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## **SECTION I**

### **Introduction**

#### **Request for Expressions of Interest ("RFEI") Statement of Purpose**

The Empire State Development Corporation ("ESDC"), through its subsidiary USA Niagara Development Corporation ("USA Niagara"), seeks expressions of interest from private sector entities and development teams to redevelop the downtown area of the City of Niagara Falls, New York (the "City"). Responses should indicate the respondent's capability to reinvigorate a world renowned tourist destination by tapping into the wide-range of travel, entertainment, lodging, and dining desires of the approximately 10 million tourists that visit Niagara Falls annually. The goal is to expand the attraction and retention of tourism within the Niagara Falls, New York market by encouraging investment in entertainment, retail, and hospitality capital projects and related amenities.

Governor George E. Pataki chartered USA Niagara for the express purpose of facilitating the City's economic development through the revitalization of tourism and by leveraging private investment. USA Niagara will accomplish this by encouraging a development team, or teams, having expertise in the financing, construction, leasing, management, and operation of high-quality tourism related entertainment, hospitality, and retail projects, to undertake private and public/private projects within the Development District (as defined in Section II of this RFEI). The City of Niagara Falls Mayor and City Council support such development and can assist in all pertinent matters under their jurisdiction, including, but not limited to, zoning, condemnation, infrastructure improvements, and coordination with the local community. The effort enjoys the bi-partisan support of the Governor, the Senate and the Assembly of the State of New York (the "State").

USA Niagara is open to consideration of a variety of project sizes, structures and business arrangements, including without limiting the foregoing, development contracts, long term ground and facility leases, sale of fee interests, and combinations of arrangements. The substance of the responses received to this RFEI may determine the nature, scope, and specifics of future solicitations for the Development District.

## **SECTION II**

### **Background Information**

#### **City of Niagara Falls, New York**

The City, located on the eastern banks of the Niagara River, is one of New York State's first and best-known tourist destinations. The Falls, one of nature's great wonders, attracts tourists from around the world. Situated on the US/Canada border, the City receives most of the approximately eight million people that annually enter the region from Canada. With three international bridges, the area's highway system, railroad service, and two nearby international airports, the City is a regional transportation center. Niagara Falls is within one day's driving distance of all major eastern and mid-western United States and Canadian markets. The markets' aggregate population exceeds 100 million. The 2000 Census population figures are 55,593 for the City and 219,846 for Niagara County. The City occupies 10,752 acres within 16.8 square miles.

Among the region's assets are:

- Falls tourist traffic that consistently exceeds 10 million tourists annually;
- The Niagara Reservation State Park and the Niagara Falls attractions, including the Falls, Upper Rapids and the Gorge;
- An urban core area of the City that connects with the Niagara Reservation State Park and the Niagara Falls attractions;
- Land and buildings are available in sizable quantities for restoration and alternative use in the development of tourism related entertainment, retail, and hospitality projects and support functions;
- Necessary development infrastructure in place, including water, sewer, electricity, communications, and vehicle parking;
- A ground transportation network that supports international, interstate, and local access, including convenient access to Goat Island, the Rainbow Bridge, and the New York State Thruway (I-190 & I-90);
- Two airports, Niagara Falls International Airport (IAG) and Buffalo-Niagara International Airport (BUF), that together serve the full range of charter, low cost and major carriers and with facilities (at IAG) for wide-body aircraft;
- Its position as the world's largest electricity producer;
- Located approximately 12 miles north of the western terminus of the Erie Canal;
- Local colleges and universities that are acclaimed nationally;

- Proximity to metropolitan Toronto and Buffalo.

### **USA Niagara Development District**

The focus of USA Niagara's redevelopment initiative encompasses an area of approximately 192 acres (the "Development District"). The Development District is bounded by Niagara Street and Main Street to the north, the Niagara Reservation State Park to the west, wrapping around along the Riverside Drive residential section and then north along John Daly Boulevard as its easterly border (see Section V, Item A, "Accompanying Materials").

The Development District's local zoning principally allows commercial uses and contains a number of tourist oriented structures, including the following:

- The Convention Center, built in 1974, containing 225,000 square feet of exhibit space and public areas.
- E. Dent Lackey Plaza situated on 3.4 acres connecting the Convention Center with the Falls Street Faire Mall and Old Falls Street. The Plaza is improved with public walkways, an amphitheater, and a skating rink.
- Retail and mall space representing 398,000 square feet of gross leasable area (GLA) and several hotels including Holiday Inn Select, Days Inn, Sheraton, Hampton and Comfort Inns.
- The Turtle, an exhibition hall used as a Native American Museum and currently undergoing renovation.
- The Bus Terminal, served by Greyhound, Niagara Frontier Transportation Authority (NFTA) and Rural Transit Shuttle lines.
- Two parking garages containing 3,150 spaces.

### **New York State's Commitment**

In January, Governor Pataki announced the formation of USA Niagara, an ESDC subsidiary, to support and promote economic development initiatives in Niagara Falls by leveraging private and public sector investment and encouraging growth and renewal of the tourism industry in the City. The corporation has powers of condemnation to facilitate projects in the public interest. To support USA Niagara's mission, the Governor included \$5.1 million in his 2001-2002 Executive Budget towards this effort.

The Governor has also proposed legislation that seeks to double the size of the Niagara Falls Empire Zone (the "Zone"), from two to four square miles, to attract more companies to invest and create new jobs downtown and throughout the City. Through the Department of Economic Development, USA Niagara can offer substantial tax incentives, including reduced wage taxes, investment tax credits, real property tax abatements, utility rate reductions, and sales tax exemptions for tangible personal property and services, to qualified businesses that locate in the Zone.

Governor Pataki has committed to local infrastructure and improvement projects leveraging more than \$100 million in announced or pending funds. USA Niagara will serve as the coordinating entity in the redevelopment process by providing liaison communications between commercial development activity and the various state and local agencies, evaluating core development strategies, and general oversight for the various agency-initiated projects having impact on the development district.

There are currently eleven different projects under way in the Niagara Falls region with total funding of approximately \$50 million, including:

- Observation Tower rehabilitation, including improved gorge access and tourist amenities;
- Niagara Reservation State Park improvements, including the creation of the Niagara Gorge Discovery Center in the Schoellkopf facility, improvement and extension of the Great Gorge Railway Trail and amenities;
- Privatization of Niagara Falls International Airport (pending FAA approval);
- Rehabilitation of the American Rapids Bridge and reconstruction of the City's access roads and streets, connecting pedestrian walkways and landscaping improvements.

## **SECTION III**

### **Submission Requirements**

#### **Due Date and Submission Content**

Seven bound copies and one unbound copy of responses, including all attachments, should be received by USA Niagara by 5:00pm local time on August 10, 2001, at the address set forth in Section IV. At the discretion of USA Niagara, requests for deadline extensions will be considered and, if granted, announced on our website.

Responses should not exceed 25 pages (excluding attachments).

All submissions must contain the "Required Information" described below in this section and, to the extent possible, address the "Substantive Elements" also described below in this section.

#### **Required Information**

The submission must include information on the following items pertaining to the respondent's organizational structure and related issues:

1. Full legal name.
2. Organizational structure (e.g., corporation, partnership, joint venture) of respondent.
3. Complete mailing address (include any regional or local offices).
4. Name of each parent company, if any.
5. Names of principal contacts, including titles, telephone and fax numbers and e-mail addresses.
6. Previous experience as operator, manager, designer, and/or builder of tourist oriented entertainment, retail, and hospitality projects. Experience of key individuals (noted individually, including any licenses or professional designations attained)
7. Experience in working with federal, state, and local governments, and regulatory bodies, including the controlling authorities for transportation, environment, zoning, parks and recreation, and international commerce.

8. Published and publicly available financial data for respondent, and its partners and participants where applicable, including assets in the United States (e.g., annual report, including latest quarterly report).

### **Substantive Elements**

Responses should suggest:

- The structure, size and scope of one or more potential private or public/private projects for the redevelopment of tourism related entertainment, hospitality, and retail facilities;
- How each such project might be financed;
- The respondent's, and each partner's and participant's, relevant experience, especially involvement in the revitalization of an urban core area;
- If possible, a vision for the redevelopment project;
- Any additional information and/or issues that should be addressed by USA Niagara prior to issuing a request for qualifications and/or request for proposals.

## **SECTION IV**

### **Contact and Additional Information**

#### **Contact Information**

RFEI responses should be mailed or delivered to:

USA Niagara Development Corporation  
Attn: RFEI Responses Coordinator  
30 South Pearl Street  
7<sup>th</sup> Floor  
Albany, N.Y. 12245  
(518) 292-5102

All other contact with USA Niagara should be made through:

Michael Wilton, President  
USA Niagara Development Corporation  
345 Third Street  
Suite 505  
Niagara Falls, N.Y. 14303  
Phone (716) 284-2556  
mwilton@empire.state.ny.us

#### **Additional Information**

Additional information may be made available from time to time on our website at [www.usaniagara.com](http://www.usaniagara.com). Any questions or requests for additional information or documents should be directed to USA Niagara. All substantive questions and document requests must be submitted to USA Niagara in writing, however, telephone inquiries are acceptable at the discretion of the President on non-substantive matters. Answers to all substantive questions and document requests will be posted on our website.

It is State, ESDC and USA Niagara policy to comply with all federal, State and local laws, policies, orders, rules and regulations prohibiting unlawful discrimination because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status, and to take affirmative action in

**USA NIAGARA DEVELOPMENT CORPORATION**

Request for Expressions of Interest

Niagara Falls Redevelopment

June 2001

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working with contracting parties to ensure that Minority and Women-owned Business Enterprises (M/WBEs), Minority Group Members and women share in the economic opportunities generated by ESDC's, and its subsidiaries', participation in projects or initiatives, and/or the use of their funds. ESDC's non-discrimination and affirmative action policies will apply to this initiative. M/WBEs are encouraged to respond.

This RFEI is for informational purposes only. Responding to this RFEI is not a prerequisite to participating in future competitive solicitations with respect to the Development District, nor does responding to this RFEI confer any right or advantage on the respondent with respect to any such future solicitation.

Neither USA Niagara, ESDC, nor any of their officers, directors, or employees make any warranties or representations, expressed or implied, as to the accuracy or completeness of the information provided in or with this RFEI or any information provided in connection with this RFEI. No legal liability is assumed or is to be implied with respect thereto.

This RFEI shall not be construed as binding USA Niagara, ESDC, the State, or the City to any course of action whatsoever. Prospective respondents are hereby cautioned that the specifications and information contained in any future solicitation may differ substantially from any specification and information suggested or implied by, or provided in connection with, this RFEI.

**SECTION V**

**Accompanying Materials**

- A. Aerial photograph with development district overlay
- B. Geographic locator map with a 50 mile radius selector
- C. Zoning map for the development district and bordering neighborhoods
- D. Layout map of the proposed development district, streets and significant structures
- E. Aerial photograph of Niagara Falls, Ontario (eastern boundary)
- F. Demographic information
- G. Conceptual Development Plan