

PROJECT SUMMARY
Hotel Niagara Development, LLC



Applicant:	Hotel Niagara Development, LLC	
Project Location:	201 Rainbow Boulevard City of Niagara Falls	
Assistance:	15 year PILOT on improvements Sales Tax Abatements Mortgage Recording Tax Abatement	
Description:	<p>USA Niagara Development Corporation, a subsidiary of Empire State Development (ESD), the current owner of the Hotel Niagara, sought proposals for the redevelopment of hotel located at 201 Rainbow Boulevard in the City of Niagara Falls. After considering the responses to the request for proposals, ESD selected the proposal by the Hotel Niagara Development (HND), LLC team, the same group responsible for the recently completed renovation of the historic Hotel Syracuse.</p> <p>Because of the poor physical condition of the Hotel, HND will acquire the Hotel and its property for one dollar. HND will redevelop the Hotel into an upscale, full-service hotel, while maintaining its historic characteristics.</p>	
Project Costs:	Acquisition Construction/Renovation Furniture, Fixtures & Equipment Soft costs & other <p style="text-align: right;">TOTAL</p>	1 \$27,632,832 \$ 5,400,000 <u>\$ 1,042,187</u> \$34,075,020
Employment:	New Jobs to be created: 67 FTEs Total Annual Payroll End Year 3: \$4,089,150 Skills: Management, supervisors, food and beverage service, housekeeping, maintenance	

REGIONAL ECONOMIC IMPACT ANALYSIS
Hotel Niagara Development, LLC

Estimated State & Regional Benefits / Estimated Project Incentives Analysis

Total State and Regional Benefits	\$7,796,746
Total Project Incentives	\$5,045,747
Benefit to Cost Ratio	1.55:1

Projected Employment	State	Region
Total Employment	376	376
Direct**	67	67
Indirect***	15	15
Induced****	18	18
Temporary Construction (Direct and Indirect)	275	275

Estimated State & Regional Benefits (Discounted Present Value*)

Total State and Regional Benefits	\$ 7,796,746
Income Tax Revenue	\$ 3,310,044
Property Tax/PILOT Revenue	\$ 2,522,652
Sales Tax Revenue	\$ 1,964,050

Estimated Project Incentives (Discounted Present Value*)

Total Project Incentives	\$5,045,747
Mortgage Tax	\$ 155,833
Property Tax	\$ 3,783,963
Sales Tax	\$ 1,105,747

* Figures over 15 years and discounted by 3.49%

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

*** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

**** Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.

Utilizing informANALYTICS modeling software, an economic impact analysis was conducted to measure new investment and employment for the project. This software is a widely accepted and an industry standard for economic impact modeling measuring employment and salary impacts and facility output on the community for a given project.