

**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

August 15, 2018 – 2:00 p.m.

**AGENDA**

**I. CORPORATE ACTION**

- A. Approval of Minutes of the March 21, 2018 Directors' Meeting

**II. FOR CONSIDERATION**

- A. Proposed Acquisition of Downtown Niagara Falls Properties by the USA Niagara Development Corporation - Authorization to Acquire Real Property; Authorization for Payment of the Balance of the Deposit; Authorization to Enter into Contracts for Due Diligence Studies without Further Board Approval; Determination of No Significant Effect on the Environment; and Authorization to Take Related Actions

**Item I. A.**

**DRAFT – SUBJECT TO REVIEW AND REVISION**

**USA NIAGARA 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

March 21, 2018

**MINUTES**

**In Attendance Directors:**

Francine DelMonte – Chair  
Paul Nanula  
Michael Williamson

**Present for USA Niagara:**

Christopher Schoepflin - President  
Debbie Royce - Acting Corporate Secretary  
(via videoconference)

**Present for ESD  
(via videoconference):**

Julia Borukhov - Financial Project Manager  
Eugene Kwiatkowski – Senior Director of Budgeting  
Holly Leicht - EVP, Real Estate Development and  
Public/Private Partnership

**Present for ESD Western  
New York Regional Office:**

Pamm Lent - Director, Communications WNY  
Amanda Mays - Senior Project Manager  
John Risio - Project Manager  
Rob Sozanski - Project Associate  
Paul Tronolone - VP, Planning & Policy, WNY  
Jocelyn Viola – Administrative & Office Manager

**Present for ESD Buffalo  
Regional Office:**

Stephen F. Gawlik – VP, Poly & Capital Projects & Senior  
Legal Counsel

**DRAFT – SUBJECT TO REVIEW AND REVISION**

**Also Present:**

Honorable Paul Dyster - Mayor, City of Niagara Falls  
Thomas DeSantis - Director, Department of Planning &  
Economic Development, Niagara Falls  
Jason Murgia - General Manager of the Conference Center,  
Niagara Falls & Old Falls Street  
The Public  
The Press

The meeting of the USA Niagara Development Corporation (“USAN”), a wholly-owned subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”), was called to order at 3:00 p.m. by Chair DeMonte. 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.

The Chair went on to note for the record the guidelines by which the public is allowed to comment on items on the Agenda.

The Chair then asked the Directors if they had any potential conflicts of interest with regard to any of the items on the Agenda and if so, to make that information known at this time. If any potential conflicts exist, the Chair continued, the Directors would be reminded at the appropriate time to recuse themselves from the vote on any such item. It was noted that no conflicts exist.

The Chair then called for the approval of the Minutes of the November 21, 2017 Directors’ meeting. Upon motion duly made and seconded, the following resolution was

**DRAFT – SUBJECT TO REVIEW AND REVISION**

unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE NOVEMBER 21,  
2017 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 November 21, 2017 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.

\* \* \*

Chair DelMonte then asked Christopher Schoepflin, President of USAN, to present the first Agenda item, a request for the approval of the Corporation's Fiscal Year 2018 to 2019 Annual Operating and Capital Budgets.

Mr. Schoepflin greeted the Board and thanked Chair DelMonte for the introduction.

Next, Mr. Schoepflin stated that the Fiscal Year 2018 to 2019 Operating Budget of \$661,170 proposes a total of \$558,592 in personnel services, comprised of salary and benefits for five-and-a-half employees and a total of \$102,578 in non-personnel services, which is primarily office occupancy and administrative expenses.

Mr. Schoepflin explained that the total budget represents a 9.1% decrease from the Fiscal Year 2017-2018 Operating Budget, primarily due to adjustments to the salary allocation percentages with Empire State Development ("ESD"). Mr. Schoepflin further explained that these adjustments were made due to the amount of time employees will work in specific

**DRAFT – SUBJECT TO REVIEW AND REVISION**

offices.

Mr. Schoepflin also noted that the Fiscal Year 2018-2019 Operating Budget will be advanced with ESD corporate funds with the expectation of reimbursement at a later date.

Next, Mr. Schoepflin stated that the Corporation's Fiscal Year 2018-2019 Capital Budget is \$10,017,848 and includes the following: (i.) construction costs of \$2,781,000; (ii.) design and other soft costs of \$3,456,848; (iii.) legal costs of \$80,000; and (iv.) property management cost of \$800,000.

Mr. Schoepflin further stated that the Corporation anticipates that the proposed funding will cover construction costs associated with the Hyatt Place Hotel Project at 310 Rainbow Boulevard, which will be completed in the spring, and final design costs related to the Niagara Gorge Corridor Parkway Removal Project.

Moreover, Mr. Schoepflin stated that funding for the Corporation's Capital Budget includes funds from USA Niagara and City of Niagara Falls Memorandum of Understanding Funds made available to the Corporation. He also noted that no corporate funds are included in the Capital Budget.

Mr. Schoepflin requested that the Directors ratify and approve the Corporation's proposed Fiscal Year 2018-2019 Annual Operating Budget in the amount of \$661,170 and the

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Annual Capital Budget in the amount of \$10,017,848. Mr. Schoepflin noted that the capital items are subject to further board approval per project on an individual basis.

Mr. Schoepflin further requested that the Directors authorize the Corporation to undertake tasks and incur expenditures consistent with advancing the scope of work contemplating the budgets.

Mr. Schoepflin stated that the budgets were attached to the board meeting materials for the media and the public.

Chair DelMonte asked if there were any questions or comments from the Directors or any comments from the public.

Director Williamson asked if Mr. Schoepflin will spend more time in Buffalo as opposed to his office.

Mr. Schoepflin said yes and stated that his time as well as that of Paul Tronolone, Vice President of Planning & Policy for the ESD Western New York Regional Office, is allocated.

Mr. Schoepflin explained that he and Mr. Tronolone spend time in both offices. He further explained that the subsidiary pays a portion of their time and the parent corporation pays the other portion of their time.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Hearing no further questions or comments from the Directors and no comments from the Public, upon a motion duly made and seconded, the following resolution was unanimously adopted:

USA NIAGARA DEVELOPMENT CORPORATION – Approval of the Corporation’s Annual FY 2018-19 Operating and Capital Budgets (April 1, 2018 – March 31, 2019)

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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 2018-19 Annual 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 budgets, subject to the availability of funds; and be it further

RESOLVED, that the Directors shall make individual approvals and authorizations for items under the Annual Capital 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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Chair DelMonte asked Mr. Schoepflin to present the next Agenda item, a request for approval of, among other things, the Niagara Falls Convention and Conference Facility and Old Falls Street Calendar Year 2018 Operating and Capital Budgets.



**DRAFT – SUBJECT TO REVIEW AND REVISION**

Mr. Schoepflin thanked Chair DelMonte for the introduction and welcomed the Mayor of the City of Niagara Falls, Paul Dyster, to the meeting.

Next, Mr. Schoepflin explained that the proposed calendar year 2018 Operating Budget for the Conference Center is \$397,072 with incentive fees budgeted. He further explained that the Operating Budget for Old Falls Street is \$599,669 with incentive fees budgeted.

Mr. Schoepflin noted that the total Operating Budget for the Conference Center and Old Falls Street for the 2018 operating year is \$996,741 with incentive fees. He further noted that the proposed calendar year 2018 Capital Budget is \$148,718.

Mr. Schoepflin stated that the Capital Budget includes a total of \$57,898 in funding for the Conference Center and a total of \$90,816 for Old Falls Street. Mr. Schoepflin explained that the Corporation's operator will make the proposed capital budget purchases on behalf of the Corporation through state contracts, cost effective and/or through competitive bids and comparable pricing where state contracts are not available.

Mr. Schoepflin stated that the combined operating and capital budgets for the building and the street with incentive fees total \$1,145,455 for 2018. He noted that the budgets were attached to the board materials for the meeting and the public.

Mr. Schoepflin further stated that due to the Corporation's meetings generally occurring

**DRAFT – SUBJECT TO REVIEW AND REVISION**

in March, first quarter funding for the building in the street always becomes an issue from a capital perspective.

Next, Mr. Schoepflin asked the Board to approve the Conference Center and Old Falls Street budgets for the first quarter of 2019 in an amount not to exceed \$250,000. He stated that these budgets will remain subject to approval of the Directors before the start of the fiscal year, which begins on April 1<sup>st</sup>.

Mr. Schoepflin further stated that budget approval for the first quarter of 2019 would allow the Corporation to continue operations while the budget for the fiscal year is prepared for approval.

Mr. Schoepflin noted that the Corporation's nondiscrimination of contractor and supplier diversity policies will apply to this project.

Next, Mr. Schoepflin requested that the Directors approve the following: (i.) USA Niagara's calendar year 2018 Conference Center and Old Falls Street Operating and Capital Budget in the amount not to exceed \$1,145,455; (ii.) Conference Center and Old Falls Street funding for the first quarter of 2019 in an amount not to exceed \$250,000; and (iii.) disbursement of funds in accordance with the 2018 operating and capital budgets.

Chair DelMonte asked if there were any questions or comments from the Directors.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

While referencing the Memorandum of Understanding between the Corporation and the City regarding casino funds, Chair DelMonte asked if the Corporation is backfilling that or leaving it open.

Mr. Schoepflin responded that the Corporation is backfilling.

Chair DelMonte stated that she made the inquiry because there is a gap.

Mr. Schoepflin responded that the Corporation is using their reserve for 2018 and are working internally. He stated that he was not able to speak regarding the timing of when those funds may or may not restart.

Mr. Schoepflin further stated that the Corporation is working internally on alternative funding sources for 2019 and beyond.

Next, Chair DelMonte called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

USA NIAGARA DEVELOPMENT CORPORATION – Approval of the CY 2018 Niagara Falls Convention and Conference Facility and Old Falls Street Operating and Capital Budgets; Approval of First Quarter 2019 Funding; 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 CY 2018 Niagara Falls Convention

**DRAFT – SUBJECT TO REVIEW AND REVISION**

and Conference Facility and Old Falls Street Operating and Capital Budgets in a cumulative amount not to exceed \$1,145,455 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, the Corporation's proposal for first quarter 2019 (calendar quarter) funding for the Niagara Falls Convention and Conference Facility and Old Falls Street in an amount not to exceed \$250,000 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 actions of the President or his designees relating to the CY 2018 Niagara Falls Convention and Conference Facility and Old Falls Street Operating and Capital Budgets be approved and ratified, and the same hereby are, authorized to disburse funds substantially in accordance with the CY 2018 Niagara Falls Convention and Conference Facility and Old Falls Street Operating and Capital Budgets 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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Chair DelMonte asked Mr. Schoepflin to present the following Agenda item, a request for authorization to enter into a second amendment of lease for the Corporation's office space.

Mr. Schoepflin stated that the first amendment expired at the end of February. He further stated that the Corporation would like to extend the lease term for an additional two years for the space that they occupy as of March 1, 2018, and expiring at the end of February 2020.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Mr. Schoepflin stated that the base rent for the extended lease term, will be \$69,300 annually and is payable at \$5,275 per month.

Mr. Schoepflin explained that the second amendment of the lease includes USA Niagara's right to exercise a renewal for an additional three years. He further explained that the Corporation negotiated two years plus three additional years at their option and at a higher rate of \$69,300 per year.

Mr. Schoepflin noted that the second amendment lease contains a provision stating that the agreement is contingent upon and subject to the approval of the USA Niagara Board of Directors.

Moreover, Mr. Schoepflin explained that the second amendment will allow the Corporation to continue to provide the amount of space as well as the type of space needed to function as a corporation.

Next, Mr. Schoepflin requested that the Directors authorize the Corporation's officers to enter into a second amendment of the lease as a tenant with First Street Group, LLC as a landlord for office space at 222 First Street, Suite 700, in Niagara Falls, New York, on the terms and aforementioned conditions. Mr. Schoepflin noted that the Corporation is asking for a two-year extension for their current office space.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Director Williamson asked if the space only entails the seventh floor.

Mr. Schoepflin said yes and explained that the Corporation does not pay maintenance fees or utilities because the rent payment is all inclusive.

Chair DelMonte stated that she was unsure of how to judge comparisons.

Mr. Schoepflin responded that each square foot is 16 full-service gross for the space.

Director Nanula commented that he believes Niagara Falls is on the higher side; however, the amount is market rate.

Mr. Schoepflin explained that the Corporation did not want to commit to a five-year term because they are in the process of acquiring land. He further explained that there may be an acquisition that may make more sense for the Corporation to engage in from a rental or a tenant perspective.

Chair DelMonte asked if there were any further questions or comments from the Directors or any comments from the public.

Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

**DRAFT – SUBJECT TO REVIEW AND REVISION**

USA NIAGARA DEVELOPMENT CORPORATION – Office Space – Authorization to Enter into a Second Amendment of Lease for Office Space at 222 First Street, Suite 700, Niagara Falls; and Authorization to Take Related Actions

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RESOLVED, that based on the materials presented at this meeting and ordered filed with the Corporation (the “Materials”), the Corporation is hereby authorized to enter into a Second Amendment of Lease, as tenant, with First Street Group, LLC, as landlord, for Office Space at 222 First Street, Suite 700, Niagara Falls, on the terms and conditions substantially as described in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designees be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

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Chair DelMonte requested that Mr. Schoepflin present the following Agenda item, a request for the Corporation to, among other things, acquire real property.

Mr. Schoepflin stated that Frank Deni is the owner and seller of a vacant land parcel located at 101 Buffalo Avenue, in Niagara Falls, consisting of approximately 1.2 acres with frontage of about 258 feet along Buffalo Avenue. He described the location of the property as being adjacent to the American Rapids Bridge connection to Goat Island in Niagara Falls State Park and Riverway along the Upper Niagara River.

Mr. Schoepflin further stated that two independent appraisers and staff have determined that the highest and best use of the property is for commercial, residential, hotel, bed and breakfast and/or mixed use development. He explained that this determination was made based on what is physically possible, legally permissible and financially feasible.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

While referring to an image of the site that was displayed for the Board, Mr. Schoepflin confirmed the location of the Rapids Bridge as well as the location of the property. He described the property as a rectangular shaped parcel of 1.2 acres.

Mr. Schoepflin proposed the acquisition of the property from the seller for \$1.2 million.

Mr. Schoepflin reiterated that the fair market value of the property was determined by two independent appraisals that were conducted by the Corporation.

Mr. Schoepflin stated that the property was valued between \$990,000 and \$1.15 million. He further stated that the Corporation is in the due diligence phase and that the closing is expected to happen in May, subject to the Board's approval.

Next, Mr. Schoepflin provided a breakdown of the \$1,124,000 cost associated with the acquisition: (i) \$1.1 million for the acquisition; (ii) \$20,000 in due diligence; and (iii) \$4,000 in interim holding costs including insurance and maintenance. Mr. Schoepflin stated that the cost will be funded by the Buffalo Regional Innovation Cluster, also known as the Buffalo Billion II Fund.

Furthermore, Mr. Schoepflin stated that the property is not within a local or state national designated historic district; however, he stated that it is within an R-4 Heritage Zoning



**DRAFT – SUBJECT TO REVIEW AND REVISION**

District. Mr. Schoepflin explained that its purpose is to protect the authentic architecture, local history, heritage value, historic urban context, neighborhood design and the integration of these elements along the Niagara River Greenway.

Moreover, Mr. Schoepflin stated that form and design of new structures in the district must be sensitive to and consistent with the pattern within the district, concluding that limited commercial uses will be permitted subject to design guidelines.

Mr. Schoepflin requested that the Directors authorize the following: (i.) authorization to enter into the necessary agreements to effectuate the transfer of the property as stated in the Board materials; (ii.) acquire the property in accordance with the Board materials; (iii.) authorize the commitment of \$1.1 million from the Buffalo Billion Fund to purchase the property and related acquisition fees; and (iv.) make a determination of no significant effect on the environment.

Mr. Schoepflin stated that the property will be purchased in “as is” condition and property improvements will not be made at this time.

Mr. Schoepflin further requested that the Directors authorize the Corporation to take any and all related action.

Next, Chair DelMonte asked if there were any questions or comments from the

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Directors.

Director Nanula asked how long the property has been owned.

Mr. Schoepflin responded that the property has been owned by the current owner since the late 1970's.

Director Nanula asked about the level of interest from other potential buyers.

Mr. Schoepflin responded that there was discussion regarding competition with a potential buyer. He stated that the sale price of the property was recently increased.

Mr. Schoepflin further stated that most people believed that the property was part of the state park; however, the property is privately owned.

Mr. Schoepflin explained that the sale price is reasonable at approximately \$20 per square foot and characterized the property as special real estate waterfront realty.

Director Nanula responded that he agreed and explained that he simply wanted to know why there has been no interest in the property.

Mr. Schoepflin responded that the property had not been marketed and that the

**DRAFT – SUBJECT TO REVIEW AND REVISION**

property owner likely wanted to keep the land as long as possible.

Director Nanula identified the process described by Mr. Schoepflin as “land banking.”

Mr. Schoepflin responded that Director Nanula was correct and explained that the land owner’s children have done the same in Buffalo.

Director Nanula stated that the owner likely made a profit.

Mr. Schoepflin stated that the purchase price was approximately \$25,000.

Director Williamson asked why the owner wants to sell the property.

Mr. Schoepflin stated that he believes that the family wants to sell the property due to generational change and noted that he has been in contact with Mr. Deni’s son. He further stated that the Corporation has the funds available for the purchase of the property.

Director Nanula stated that the property is pristine due to its location and asked if the trees can be removed.

Mr. Schoepflin responded that this type of work is performed with the Corporation’s partners at the city and state parks. He explained that the Corporation had a discussion with

**DRAFT – SUBJECT TO REVIEW AND REVISION**

state parks to alert them of the acquisition.

Mr. Schoepflin further explained that Corporation wants to build on the property and in order to make the property ready for productive use, there cannot feasibly be objections to tree removal.

Director Nanula asked if the property is a heavily wooded area.

Mr. Schoepflin responded that he would classify the property as having overgrowth.

Director Nanula stated that if the overgrowth is removed, the property would yield a great view.

Mr. Schoepflin stated that the Corporation ran an asphalt path down the side of the property as part of the Riverway Project, which runs parallel to the Goat Island Bridge.

Mr. Schoepflin further stated that he has been walking down the path, inspecting the property and overlooking the view shed.

Mr. Schoepflin noted that the waterfront is the inherent strength of the property and further noted that the Corporation should take advantage of that feature.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Director Nanula stated that the intention of the acquisition should be to enhance the public use of the property.

Chair DelMonte asked if there is going to be an RFP.

Mr. Schoepflin said yes and stated that there would be discussion regarding an RFP; however, he explained that they are still in the due diligence phase to acquire.

Director Nanula asked if the value of the property is consistent with the amount that can be obtained for the property going forward.

Mr. Schoepflin stated that the answer is contingent upon the mathematics of the cost of what will eventually be built. He explained that the challenge will partially be remaining within the R-4, which will limit what the performer looks like from a development standpoint.

Chair DelMonte asked regarding the size of the property.

Mr. Schoepflin responded that the property is 1.2 acres which is 55,000 square feet.

Director Nanula asked if there are any current limitations regarding what can be done with the property.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Mr. Schoepflin stated that R-4 limits the project to four or five stories and campus development is permitted.

Mr. Schoepflin further stated that the property is the Corporation's second purchase. He described the property as a special piece of land and stated that the Corporation, in conjunction with the city, can articulate the Governor's vision of a spectacular waterfront city.

Mr. Schoepflin noted the importance of working with the private sector and governmental partners to ensure that the parcels are developed properly.

Lastly, Mr. Schoepflin noted the importance of building infrastructure on the adjacent parcel with some guidance from the public sector.

Following the full presentation, Chair DelMonte called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

**USA NIAGARA DEVELOPMENT CORPORATION – Proposed Acquisition of the 101 Buffalo Avenue Niagara Falls Property by the USA Niagara Development Corporation - Authorization to Acquire Real Property; Determination of No Significant Effect on the Environment; and Authorization to Take Related Actions**

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RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the USA Niagara Development Corporation (the "Corporation") relating to 101 Buffalo Avenue, Niagara Falls (the "Property"), the Corporation is hereby authorized to enter the necessary agreements to effectuate the transfer of the Property and to acquire the Property, as stated in these Board materials; (ii) to authorize the commitment of \$1,100,000

**DRAFT – SUBJECT TO REVIEW AND REVISION**

from the Buffalo Billion Fund to purchase the Property, plus related acquisition costs; and (iii) take all related actions; and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Corporation hereby determines that the proposed action will not have a significant adverse effect on the environment; and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Corporation hereby finds that because there are no specific future plans for the subject property, the environmental review of the proposed disposition is not being “segmented” from the review of any such plan and that to the extent the requested authorization may be deemed to be “segmented”, that such “segmentation” is permissible pursuant to 6 NYCRR Part 617.3(g) due to the relevant circumstances of the project, specifically: (i) that it is not possible to consider future plans for project site in the absence of a future development plan; (ii) that any such future plan(s) will be subject to review under SEQRA; and (iii) that the review of the requested authorization to acquire the site is no less protective of the environment than any present review of any future plan, and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designees be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

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Next, Chair DelMonte asked Mr. Schoepflin to present the following Agenda item, a request for authorization to adopt revised Procurement Guidelines.

Mr. Schoepflin stated that the Board approves guidelines for the use of awarding, monitoring, and reporting a procurement contract as mandated by Section 2879 of the Public Authorities Law. He further stated that there have been no substantive changes to the relevant laws and regulations in the past year.

Moreover, Mr. Schoepflin stated that there have been executive orders issued by the Governor such as Executive Order 162 and Executive Order 177, as well as some policy

**DRAFT – SUBJECT TO REVIEW AND REVISION**

guidance from the Authority Budget Office. He further stated that the guidelines were attached to the Board materials and were available for the media and the public.

Mr. Schoepflin explained that it is anticipated that the ESD Board of Directors will adopt the same guidelines, which set forth policies and procedures to be followed by the Corporation and subsidiaries, including USA Niagara, when seeking to contract for goods and services.

Mr. Schoepflin requested that the Directors approve the proposed 2018 Procurement Guidelines. He then explained that in the unlikely event that the ESD Board makes any changes to the guidelines, USA Niagara's guidelines will be amended to match ESD's provisions.

Mr. Schoepflin stated that there is one deviation from the 2018 guidelines that the Board was being asked to differ from the Corporation. He explained that at the ESD level, the adopted guidelines require board approval for any contract over \$250,000.

Mr. Schoepflin further explained that given the level, amounts and types of USA Niagara's contracts, staff believes that the appropriate amount requiring board approval should be any amount over \$100,000.

Chair DelMonte asked if the threshold amount is being lowered.

Mr. Schoepflin said yes due to the volume of USA Niagara's transactions and the size of



**DRAFT – SUBJECT TO REVIEW AND REVISION**

the Corporation's budget.

Director Nanula asked if the number of transactions over the proposed threshold amount of \$100,000 is slightly lower than 10% of the total amount.

Mr. Schoepflin said yes and stated that this threshold amount will not slow down the Corporation's business. He further stated that the Board generally meets quarterly.

Next, Mr. Schoepflin stated that the proposed guidelines comply otherwise with all applicable provisions of the Public Authorities Law, the State Finance Law and the State Tax Law.

Mr. Schoepflin reiterated his request that the Directors adopt the 2018 Procurement Guidelines for the use, awarding, monitoring and reporting of procurements contracts, except that all the contracts entered into by the Corporation that exceed \$100,000 shall require the approval by the USA Niagara Board of Directors.

Chair DelMonte then asked if there were any additional comments from the Board or the public.

Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

**DRAFT – SUBJECT TO REVIEW AND REVISION**

USA NIAGARA DEVELOPMENT CORPORATION – USAN Procurements Guidelines - Adoption of Revised Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts

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BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation, the proposed 2018 Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts, a copy of which is attached to the materials, be and hereby is approved and adopted as of the date hereof, with the exception that any contracts entered into by the Corporation that exceed a contract amount of \$100,000 shall require approval by the Corporation's directors; and the President or his designee is authorized to promulgate the said Guidelines in electronic form and other media for the use of the staff of the Corporation, and to take such other and further action as may be deemed necessary or appropriate to effectuate the foregoing Resolution.

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Next, Chair DelMonte stated that Mr. Schoepflin would present the following item to the Board for informational purposes only. She further stated that no votes would be required and that a presentation would follow.

Mr. Schoepflin introduced Jason Murgia, the General Manager of the Conference Center in Niagara Falls, and stated that Mr. Murgia is working in collaboration with the city and management on Old Falls Street.

Mr. Schoepflin further stated that Mr. Murgia provides the Board with an annual debrief regarding the prior year's occurrences and upcoming plans scheduled for the following year.

Next, Mr. Schoepflin welcomed Mr. Murgia to the Board.

## DRAFT – SUBJECT TO REVIEW AND REVISION

Mr. Murgia thanked Mr. Schoepflin for the introduction and commenced his presentation.

Mr. Murgia stated that the primary mission of the Conference and Event Center is to provide economic impact. He further stated that he performed an analysis of some key indicators and benchmarks from 2012 to 2017.

Mr. Murgia explained that there were approximately 14,000 hotel rooms that were tracked due to events that were booked by the Conference and Event Center. Mr. Murgia further explained there were over 23,600 rooms that were booked in 2017, which resulted in a 69% increase.

Next, Mr. Murgia stated the following: (i.) room revenue from 2012 versus 2017 resulted in a 136% increase; (ii.) the average rate rose 40% from 2012 versus 2017; (iii.) in 2012, there was approximately \$2.9 million worth of economic impact beyond the Convention Center; (iv.) in 2017, the Conference and Event Center had over \$6.137 million, which equates to a 105% increase; and (v.) Convention Market represented 43% of the entire gross revenue in 2017.

Moreover, Mr. Murgia stated that the convention market is the most profitable segment within the Conference Center and provides the greatest economic impact to the community, stakeholders and downtown Niagara Falls.

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Next, Mr. Murgia stated that there was an 83% increase in the convention market segment from 2014 through 2017. He explained that the Conference Center is aggressively pursuing the Convention Center market because of what has been observed downtown and their belief system.

Mr. Murgia stated that he spoke with the USA Niagara Board the prior year regarding the Daughters of the Nile conference, as it was the largest citywide conference, since the closure of the Convention Center. He further stated that the event resulted in 1,600 attendees, over 65 hotel rooms per night and 1.5 economic impact in April.

Mr. Murgia stated that the event proved that downtown Niagara Falls was able to provide a great product and experience for a citywide convention.

Mr. Murgia explained that there has been a 25% increase in revenue in 2018.

Mr. Murgia further explained that the Conference Center has \$500,000 of event revenue booked from new business or new entities that have never been in Niagara Falls or have never hosted their event at the Conference Center.

Mr. Murgia stated that the Conference Center has received assistance through Destination Niagara, specifically the Convention Development Committee, to aggressively

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pursue size appropriate citywide conventions.

Mr. Murgia further stated that all of the stakeholders in Downtown Niagara Falls participate and he characterized the program as an excellent addition.

Mr. Murgia explained that as a result of additional ballroom space and hotel rooms on the market, the Conference Center has been transitioning into a convention and special events entity. He further explained that the Conference Center has been taking some of their banquet and wedding businesses to transition to the other hotels.

Furthermore, Mr. Murgia stated that the Conference Center has effectuated a stronger presence with third party planners by attending their trade shows, making a presentation at the trade shows and bringing them into the Conference Center for a tour.

Mr. Murgia explained that this process provides Conference Center staff with the ability to attend shows that they otherwise would be unable to afford. Next, he provided an example by stating that Conference Center staff will attend a trade show that will cost \$20,000 to attend; however, their attendance will be free due to Spectra.

Moreover, Mr. Murgia stated that these shows provide the Conference Center with exposure to various entities and third party planners.

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Next, Mr. Murgia stated that the Conference Center will house two regional conferences in March that will spend no less than \$275,000.

Mr. Murgia then stated that due to the Conference Centers' relationship with M&T, they had a great site visit with their senior management event planners. He further stated that M&T's senior management event planners expressed their excitement regarding hotel room and diversified hotel options.

Mr. Murgia reiterated that the Conference Center has a great relationship with M&T and does business with them. He then explained that M&T is considering bringing larger pieces of business to the downtown area.

Next, Mr. Murgia stated that in regards to Old Falls Street, the Conference Center delivered a 19% reduction in their operating business plan this year and anticipates a budget for \$25,000 in new revenue.

Furthermore, Mr. Murgia stated that Conference Center staff is challenging themselves to solicit non-profit groups and other entities to incentivize them to participate in some of the programming held on Old Falls Street.

Mr. Murgia concluded his presentation by stating that the Conference Center is enthusiastic about some of the programming scheduled on Old Falls Street.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Next, Mr. Schoepflin commented that the staff enjoys the partnership with Spectra and described Spectra as a national outfit.

Mr. Schoepflin further stated that after ten years of discussion, the sales season is extending.

Mr. Schoepflin explained that progress has been made because the USA Niagara Board, the Corporation and New York State has invested with the city in several hotels that have enabled meeting planners to find hotel rooms that are in close proximity to the Conference Center.

Moreover, Mr. Schoepflin stated that the Directors, Mayor and the City Council deserve a substantial amount of credit because their efforts are beginning to pay off.

Next, Mr. Schoepflin discussed the importance of distribution of business. He stated that the Conference Center has the ability to disburse business among partners, hotel partners and can free up their building.

Mr. Schoepflin further stated that the building's purpose is to attract people that would otherwise not be at that destination.

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Mr. Schoepflin explained that staff will be challenging the Conference Center’s operator to follow business opportunities resulting in revenue growth. He further explained that the Conference Center has been “flat” as the hotel product went online.

Mr. Schoepflin explained that there can be a 12 or 18 month gestation period to sell a piece of business; however, there is an expectation to see some revenue growth going forward.

Chair DelMonte asked how active the building was last year.

Mr. Murgia explained that there were approximately between 75 and 90 dark days in total.

Director Nanula asked regarding the total capacity of the building.

Mr. Schoepflin responded that there is 100,000 feet in addition to the 110,000 foot exhibit hall. He further stated that there is a maximum capacity of 4,000 people for a standup event.

In response, Mr. Murgia stated that that the maximum capacity of people for a standup event can be up to 6,000; however, the capacity is dependent upon the setup of the event.

Director Nanula asked what the maximum capacity for a sit down event is when there



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are tables of eight to ten people.

Mr. Murgia responded that the ballroom has a maximum capacity of eight hundred and the event center has a capacity of 2,200 to 2,300.

Director Nanula asked how much office space is located in the building.

Mr. Murgia responded that there are administrative office spaces in the building.

Director Nanula asked if there is an additional 4,000 square feet of space that can be spared.

Mr. Schoepflin responded that there's a mezzanine that would accommodate the additional 4,000 square feet of space. He further stated that the additional 4,000 square feet of space described by Director Nanula would require a million dollar fit-out.

Next, Chair DelMonte stated that she would like to discuss the activities on the pedestrian mall. She explained that she respected the work being done with some of the not-for-profits; however, she stated that it is not what she would like to see happen on that street and that it is not the type of action needed.

Chair DelMonte further stated that she believes that there should be activity that draws

**DRAFT – SUBJECT TO REVIEW AND REVISION**

people’s attention when they leave the park.

Mr. Murgia stated that he agreed with Chair DelMonte.

Chair DelMonte asked who funds most of the activities on the pedestrian mall.

Mr. Schoepflin responded that the Corporation funds the activities.

Director Nanula stated that the key is to get sponsorship, create the Artpark feeling where the space is identified and the pondering of how that space can be developed.

Mr. Murgia stated that a sponsorship was finalized today with one of the purveyors. He explained that the sponsorship would hit the Conference Center’s budgeted goal.

Mr. Murgia further stated that the Conference Center is still actively pursuing partnerships.

Mr. Murgia explained that the Conference Center has the help of Spectra, their corporate office, to pitch ideas to national partners that they otherwise would not be exposed to.

Mr. Murgia further explained that the Conference Center is actively seeking

**DRAFT – SUBJECT TO REVIEW AND REVISION**

sponsorships in different areas, are taking a different approach and are going in a different direction regarding certain matters.

Director Nanula commented that there needs to be more activity that provides people with an incentive to visit.

Mr. Murgia stated that he agreed with Director Nanula's comment and explained that there had been a time constraint.

Next, from an economic standpoint, Mr. Murgia highlighted some of the changes that have been implemented at the Conference Center.

In regards to Old Falls Street, Mr. Murgia stated that the Conference Center is pursuing their activities passively and actively, as has been done in previous years. He further stated that these activities will be upgraded and will be distinct.

Next, Mr. Murgia stated the there is always something passively to do on Old Falls Street. He explained that prior to movie nights held on Thursday, the Conference Center engages attendees prior to the event.

Additionally, Mr. Murgia explained that there are two hundred to four hundred people that attend movie nights on Thursday.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Mr. Murgia stated that the Conference Center’s Friday night concerts have also been successful.

Mr. Murgia explained that programming is being held before and after the event to engage people. He further explained that that there are between three hundred and six hundred attendees on Friday nights.

Mr. Murgia stated that in addition to the aforementioned events, the Conference Center is also offering Saturday programming currently named free family fun; however, a new name for the event will be selected.

Furthermore, Mr. Murgia stated that there will be passive and active programming from twelve to five in three distinct ways. He added that in addition to these events, there will be specialty events offered such as Oktoberfest.

Mr. Murgia stated that the season will be extended to September. He further stated that with the addition of Jingle Falls, events will also be held in December.

Lastly, Mr. Murgia stated that there is much more being done on Old Falls Street than what was discussed during his presentation.

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Following the full presentation, Chair DelMonte called for questions or comments.

Hearing none and there being no further business, the meeting was adjourned at 3:47 p.m.

Respectfully submitted,

London C. Cruz  
Acting Corporate Secretary

**Item II. A.**



FOR CONSIDERATION

August 15, 2018

TO: The Directors

FROM: Christopher Schoepflin

SUBJECT: Proposed Acquisition of Downtown Niagara Falls Properties by the USA Niagara Development Corporation

REQUEST FOR: Authorization to Acquire Real Property; Authorization for Payment of the Balance of the Deposit; Authorization to Enter into Contracts for Due Diligence Studies without Further Board Approval; Determination of No Significant Effect on the Environment; and Authorization to Take Related Actions

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I. Background

In January 2017, Governor Andrew M. Cuomo announced his proposal for the expansion of the Buffalo Billion initiative, which included the establishment of a program for Strategic Land Acquisition in Niagara Falls to acquire key underutilized downtown properties to support tourism and community development. Since the opening of the Seneca Niagara Casino in 2003, Niagara Falls has been subject to extensive land speculation efforts that resulted in vacant or underutilized parcels directly adjacent to Niagara Falls State Park or within a few blocks of the Niagara River/Niagara Gorge in general. The intent for the acquisition program is to help “free up” parcels when a strategic opportunity avails itself.

Towards this end, USA Niagara Development Corporation (“USAN” or the “Corporation”), has identified a portfolio of multiple downtown Niagara Falls properties under primary ownership of local businessman Joseph Anderson using the following limited liability corporations (LLCs): Main Street Niagara Falls LLC, 462 Third Street LLC, Thunderfalls LLC, Woodshed LLC, Snow Park LLC, Main Street Hospitality Holdings LLC, Falls Street Properties LLC, and Falls Street Leasing Corporation. Each of these LLCs have an office and principal place of business at 2293 Saunders Settlement Road, Sanborn, New York 14132 (collectively the “Sellers”).

The Sellers own 32 individual properties (the “Properties”), assembled in 12 related parcel groups, totaling approximately 11.02 acres (480,077± square feet [SF]) of land and containing 248,212± SF of gross building area. Please see attached **Figure 1** and **Figure 2** for a map and complete listing/description of the Properties.

The Properties are located near properties previously acquired by USAN, including 101 and 305 Buffalo Avenue, the historic Hotel Niagara property, and 101 Old Falls Street, which contains the USAN-owned Conference and Event Center Niagara Falls. They are also located near Niagara Falls State Park, as well as several hotels and attractions in the USAN Development District. The Properties consist of 18 vacant commercial/former residential lots, four parking lots, four properties containing commercial/mixed use buildings, two operating lodging properties (the Quality Inn & Suites at the Falls at 240 First Street and the Rodeway Inn at 492 Main Street), and four parcels containing buildings/structures related to now-closed tourism/attractions (Smokin' Joes Native Center and the Niagara Falls Adventure Park).

Two independent appraisers and USAN staff have determined the highest and best uses of the Properties based on the physically possible, legally permissible and financially feasible uses, as applicable.

## **II. Proposed Transaction**

USAN will acquire the Properties from the Sellers for \$25,755,000 (the "Purchase Price"), to be paid under the conditions as described below. The fair market value of the Properties was determined by two independent appraisals conducted by USAN that valued the Properties at \$24,385,000 and \$25,755,000.

USAN and the Sellers have executed a Purchase and Sale Agreement ("Agreement") for the acquisition of the Properties and certain associated personal property. The Agreement contains as an express condition to sale approval of the transaction by USAN's Board of Directors.

The Purchase Price includes a \$500,000 fully refundable earnest money deposit (the "Deposit") paid by USAN to the Escrow Agent designated within the Agreement, which will be refundable should the contemplated transfer of the Properties not occur, or which will be credited against the Purchase Price of the Properties at closing. The Agreement required an installment payment on the Deposit of \$100,000 by USAN within three business days of the execution of the Agreement and USAN is required to pay the balance of the Deposit (\$400,000) to the Sellers within thirty days of approval by USAN's Board of Directors.

Prior to actually acquiring title to the Properties, USAN has a 120 day due diligence period, commencing upon its receipt of certain documents pertaining to the Properties from the Sellers, to conduct any investigative studies including but not limited to undertaking hotel operations analyses and transition planning, Phase I Environmental Site Assessments, and other physical inspections and engineering evaluations of the Properties, in order to determine, in USAN's sole discretion, whether the Properties are suitable for their intended uses. It is anticipated that the costs of these studies and investigations will not exceed \$350,000. Currently, the ESD Procurement Guidelines permit the President to enter into contracts without the need for Board approval provided the value of the contract does not exceed \$250,000. However, in adopting the ESD Procurement Guidelines, this USAN Board lowered that threshold to \$100,000. Due to the limited time available to conduct the required due diligence studies,



and to obviate the need to return for additional Board approval, it is also requested the Board authorize the President to enter the necessary contracts without additional Board approval provided such contracts do not exceed the \$250,000 threshold.

Assuming no significant issues are discovered and the Properties are deemed suitable for USAN's intended purposes, USAN will acquire the Properties within 60 days following the expiration of its due diligence period.

After closing, USAN will hold, insure and progressively dispose of the Properties competitively or as otherwise permitted by law. Holding costs would be limited to insurance costs, security and periodic grass cutting services.

Regarding the two hotel properties, the Agreement contemplates Seller's transfer of its right, title and interest to those hotel parcels to USAN, as well as USAN's negotiation of a new franchise agreement for each hotel property.

Additionally, the Agreement contemplates USAN taking an assignment of leases associated with certain Properties included in the transaction.

Funding will be provided through the Buffalo Regional Innovation Cluster aka the "Buffalo Billion II Fund" for the contemplated transaction costs including: \$25,755,000 in acquisition costs; \$350,000 in estimated due diligence costs; and \$900,000 in estimated holding costs for a three-year period including insurance (the Properties will be added to ESD's Corporate policy) and property maintenance/security services; for a total cost of up to \$27,005,000. Please see Table 1 below.

**TABLE 1**

<b>Costs</b>	<b>Amount</b>
<b>Acquisition:</b>	
Deposit Payment	\$100,000
Deposit Balance Due	\$400,000
Balance of Acquisition	\$25,255,000
<b>Total Acquisition Cost</b>	<b>\$25,755,000</b>
<b>Estimated Due Diligence &amp; Holding Costs:</b>	
Due Diligence Studies	\$350,000
Property Maintenance/Security (3 years)	\$300,000
Insurance (3 years)	\$600,000
<b>Total Est. Due Diligence &amp; Holding Costs</b>	<b>\$1,250,000</b>
<b>TOTAL COSTS</b>	<b>\$27,005,000</b>

### **III. Future Development/Use of the Properties**

In conjunction with the City of Niagara Falls and the University at Buffalo Regional Institute, USAN will develop a Strategic Land Disposition Plan for the acquired Properties, all to advance USAN's downtown/tourism mission and the policies of the City's adopted Comprehensive Plan and Zoning Ordinance, particularly as depicted in USAN's Illustrative Master Plan (see **Figure 3**). Preliminarily it is anticipated that under this plan, smaller, more reuse-ready properties (e.g., mixed-use properties on Third Street) would likely be competitively solicited for reuse/sale in the near term, while vacant property and sites requiring razing of structures would be disposed over a longer-term period. In the immediate term, based upon the outcome of the hotel operations analyses, it is also anticipated that the two operating lodging facilities would continue to be run through an interim operations contract, pending any long-term decisions on the redevelopment of these properties.

### **IV. Non-Discrimination and Contractor & Supplier Diversity**

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned businesses (MWBs) in the performance of ESD projects. The Office of Contractor and Supplier Diversity has reviewed the project and has determined that MWBE participation goals need not be applied to this project.

### **V. Environmental Review**

ESD, as lead agency, completed an environmental review of the proposed action, pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found that the action, involving the acquisition of less than 100 acres in "as is" condition with no proposed development, would be classified as an "Unlisted Action" under SEQRA that would not result in significant adverse impacts on the environment. Therefore, ESD staff recommend that the Directors make a Determination of No Significant Effect on the Environment.

Any subsequent development on any of the acquired parcels would be subject to review under SEQRA.

### **VI. Requested Action**

The Directors are requested to: (i) authorize the Corporation to enter into the necessary agreements to effectuate the transfer of the Properties as stated in these materials; (ii) acquire the Properties in accordance with these materials; (iii) authorize the commitment and expenditure of \$25,755,000 from the Buffalo Billion II Fund to purchase the Properties, plus \$1,250,000 for related due diligence, acquisition and holding costs; (iv) authorize payment of the balance of the Deposit of \$400,000; (v) authorize the President to enter in the appropriate

contracts for conducting due diligence studies as necessary without further Board approval provided such contracts due not exceed \$250,000; (vi) make a determination of no significant effect on the environment; and (vi) authorize the Corporation to take all related actions.

**VI. Recommendation**

Based on the foregoing, I recommend approval of the attached resolution.

**VII. Attachments**

Resolution

Figure 1: Property Location Map

Figure 2: Property Characteristics

Figure 3: Properties to be Acquired Overlaid on USAN Illustrative Master Plan

August 15, 2018

USA NIAGARA DEVELOPMENT CORPORATION – Proposed Acquisition of the Downtown Niagara Falls Properties by the USA Niagara Development Corporation – Authorization to Acquire Real Property; Authorization for Payment of the Balance of the Deposit; Authorization to Enter into Contracts for Due Diligence Studies without Further Board Approval; Determination of No Significant Effect on the Environment; and Authorization to Take Related Actions

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RESOLVED, that based on the materials presented to this meeting and ordered filed with the records of the USA Niagara Development Corporation (the “Corporation”) relating to the Sellers’ thirty-two properties in downtown Niagara Falls (the “Properties”), the Corporation is hereby authorized to enter the necessary agreements to effectuate the transfer of the Properties and to acquire the Properties, as stated in these Board materials; to authorize the commitment and expenditure of \$25,755,000 from the Buffalo Billion II Fund to purchase the Properties, plus up to \$1,250,000 in related due diligence, acquisition and three-year holding costs; to authorize the payment of the balance of the Deposit of \$400,000; and to take all related actions; and be it further

RESOLVED, that the President of the Corporation is hereby authorized to enter the necessary contracts to conduct due diligence studies on the Properties as stated in these materials provided such contracts do not exceed \$250,000; and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Corporation hereby determines that the proposed action will not have a significant adverse effect on the environment; and be it further

RESOLVED, that on the basis of the materials submitted to the Directors, the Corporation hereby finds that because there are no specific future plans for the subject properties, the environmental review of the proposed disposition is not being “segmented” from the review of any such plan and that to the extent the requested authorization may be deemed to be “segmented”, that such “segmentation” is permissible pursuant to 6 NYCRR Part 617.3(g) due to the relevant circumstances of the project, specifically: (i) that it is not possible to consider future plans for project site in the absence of a future development plan; (ii) that any such future plan(s) will be subject to review under SEQRA; and (iii) that the review of the requested authorization to acquire the site is no less protective of the environment than any present review of any future plan, and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designees be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolutions.

\* \* \*



**Figure 1: Location Map Properties/Parcel Groups to be Acquired**

*Note: Parcel Group 11 (Properties No. 30, 31 & 32) were removed from the acquisition list prior to closing.*

PARCEL GROUP	ADDRESS	PARCEL No.	SBL	OWNER'S NAME	LOT SIZE (ACRES)	ESTIMATED LOT SIZE (SF)	BUILDING GROSS FLOOR AREA (SF) (IF APPLICABLE)	USE	NOTES
1	441 3rd St	1	159.29-1-30	Main Street Niagara Falls LLC	0.1	4,356.0	5,504	Two-story commercial building	Club Ultra Nightclub building
2	466 3rd St	2	159.29-1-51	462 Third Street LLC	0.2	8,712.0	7,496	Two-story mixed retail/res building	Former RUST Nightclub (closed) and current Donatello's Restaurant Building
3	500 3rd St	3	159.29-1-46	Thunderfalls LLC	0.3	13,068.0	12,538	Two-story office/commercial bldg	Historic Niagara Mohawk (NIMO) Office Building
3	512 3rd St	4	159.29-1-45	Thunderfalls LLC	0.2	8,815.2	9,165	One-story commercial bldg	Ice House Nightclub Building
3	518 3rd St	5	159.29-1-44	Woodshed LLC	0.05	2,178.0	-	vacant commercial lot	Former site of Woodshed Nightclub. Abuts Ice House Building; formerly proposed for patio serving that property.
3	503 Main St	6	159.29-1-66	Thunderfalls LLC	0.4	17,424.0	-	Unimproved gravel parking lot	Typically used as parking lot for either Ice House Nightclub or NIMO Bldg
4	554 3rd St	7	159.21-1-48	Thunderfalls LLC	0.12	5,227.2	-	vacant commercial/former residential lot	Part of west block face of 3rd between Main St and Walnut Ave
4	558 3rd St	8	159.21-1-62	Thunderfalls LLC	0.13	5,662.8	-	vacant commercial/former residential lot	Part of west block face of 3rd between Main St and Walnut Ave
5	578 3rd St	9	159.21-1-56	Thunderfalls LLC	0.1	4,356.0	-	vacant commercial/former residential lot	Part of west block face of 3rd between Main St and Walnut Ave
5	582 3rd St	10	159.21-1-55	Thunderfalls LLC	0.06	2,613.6	-	vacant commercial/former residential lot	Part of west block face of 3rd between Main St and Walnut Ave (corner of Walnut)
5	213 Walnut Ave	11	159.21-1-54	Thunderfalls LLC	0.04	1,742.4	-	vacant commercial/former residential lot	Part of west block face of 3rd between Main St and Walnut Ave (half lot fronting on Walnut)
6	535 2nd St	12	159.29-1-69	Thunderfalls LLC	0.08	3,484.8	-	vacant commercial/former residential lot	Part of east block face of 2nd between Main St and Walnut Ave
6	539 2nd St	13	159.29-1-70	Thunderfalls LLC	0.14	6,098.4	-	vacant commercial/former residential lot	Part of east block face of 2nd between Main St and Walnut Ave
6	541 2nd St	14	159.29-1-71	Thunderfalls LLC	0.09	3,920.4	-	vacant commercial/former residential lot	Part of east block face of 2nd between Main St and Walnut Ave
6	549 2nd St	15	159.29-1-1	Thunderfalls LLC	0.11	4,791.6	-	vacant commercial/former residential lot	Part of east block face of 2nd between Main St and Walnut Ave
6	555 2nd St	16	159.21-1-49	Thunderfalls LLC	0.11	4,791.6	-	vacant commercial/former residential lot	Part of east block face of 2nd between Main St and Walnut Ave
6	559 2nd St	17	159.21-1-50	Thunderfalls LLC	0.12	5,227.2	-	vacant commercial/former residential lot	Part of east block face of 2nd between Main St and Walnut Ave
6	563 2nd St	18	159.21-1-51	Thunderfalls LLC	0.12	5,227.2	-	vacant commercial/former residential lot	Part of east block face of 2nd between Main St and Walnut Ave
6	569 2nd St	19	159.21-1-52	Thunderfalls LLC	0.12	5,227.2	-	vacant commercial/former residential lot	Part of east block face of 2nd between Main St and Walnut Ave
6	579 2nd St	20	159.21-1-53	Thunderfalls LLC	0.28	12,196.8	-	vacant commercial/former residential lot	Part of east block face of 2nd between Main St and Walnut Ave

**Figure 2: Property Characteristics Properties/Parcel Groups to be Acquired**

PARCEL GROUP	ADDRESS	PARCEL No.	SBL	OWNER'S NAME	LOT SIZE (ACRES)	ESTIMATED LOT SIZE (SF)	BUILDING GROSS FLOOR AREA (SF) (IF APPLICABLE)	USE	NOTES
7	415 1/2 4th St	21	159.37-2-17	Thunderfalls LLC	0.04	1,683.0	-	vacant commercial/former residential lot	Vacant land to the rear of 7-11 Store on Niagara Street.
8	460 2nd St	22	158.08-1-9	Main Street Niagara Falls LLC	0.19	8,123.3	-	Contains portions of artificial "tubing hill" - steel frame structure.	Portion of former "Niagara Snow Park"
8	411 1st St	23	158.08-1-15	Main Street Niagara Falls LLC	0.11	4,631.6	-	Fully-Improved Parking Lot	Parking Lot for former "Niagara Snow Park"
8	102 Niagara St	24	158.08-1-14	Main Street Niagara Falls LLC	0.24	10,668.3	-	Fully-Improved Parking Lot	Parking Lot for former "Niagara Snow Park"
8	130 Niagara St	25	158.08-1-13	Main Street Niagara Falls LLC	0.81	35,283.6	-	Fully-Improved Parking Lot	Parking Lot for former "Niagara Snow Park"
8	427 1st St	26	158.08-1-11	Snow Park LLC Et Al/NCIDA	2.80	121,968.0	-	Contains selected facilities of artificial "tubing/sledding hill", artificial ice rink/Lacrosse field, Quonset hut, and parking.	Portion of former "Niagara Snow Park"
9	492 Main St	27	158.08-1-4	Main St Hospitality Holdings LLC	0.41	17,644.2	9,551	Two-story brick/frame structure (8,424 SF) and 1-story frontage building (1,127 SF)	Rodeway Inn Motel and Gift shop
9	528 2nd St	28	158.08-1-3	Main St Hospitality Holdings LLC	0.05	1,980.0	-	vacant commercial/former residential lot	Vacant land between Rodeway Inn and State Parks Police Station.
10	407 8th St	29	159.30-2-11	Main Street Niagara Falls LLC	0.18	7,920.0	-	vacant commercial/billboard site	Located along proposed ROW for Daly Blvd extension.
12	240 1st St	33	158.12-1-16	Falls Street Properties LLC	1.52	66,211.2	118,535	Four-story steel frame structure	"Quality Inn Hotel & Legends Restaurant and Nightclub"
13	333 1st St	34	159.09-1-2.11	Falls Street Leasing Corp.	1.60	69,696.0	85,423	"One-story, pre-engineered steel structure (85,423 SF GFA)"	Smokin' Joe's Native Center (Former Falls Street Station Development)
13	217 Old Falls St	35	159.09-1-2.12	Falls Street Leasing Corp.	0.21	9,147.6	-	"Portion of one-story, pre-engineered steel structure fronting on Old Falls Street (0 SF - encompassed in GFA at 333 1st St)"	Smokin' Joe's Native Center (Former Falls Street Station Development) - portion of Building fronting on Old Falls Street.
<b>TOTAL</b>					<b>11.02</b>	<b>480,077.2</b>	<b>248,212</b>		

Note: Parcel Group 11 (Properties No. 30,31 & 32) were removed from the acquisition list prior to closing.

Figure 2 (Continued): Property Characteristics Properties/Parcel Groups to be Acquired

DOWNTOWN NIAGARA FALLS, NEW YORK  
**A CITY IN THE PARK**



**Figure 3: Properties to be Acquired Overlaid on USA Niagara Development Corporation Illustrative Master Plan**