mayor Dyster noted that this is an action of NCF Development Corporation, not USA Niagara. The participation of the City in the Holiday Inn Project, the Mayor stated, is with the developer and not with a chain that would bring a franchise. The City's investment therefore, the Mayor stated, is in infrastructure and expansion. The City, the Mayor continued, is leveraging a \$3.8 million project by a group of investors with whom recent dealings have been very successful and who have a very strong track record.

Assemblyman Ceretto noted that in the past session, the Senators and he had a bill to expand the footprint of USA Niagara to potentially include the Aquarium as well as the Riverfront. He asked what the position of the Board would be on such an expansion. Acting

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Chair Aul stated that the Board has not discussed the expansion.

Mr. Schoepflin noted that the issue is a familiar one and that staff's perspective is that they are happy to do whatever the Directors and the internal organization feel is appropriate. He added that it should be kept in mind that USA Niagara is an unfunded capital State agency.

Discussion was then had with regard to the need for funding as well as to the Board's ability to expand the geographical territory of USA Niagara.

Ms. Eve stated that she would review the Corporate documentation regarding that matter and report back to all relevant parties with regard to the Board's ability to expand USA Niagara's geographical territory.

There being no further business, the meeting was adjourned at 11:25 a.m.

Respectfully submitted,

Eileen McEvoy  
Corporate Secretary

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**USA NIAGARA DEVELOPMENT CORPORATION  
d/b/a Empire State Development Corporation**

Meeting of the Directors  
held at the USA Niagara Offices  
222 First Street – 7<sup>th</sup> Floor  
Niagara Falls, New York 14303

and

ESD New York City Regional Office  
633 Third Avenue  
New York, New York 10017

August 30, 2011

**MINUTES**

**In Attendance Directors:**

Joan Aul, Acting Chair  
Gary Smith  
Michael Williamson

**Present for USA Niagara:**

Chris Schoepflin, President  
Leecia Eve, General Counsel  
Eileen McEvoy, Secretary  
Holloway Ortman, Project Manager  
John Risio, Project Manager  
Jim Seymour, Project Manager  
Paul Tronolone, Project Manager  
Jocelyn Viola, Office Manager

**Present for ESD  
(Downstate):**

Julia Borukhov, Financial Project Manager  
Justin Ginsburg, Chief of Staff  
Carlos Otero, Vice President – Contract Administration  
Natasha Pallan, Director – Subsidiary Finance

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**Present for ESD Buffalo  
Regional Office: (via telephone)**

Sam Hoyt, Regional President – Western New York  
Regional Office  
Stephen Gawlik, Senior Counsel  
Laura Magee, Deputy Director – Public Affairs

**Present for the City  
of Niagara Falls:**

Mayor Paul Dyster  
Tom Desantis, Planning Department

**Elected Officials:**

Assemblyman John Ceretto  
Patrick Kelly – Chief of Staff  
Senator Grisanti  
Doug Curella – Chief of Staff

**For the Aquarium of Niagara:**

Nancy Chapin  
Gay Molnar  
Kevin Thompson

**Also Present:**

Mark Scheer – Niagara Gazette  
Charlie Spect – The Buffalo News  
The Press  
The Public

The meeting of the USA Niagara Development Corporation, a wholly-owned subsidiary of the New York State Urban Development Corporation d/b/a the Empire State Development (“ESD”), was called to order at 2:00 p.m. by Acting Chair Aul. It was noted for the record that notices to the public and news media of the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Acting Chair Aul then noted for the record the guidelines by which the public is allowed

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to comment on items on the Agenda.

The Acting Chair further noted that the Minutes for the meeting held on July 19, 2011 would be presented for approval at the next meeting.

Acting Chair Aul then asked Mr. Schoepflin to present the one item for consideration at today's meeting. Chair Aul noted that the item related to the expansion of USA Niagara's geographic territory.

Before beginning his presentation, Mr. Schoepflin welcomed Sam Hoyt, the newly appointed Regional President of the Western New York Regional Office, to the meeting. Mr. Schoepflin then welcomed the elected officials: Senator Mark Grisanti, Assemblyman John Ceretto and Mayor Dyster to the meeting. He thanked them for all of their efforts on behalf of USA Niagara.

Mr. Schoepflin then provided the background information regarding the creation in 2001 of USA Niagara as a subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development. The purpose of the Corporation, Mr. Schoepflin explained, is to further economic development and economic revitalization in Niagara Falls.

Mr. Schoepflin further explained that soon after its incorporation, USA Niagara established a geographic territory known as USA Niagara's "Downtown Development District"

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to focus on the Corporation's efforts in the downtown area of the city.

Mr. Schoepflin went on to note that since it was formed, downtown Niagara Falls has realized approximately \$655 million in total investments, which includes \$500 million by the Seneca Nation, \$100 million by the State of New York and \$55 million in private sector development. Mr. Schoepflin added that approximately 4,500 jobs have been created.

Mr. Schoepflin then went on to outline the major USA Niagara projects in the District, including the \$26 million Niagara County Community College Initiative and the \$12 million revitalization of Old Falls Street.

Mr. Schoepflin noted other projects, including a \$20 million conference center formerly owned by the USA Niagara team, the \$34 million Sheraton Hotel on Old Falls Street and the \$10 million restoration of the U.S. Office Building.

Over the last few years, Mr. Schoepflin continued, USA Niagara staff has internally evaluated some relatively modest expansion of the District but for various budgetary reasons, has not formally asked the Directors to consider any such expansion.

Mr. Schoepflin then explained that the rationale for today's request is based on the Corporation's activities over the last several years, which have revealed that the District boundaries somewhat limit the natural extension of USA Niagara's efforts. In that regard,

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Mr. Schoepflin noted that USA Niagara, State Parks, the New York State Department of Transportation and the City, have coordinated efforts related to the reconfiguration of the Robert Moses Parkway North.

Expansion of USA Niagara’s current District, he continued, could give support towards these efforts and help facilitate the implementation of the City’s policies for a “cultural district” as described in the City’s comprehensive plan.

The cultural district as envisioned in the City’s plan, Mr. Schoepflin noted, includes the area surrounding the aquarium, the Niagara Gorge Discovery Center and would include in the future, at least one other enclosed or outdoor cultural and/or performance attraction.

Mr. Schoepflin further explained that expansion of the District will also meet the aquarium’s request to be officially located within the USA Niagara District.

Mr. Schoepflin added that while expanding the district will not commit USA Niagara to any specific financial assistance for the aquarium, it will assist the aquarium in its fundraising efforts.

Mr. Schoepflin then outlined the proposed expansion and noted, in part, that staff has determined with regard to environmental considerations, that today’s action involves a refinement of an administrative boundary for USA Niagara activities thus classifying it as a type

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2 action under SEQRA. As such, he continued, no further environmental review is required in connection with this action.

Following the full presentation, Acting Chair Aul called for questions or comments. Mr. Hoyt then expressed his appreciation to the elected officials for their leadership in moving this expansion forward.

Acting Chair Aul noted that the Directors materials state that USA Niagara does not have funds dedicated to specifically enhancing the geographic area of its boundaries but that the expansion will assist the aquarium in fundraising efforts. She asked what specifically will the expansion allow the aquarium to accomplish.

A member of the aquarium group explained that, among other things, it will help the aquarium put on its applications that it is part of the jurisdiction now and the aquarium group can go to different areas looking for what is felt to be the vision for the future.

Acting Chair Aul asked if the vision was ready to be shared and it was explained that it is not and that funds are currently being sought for the final diagrams.

Director Smith stated that it was his understanding that one of the benefits of this arrangement is the ability of the aquarium to avail itself of the USA Niagara staff and resources to aid in those efforts.

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Acting Chair Aul then asked Mr. Schoepflin to provide further information regarding the other parcels involved in the expansion and Mr. Schoepflin provided a detailed account regarding the acreage involved in the present expansion.

Mayor Dyster then expressed his appreciation to the elected officials for their successful efforts in guiding USA Niagara through the boundary expansion process.

The Mayor went on to note, among other things, that it is prudent to work with USA Niagara even when no funds are involved because of the tremendous capability on the part of the staff in terms of expertise and enthusiasm.

Assemblyman Ceretto then thanked USA Niagara for holding the meeting. He then spoke to the importance of this issue and the potential for good, positive projects coming forward as a result of this expansion.

Senator Grisanti then stated that the main goal is to keep tourists in Niagara Falls for more than two and a half hours and that this expansion will assist in pushing that goal forward.

Senator Grisanti also spoke of the importance of his being a partner in State Government and the potential for funding as a result of that partnership.

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Director Williamson then expressed concern regarding USA Niagara staff assisting the aquarium with fundraising and the like. He stated his belief that the most important aspect is to keep the lines of communication wide open and to share information with the Board.

Mr. Schoepflin stated that this will be a new experience for staff in that the size of this not-for-profit is much larger than any other in the District.

He added that staff will be available and will keep the Board apprised of the ongoing work.

Assemblyman Ceretto added that this is a great day for Niagara Falls and that he looks forward to the tremendous work that will be done going forward.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

USA Niagara Development Corporation – Adoption of an Expanded Territory for the USA Niagara Development Corporation’s Downtown Development District; and Take All Related Actions

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RESOLVED, that based on the materials submitted to the Directors with respect to the expansion of the Corporation’s 2001 Downtown Development District (“District”) a copy of which is hereby ordered filed with the records of the Corporation, the geographic boundary of the USAN District within the focus of the Corporation’s future economic development activities is hereby expanded as described in the Directors materials; and be it further

RESOLVED, that the President of the Corporation or his designee(s) be, and each of them

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hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she in his or her discretion consider to be necessary to effectuate the foregoing resolutions.

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There being no further business, the meeting was adjourned at 2:30 p.m.

Respectfully submitted,

Eileen McEvoy  
Corporate Secretary



**FOR CONSIDERATION**

**March 28, 2012**

**TO:** The Directors

**FROM:** Christopher Schoepflin

**SUBJECT:** USA Niagara Development Corporation – Annual Operating and Capital Budgets

**REQUEST FOR:** Approval of the Corporation’s Operating and Capital Budgets for Fiscal Year 2012-13 (April 1, 2012 – March 31, 2013)

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**I. Background:**

Attached for your review and approval are the proposed operating and capital requests (the “Budgets”) for USA Niagara Development Corporation (the “Corporation”) for Fiscal Year 2012-13 (April 1, 2012 – March 31, 2013).

The operating budget proposes a total of \$518,544 in personal services (salaries and benefits for 5 employees) and a total of \$132,200 in non-personal services (primarily office occupancy and other administrative expenses). The total of all personal and non-personal amounts for Fiscal Year Budget 2012-13 is \$650,744. Consistent with previous years’ operating budgets, the FY 2012-13 operating budget will continue to be advanced with ESDC corporate funds, with the expectation of reimbursement at a later date.

For Fiscal Year 2011-12 the approved Corporation operating budget was \$668,135 (\$553,200 in personal services and \$114,935 in non-personal services). The projected actual operating cost for Fiscal Year 2011-12 is \$654,025 (\$542,425 in personal services and \$111,600 for non-personal services).

Separate from the Corporation’s operating budget is the Corporation’s capital project expenses spending plan. Capital project expenses are each individually approved by the Corporation’s Board of Directors under separate actions. The Corporation’s 2012-13 total capital project expenses spending plan is \$16,433,115. This includes design and other soft costs of \$1,070,000; legal fees of \$24,615; property management/maintenance costs of \$1,450,000; construction costs of \$9,203,500 and other capital miscellaneous costs of \$4,685,000.

Funding for the Corporation’s capital spending plan is from New York State Division of Budget funds, 2003-2005 Seneca Niagara Casino Revenue Funds,

and USAN/City MOU funds made available to the Corporation under the 2009 agreement with the City of Niagara Falls in support of the Conference Center Niagara Falls/Old Falls Street and economic development projects located within the Corporation's development district. No Corporate funds are allocated to the capital budget.

**II. Environmental Review:**

ESD staff had determined that the action, which involves the adoption of an annual budget in which expenditure items would be brought back to the USAN Directors for review, approval and environmental determination as necessary and applicable, would constitute a Type II ministerial action as defined by the New York State Environmental Quality Review Act and implementing regulations of the New York State Department of Environmental Conservation. No further review is required.

**III. Requested Action:**

The Directors are requested to ratify and approve the Corporation's proposed FY 2012-13 operating budget in the amount of \$650,744 and the capital budget in the amount of \$16,433,115 (subject to individual project approvals), and to authorize the Corporation to undertake tasks and incur expenditures consistent with advancing the scope of work contemplated in the proposed operating budget.

**IV. Attachments:**

Resolution

The Corporation's proposed FY 2012-13 Operating Budget

The Corporation's proposed FY 2012-13 Capital Budget

March 28, 2012

USA Niagara Development Corporation -- Approval of the Corporation's Operating and Capital Budgets for Fiscal Year 2012-13 (April 1, 2012 – March 31, 2013)

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RESOLVED, that based on the materials presented at this meeting and ordered filed with the Corporation (the "Materials"), the Corporation's proposed FY 2012-13 operating and capital budgets are hereby approved and adopted in all respects, substantially in the form set forth in the materials and subject to the availability of funds; and be it further

RESOLVED, that the Corporation is hereby authorized to undertake tasks and incur expenditures consistent with advancing the scope of work contemplated in the proposed operating budget, subject to the availability of funds; and be it further

RESOLVED, that the Directors shall make individual approvals and authorizations for items under the capital portion of the budget; and be it further

RESOLVED, that the President or his designees be, and the same hereby are authorized to execute and deliver on behalf of the Corporation all documents, instruments and agreements that the President shall deem necessary and appropriate to carry out these resolutions; and be it further

RESOLVED, that the President or his designees be, and the same hereby are authorized to take any action necessary and appropriate to carry out the foregoing.

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**Empire State Development  
USA Niagara Development Corp  
FY 2012-13 Operating Budget**

	Actual Expense FYE 2011	Spending Plan FYE 2012	Projected Expense FYE 2012	Spending Plan FYE 2013
<b><u>PERSONAL SERVICES (PS)</u></b>				
Salaries	445,872	412,836	397,622	386,973
Fringe Benefits	119,689	140,364	144,803	131,571
<b>TOTAL PERSONAL SERVICES</b>	<b>565,561</b>	<b>553,200</b>	<b>542,425</b>	<b>518,544</b>
<b>HEADCOUNT</b>	<b>6</b>	<b>5.5</b>	<b>5</b>	<b>5</b>
<b>POST EMPLOYMENT COST</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>NON-PERSONAL SERVICES (NPS)</u></b>				
<b>Professional Fees</b>				
Legal Fees	193	0	0	0
Consultant Fees	0	0	0	0
Accounting / Audit Fees	0	0	0	0
<b>Total Professional Fees</b>	<b>193</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Non-Personal Services</b>				
Employee Travel & Meals	294	3,000	300	2,000
Seminars & Conferences	0	2,500	0	2,000
Dues & Memberships	1,565	2,000	800	1,500
Subscriptions & On-Line Services	1,356	800	500	1,000
Office Occupancy Expenses	57,300	60,000	57,300	57,300
Insurance	1,474	3,435	17,000	26,215
Agency Temps	0	0	0	0
Telephone/Fax/Internet	18,088	20,000	16,000	20,000
Postage/Express Mail/Messenger	1,017	2,800	500	2,600
Office Supplies	2,479	3,000	1,000	3,000
Advertising/Promotion	1,345	2,000	7,500	2,000
Printing & Reproduction	0	3,000	0	2,185
Computers/Software/Equipment	4,879	5,000	5,000	5,000
Other Outside Service	1,263	1,200	1,200	1,200
Property Management Expense	0	0	0	0
Repairs & Maintenance	2,974	4,700	3,000	4,700
Other Expenses	1,577	1,500	1,500	1,500
<b>Total Other Non Personal Services</b>	<b>95,610</b>	<b>114,935</b>	<b>111,600</b>	<b>132,200</b>
<b>TOTAL NON-PERSONAL SERVICES (NPS)</b>	<b>95,802</b>	<b>114,935</b>	<b>111,600</b>	<b>132,200</b>
<b>TOTAL PS &amp; NPS</b>	<b>661,364</b>	<b>668,135</b>	<b>654,025</b>	<b>650,744</b>

**Empire State Development  
USA Niagara Development Corp  
FY 2012-13 Capital Budget**

	Actual Expense FYE 2011	Spending Plan FYE 2012	Projected Expense FYE 2012	Spending Plan FYE 2013
Acquisition Costs	0	0	0	0
Design & Other Soft Costs	323,559	220,000	100,000	1,070,000
Legal Costs	8,353	30,000	15,000	24,615
Property Management/Maintenance Costs	1,204,777	1,500,000	1,200,000	1,450,000
Insurance	0	0	0	0
Demolition & Site Clearance	126,599	0	0	0
Construction Costs	857,482	6,500,000	5,000,000	9,203,500
Other Misc. Costs	0	6,193,385	500,000	4,685,000
<b>Total Capital</b>	<b><u>2,520,770</u></b>	<b><u>14,443,385</u></b>	<b><u>6,815,000</u></b>	<b><u>16,433,115</u></b>



**FOR CONSIDERATION**

**March 28, 2012**

**TO:** The Directors

**FROM:** Christopher Schoepflin

**SUBJECT:** Niagara Falls Convention and Conference Facility  
Civic Project and Old Falls Street – 2012 Capital  
Budget

**REQUEST FOR:** Approval of the Niagara Falls Convention and  
Conference Facility and Old Falls Street 2012 Capital  
Budget; Authorization to Disburse Funds

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**I. Background:**

Attached for your review and approval is the proposed capital request (the “Capital Budget”) for the Niagara Falls Convention and Conference Facility, known as The Conference Center Niagara Falls (“CCNF”) and Old Falls Street (“OFS”) for 2012.

USA Niagara Development Corporation (“USAN”) is the owner and developer of CCNF. USAN contracted with Global Spectrum, LP (“Global Spectrum”) in January 2009 for a five-year term. USAN also approved an agreement with Global Spectrum to provide management services for OFS in October 2009. In total, Global Spectrum hosted 521 CCNF and OFS events in 2011.

Per the 2009 Memorandum of Understanding (“MOU”) between USAN and the City of Niagara Falls (the “City”), the City provides funds in the amount not to exceed \$1 million toward the combined annual operating deficits of CCNF and OFS. The MOU also provides funds in the amount not to exceed \$2.1 million annually to USAN in support of economic development projects related to CCNF or located within the USAN Development District. The source of the MOU funds is Emergency Eligible Financial Assistance to Eligible Municipalities (“USAN/City MOU Funds”). These funds are the funding source for the Capital Budget. No USAN Corporate funds will be used to fund the Capital Budget.

The proposed 2012 Capital Budget is \$482,600. This amount includes a total of \$359,400 in funding for CCNF and a total of \$123,200 in funding for OFS. Global Spectrum will make the proposed Capital Budget purchases on behalf of USAN through state contracts where cost effective and through competitive bids and comparable pricing where state contracts are not available. The proposed Capital Budget with complete cost breakdown and reference information is attached.

**II. Environmental Review:**

ESD staff had determined that the action, which involves the adoption of an annual budget consisting of capital expenditure items all involving regular maintenance and operational items with no expansion of the CCNF or Old Falls Street, would constitute a Type II action as defined by the New York State Environmental Quality Review Act and implementing regulations of the New York State Department of Environmental Conservation. No further review is required.

**III. Requested Action:**

The Directors are requested to approve USAN's proposed 2012 CCNF and OFS Capital Budget in the amount not to exceed \$482,600 and to disburse funds in accordance with the 2012 CCNF and OFS Capital Budget attached hereto.

**IV. Attachments:**

Resolution  
Proposed 2012 CCNF & OFS Capital Budget

March 28, 2012

USA Niagara Development Corporation -- Approval of the 2012 Niagara Falls Convention and Conference Facility and Old Falls Street Capital Budget; Authorization to Disburse Funds

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RESOLVED, that based on the materials presented at this meeting and ordered filed with the Corporation (the "Materials"), the Corporation's proposed 2012 Niagara Falls Convention and Conference Facility and Old Falls Street Capital Budget in the amount not to exceed \$482,600 is hereby approved, and adopted in all respects, substantially in the form set forth in the materials and subject to the availability of funds; and be it further

RESOLVED, that the President or his designees be, and the same hereby are, authorized to disburse funds substantially in accordance with the 2012 Niagara Falls Convention and Conference Facility and Old Falls Street Capital Budget with such changes as the President or his designee deems necessary or appropriate; and be it further

RESOLVED, that the President or his designees be, and the same hereby are authorized to execute and deliver on behalf of the Corporation all documents, instruments and agreements that the President shall deem necessary and appropriate to carry out these resolutions; and be it further

RESOLVED, that the President or his designees be, and the same hereby are authorized to take any action necessary and appropriate to carry out the foregoing.

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Item	Quantity	Price	Purpose
<b>2012 CCNF</b>			
Servers - IBM and HP/ Back Up appliance, Sw itches access points	1.00	\$ 36,000.00	Replace existing servers w ith new hardw are. IBM servers supporting file and print services are 8 years old - no w arranty information available. Cisco telephony servers are also 8 years old and are no longer under w arrantly.
Cisco ASA Firew all	1.00	\$ 19,900.00	Replace existing Cisco pix 515 firew all w ith appropriate Cisco ASA Firew all. Support ends July 2013.
Cisco Call Manager-HIGH LEVEL PRIORITY	1.00	\$ 40,200.00	Upgrade to a supported version of Unity Softw are 4. Phone system is end-of-life and end-of-service, need to replace hardw are as well.
Mirrors Restrooms	1.00	\$ 6,000.00	Mirror covering is disappearing and cracking.
For any unforeseen HVAC, Plumbing, electrical		\$ 40,000.00	
Foyer Tile replacement	1.00	\$ 150,000.00	Tile is cracking, the bone color product is no longer available. There is a need for a commercial grade tile installed. Cannon design w orking on a strategy to replace.
18 inch x 8ft tables	1.00	\$ 18,000.00	For class room setup, w ill be able to maximize occupany of room for meetings.
Table Throw s for 8ft tables	1.00	\$ 5,500.00	Replace table covers for class room set-up w ith 8 ft. tables.
Culinary, china & glass additions		\$ 10,000.00	Kosher catering project w ill need new china and food & beverage equipment to provide this service. Tremendous oppourtity for new revenue stream.
Key / Scannable Entrance for Security entrace	1.00	\$ 7,200.00	To protect and secure the safety of the staff and vendors for the Conference Center.
Window replacement	1.00	\$ 5,000.00	Replace w indow over the FIRST Street Enrerance and in the Grand Foyer.
Carpet squares for the Event Center	1.00	\$ 8,000.00	To scan for loose electrical connections.
Event Center Lamp and Ballast replacment	1.00	\$ 6,100.00	To bring the Event Center lighting up to 100% w orking condition.
Roll up door in Event Center Storage	1.00	\$ 7,500.00	To enable the forklift to get into the storage area and double stack the chairs and other equipment.
<b>Total CCNF</b>		<b>\$ 359,400.00</b>	

Item	Quantity	Price	Purpose
<b>2012 OFS</b>			
New digital radios & frequency	12.00	\$ 5,000.00	Better reception and longer range with 5 channels.
Food and beverage cart	1.00	\$ 15,000.00	An additional cart for food storage and beverage dispensing.
Restaurant equipment		\$ 15,000.00	Cryovac, Panini, and other portable cooking items to expand the menu options on the vending carts, as well as additional seating and trailer.
Sound System on Poles	1.00	\$ 15,000.00	Wireless speakers to install on the light poles to amplify the music at dusk series and to make announcement to patrons at commercial and kid events.
30' x 60' tent with heaters and jacks	1.00	\$ 10,000.00	An additional 30 x 60' tent with heaters and jacks for winter activities & additional concessions space for Event Center events.
Creative Works and Database Program for Marketing Department		\$ 6,000.00	New computer program and I-pad touch computer for the marketing dept. to develop flyers & other print media, as well as a computer kiosk center for marketing and data collection.
Seasonal Décor / LED lighting for Old Falls Street		\$ 50,000.00	Lighting for all trees and décor along OFS. LED trees from the trunk up as well as larger seasonal displays along OFS.
Landscaping of grass area by Comfort Inn		\$ 7,200.00	Level the grass area.
<b>Total OFS</b>		<b>\$ 123,200.00</b>	
<b>Total 2012 CCNF &amp; OFS</b>		<b>\$ 482,600.00</b>	



**FOR CONSIDERATION**

**March 28, 2012**

**TO:** The Directors

**FROM:** Christopher Schoepflin

**SUBJECT:** City Parking Ramp II – Rainbow Boulevard Elevator Tower Initiative – Funding Agreement with the City of Niagara Falls

**REQUEST FOR:** Authorization to Enter into a Funding Agreement; to Provide Funds to the City of Niagara Falls; and Take All Related Actions

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**I. Background:**

**Development Agreement - Niagara Falls Culinary Institute Project**

On October 26, 2010, the Directors approved several actions related to the Niagara Falls Culinary Institute Project (“Culinary Institute”), including authorization for USA Niagara Development Corporation (“USAN”) to enter into a Development Agreement (the “Agreement”) with the City of the Niagara Falls (the “City”), Niagara County Community College (“NCCC”) and Niagara County, to facilitate and partially fund design, construction management, and construction for two main components of the Culinary Institute Project to be contracted by the City:

- *Interior Razing of the Rainbow Centre Mall.* This involves interior demolition, asbestos abatement, and environmental remediation of the ~287,000-square-foot (“SF”), former Rainbow Centre Mall (“Mall”) to create “reuse-ready” space. This is intended to both to accommodate NCCC contracting for the renovation of ~90,000 SF of this space as the Culinary Institute and to facilitate the City/USAN to solicit the remaining space for future adaptive reuse.
- *City Parking Ramp II Rehabilitation.* This involves structural maintenance and upgrades to the 1,600-space parking structure integrated with the former Mall, (“City Parking Ramp II” or “Ramp”), which is owned by the City. After 30 years of use, the Ramp exhibited a measureable amount of structural concrete deterioration that is correctable, negative aesthetic features (rusted/peeling railings, graffiti, former business signs, etc.), and a patron access system (stairwells, elevators, hallways) designed primarily to access the interior of the former Mall. The improvement program involves an extensive program of concrete rehabilitation, aesthetic upgrades, and the construction of a new elevator tower fronting on Old Falls Street that will provide better access from the parking levels to key adjoining uses to the south and east of the Culinary Institute (see **Attachment 1**).

The Agreement established a \$9 million budget for interior demolition and upgrades to the Ramp. Funding sources include \$4,353,500 in USAN/City MOU Funds and \$4,646,500 from Empire State Development (Upstate Regional Blueprint Funds).

### **Conditions Assessment – City Parking Ramp II**

To develop a basis for elements of the Ramp rehabilitation program, in July 2010 the City contracted with a consultant team led by the firm of Urban Engineers, Inc. (“Urban”) to undertake a full conditions assessment of the Ramp. The City retained the Urban team later to undertake final design and construction administration services for the rehabilitation program.

The conditions assessment was completed in September 2010. In addition to assessing and developing cost estimates for interior demolition, asbestos/environmental issues, and structural rehabilitation, Urban (together with their architectural subconsultant, Trautman Associates [“Trautman”]) identified the Ramp’s existing four-car elevator tower along Rainbow Boulevard as being in need of aesthetic improvements, access/ADA upgrades, and elevator car maintenance (see **Attachment 2**). While operable, Urban outlined a series of issues with the elevator tower, including the following:

- The elevator lobby is oriented inward to the former Mall space with no visual access along Rainbow Boulevard, making them perceived as dark and not monitored.
- ADA access to first floor elevator requires entrance to the main doors to the former Mall space and through an interior hallway equipped with an access ramp to the elevator lobby.
- None of the finishes in each of the floors’ elevator hallways (e.g., drop ceilings, light fixtures, surfaces, etc.) are in acceptable or aesthetically-pleasing condition.
- After 30 years in use, the four elevator cars are in need of rebuild/significant maintenance.

The Conditions Assessment estimated that access and elevator lobby improvements could range from a low of ~\$100,000 for aesthetic-only upgrades, to ~\$500,000 for aesthetic and ADA access improvements, to as much as ~\$2 million for a full improvement program, inclusive of fully rebuilding all four elevator cars.

In structuring the final budget/program for the rehabilitation of the Ramp, it was acknowledged that the anticipated \$9 million in funding would not be enough to address every item in the assessment (when also factoring in the interior demolition program and soft costs). Therefore an evaluation was conducted to determine what was absolutely required in the near term to support the initial Culinary Institute Project versus what could be deferred to a later period as a stand-alone effort or as part of an on-going maintenance program for the Ramp.

It was determined at that time that the Rainbow Boulevard Elevator Tower would be postponed and not carried into final design/construction until a later date, given that the elevators are still operable, albeit less than desirable in terms of patron visibility and convenience. In turn, it was considered that the new elevator to be built on Old Falls Street would serve the most pressing near-term parking demands experienced at the Ramp (e.g.,

Culinary students, events on Old Falls Street and at Conference Center Niagara Falls, and valet service at the Quality Inn at the Falls).

### **Need to Advance Design for Rainbow Blvd Elevator Tower**

Recent events have triggered the need to now advance design efforts for the Rainbow Boulevard Elevator Tower (the "Initiative"). As part of the Development Agreement for the Culinary Institute, the City acquired a key vacant development site located adjacent to the Project at 310 Rainbow Boulevard. In cooperation with the City, USAN issued a Request for Proposal for redevelopment of the site on October 5, 2011. On February 22, 2012, Hamister Development Group, Inc. ("Hamister") was approved by the City as the Preferred Developer for the site. Hamister has proposed a \$22.4 million project that will include upscale lodging, retail/restaurant uses, and 24 market-rate apartments. It is anticipated that this project will be fully completed in early 2014.

Parking for the proposed Hamister project will be provided in City Parking Ramp II, with primary access at the Rainbow Boulevard Elevator Tower, immediately across Rainbow Boulevard from the development site. Thus, given that the City still has a consultant team under contract, it is advantageous to provide funding to the City in order for them engage Urban to fully evaluate alternatives and estimate costs for a range of possible improvement scenarios for this key access point to the Ramp. This will serve as a basis for identifying/securing funding for these improvements.

The City will enter into a contract amendment with Urban to undertake preliminary design, final design, and design administration during construction. The scope of work for the Initiative will include planning, design, and cost estimating services for the following:

- Elimination of the existing separate narrow entrance hall to the existing elevator lobby;
- Incorporation of a new wider ADA ramp at the new Rainbow Center entrance to serve as an access point for the elevator lobby, including the removal of an existing interior concrete stair;
- Removing portions of the existing precast concrete wall panels in order to provide natural light and visibility into the existing elevator lobbies;
- Provide a new entrance "temporary" facade at the ground floor (i.e., pending redevelopment of the balance of the former Mall); integrated with the existing facade design;
- Install new interior finishes including quarry tile floor; metal ceiling tiles, painting and phenolic wall panels (i.e., consistent with design of new Old Falls Street elevator);
- Replacement of existing aluminum entrance systems and storefronts.
- Mechanical and electrical upgrades; and

- Modernization and upgrading of the passenger elevator equipment, including car refurbishment and signal equipment replacement for up to two (2) elevators.

## **II. Funding Source:**

The funding source for these services will be USAN/City MOU funds, pursuant to the 2009 Memorandum of Understanding (“MOU”) between USAN and the City.

No USAN Corporate funds will be used to fund the Initiative.

## **III. Budget:**

The budget for the Initiative will include varied costs based upon the level of design administration services necessary during construction (i.e., based upon the extent of the improvement program ultimately identified), but would not exceed \$100,000.

Total: \$100,000

## **IV. Funding Agreement:**

Under the Agreement, USAN shall remit, or cause ESD to remit, to the City Controller funds up to \$100,000 in USAN/City MOU Funds. The City Controller shall hold such funds in escrow and release the same, to pay for bona fide approved Initiative costs due and payable to Urban.

If the Initiative is terminated, abandoned or modified by the City without the consent of USAN, or if upon completion of the Initiative there remains any unexpended USAN/City MOU Funds, the City shall promptly remit the same to USAN.

## **V. Environmental Review:**

ESD staff has determined that the action, which involves providing funding for design services that does not commit either the City or the Corporation to actually implement a project, constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required.

**VI. Affirmative Action:**

USA Niagara Development Corporation's Non-discrimination policy will apply. The City is encouraged to use good faith efforts to provide opportunities for participation in the project by Minority and Women Business Enterprises.

**VII. Recommendations:**

Based on the foregoing, the Directors are requested to authorize the Corporation to enter into a Funding Agreement for an amount not to exceed \$100,000 with the City for the City Parking Ramp II – Rainbow Boulevard Elevator Tower Initiative.

**Attachments:**

Resolution

Attachment 1 – Schematic Diagram – Culinary Institute & City Parking Ramp Improvements

Attachment 2 - City Parking Ramp II Photos

March 28, 2012

USA Niagara Development Corporation – Authorization to Enter into a Funding Agreement; to Provide Funds to the City of Niagara Falls; and Take All Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the City Parking Ramp II – Rainbow Boulevard Elevator Tower Initiative (the “Initiative”), that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to enter into a Funding Agreement with the City of Niagara Falls, for the purposes of advancing activities under the Initiative, substantially on the terms and conditions set forth in the materials presented to this meeting, with such changes as the President and the Chief Executive Officer of the Corporation or his designee(s) may deem appropriate; including the funding of an amount not to exceed \$100,000 and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she in his or her discretion consider to be necessary to effectuate the foregoing resolutions.

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Attachment 1: Schematic Diagram - Culinary Institute & City Parking Ramp Improvements



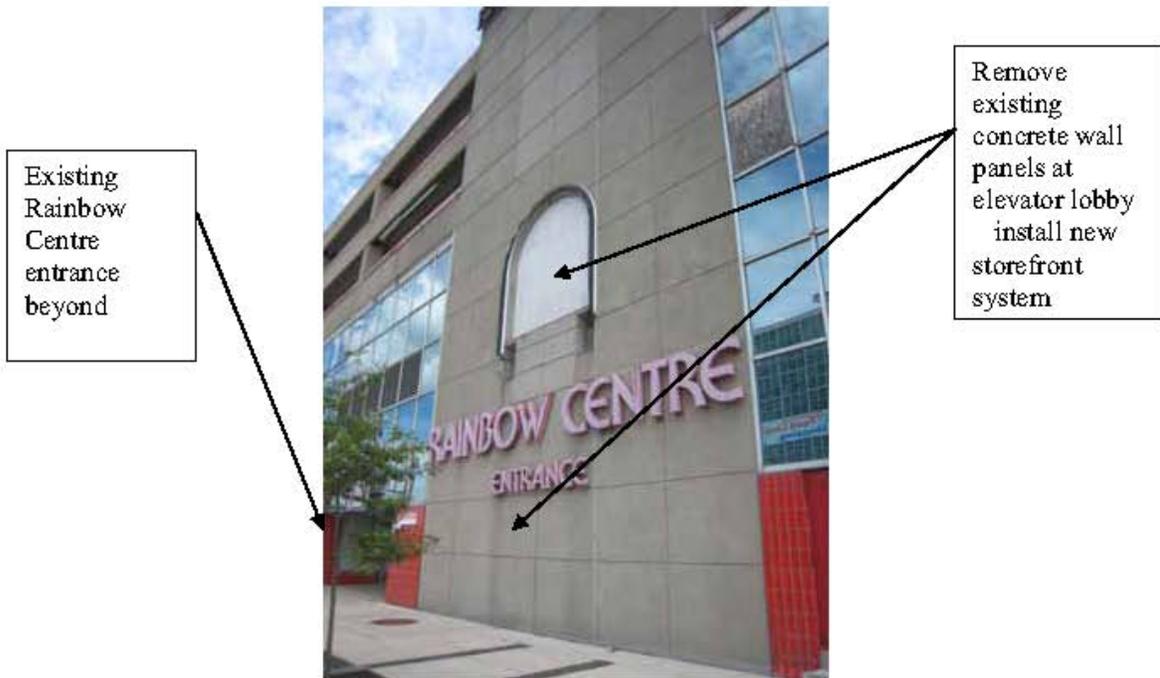


Photo E-6 View of existing Rainbow Centre façade along Rainbow Boulevard

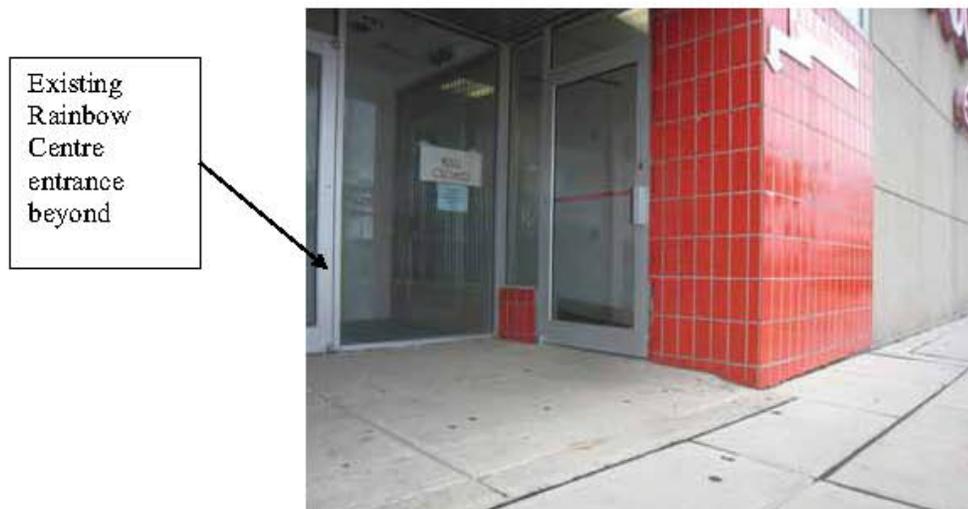


Photo E-7 View of existing entrance to elevator lobby along Rainbow Boulevard