

Casino Impact Study

Frequently Asked Questions & Answers

Updated - July 9, 2004

Q1: What is the range of fees expected for this project?

A1: USA Niagara expects to receive fee proposals based on the scope of services specified in the RFP from first-rate, qualified consultants to define, conduct, analyze and compile a study that reports on the fiscal and related economic impact and consequences the Seneca Niagara Casino will have on the City of Niagara Falls.

Q2: Is USA Niagara Development Corporation separate from Empire State Development?

A2: USA Niagara Development Corporation is a distinct subsidiary of New York State Urban Development Corporation d/b/a Empire State Development Corporation (ESDC).

Q3: How does USA Niagara Development report their financial results?

A3: USA Niagara's financial results are reported as part of ESDC's consolidated financial statements audited by Urbach Kahn & Werlin.

Q4: What is the relationship, if any, between USA Niagara and the City of Niagara Falls?

A4: There is no legal relationship between USA Niagara and the City of Niagara Falls.

Q5: For several tasks outlined under Instructions to Respondents/Submission requirements, it is highlighted that the base of the study involves numbers from 2003. Please confirm if the selected consultant would be evaluating 2003 statistics or would additional field work be needed to obtain the most current information (i.e. conduct visitor counts)?

A5: The selected consultant will be evaluating 2003 statistics. However, additional data gathering might be necessary.

Q6: If the selected consultant is to use information from 2003, would they have full access to the casino's records, including visitor counts, employment records, payroll, operating expenditures, revenue, etc.?

A6: USA Niagara, the State of New York and the City of Niagara Falls, will share available data about the casino. However, certain data may be considered proprietary by the casino, so primary data gathering may be determined to be necessary. USA Niagara will work together with the casino and the selected consultant on a case by case basis on these issues. In some cases, alternative methodology may be required. Respondents may provide price options/put-ins as a part of their proposal.

Q7: In clarifying the purpose of the study, please confirm if it is the intention of the commission to evaluate potential revenue from the casino to fund additional projects within the region? If so, would that investment exclusively be focused within tourism? Are there other potential uses from the revenue? Are there additional objectives or purposes for the study?

A7: Yes, it is the intention of the Commission to evaluate potential revenue from the casino to fund additional projects, including, but not limited to tourism related projects. Objectives and purposes are as outlined in the RFP.

Q8: Please advise if there is a goal for M/WBE participation within the project team?

A8: There is no goal for M/WBE participation. However, as stated in section IX of the RFP, USA Niagara strongly encourages interested Respondents to include meaningful participation of M/WBE on their consulting team.

Q9: Regarding section IV, A (8) of the RFP (loss of revenues from the former Niagara Falls Convention and Civic Center, now the casino), is it fair to assume that the Seneca Niagara Casino is only on the former convention center site, and if so, why would there be a loss in property taxes?

A9: The Seneca Niagara Casino is currently on the former convention center site (which paid no property taxes). However, the Seneca Nation is in the process of acquiring taxable land, as defined within the compact area. Once this land is acquired, it will no longer be taxable.

Q10: Regarding section IV, A (8) of the RFP (loss of revenues from the former Niagara Falls Convention and Civic Center, now the casino), is the basis for the assumption that there will be a future loss of bed tax that conventioners will not be staying nearby since there is no convention center there (though gamers visiting the casino may make up for some of the difference), and if so, can't an argument be made that it would be made up for by conventioner demand for hotel rooms near the new convention center (Conference Center Niagara Falls)?

A10: Yes, an argument may be made that the loss of bed tax may be made up by casino and conventioner demand for hotel rooms near the new Conference Center Niagara Falls.

Q11: What portion of your "compact" revenue is allocated to this study?

A11: Funding for the study is available through a recurring revenue stream. The Casino Commission has charged ESDC/USA Niagara to conduct the study on its behalf and sufficient funds will be allocated for a study from a first-rate, qualified consultant, to define, conduct, analyze and compile a study as outlined by the RFP.

Q12: When do you expect the committee will select a vendor?

A12: A vendor is expected to be selected in approximately six weeks.