

Niagara County Industrial Development Agency

Project Summary Sheet

LaSalle Hospitality Inc. (7/1/09)

Project No. 09-08

Applicant: LaSalle Hospitality Inc.

Project Location: 7001 Buffalo Avenue
City of Niagara Falls

Assistance: Sales tax exemptions
Mortgage recording tax exemption
10 year Commercial PILOT

Description: LaSalle Hospitality Inc. is a new company owned by a Niagara Falls Hotelier, Faisal Merani. The company was formed for the purpose of acquiring and operating the former "Inn on the River" at 7001 Buffalo Avenue in the City of Niagara Falls. The company is proposing to invest approximately \$5,000,000 over the next 2 years to renovate and improve the facilities so that it can become a 3 Star hotel.

LaSalle Hospitality Inc. is proposing to invest approximately \$2,000,000 immediately in renovations to building and upgrading the rooms. , Under the second phase the company will invest an additional \$3,000,000 to improve the banquet and meeting facilities and install new fixtures. Over a five year period LaSalle Hospitality is expected to invest over \$15,000,000 at this location.

The 7001 Buffalo Avenue Hotel has not been operating at a profitable capacity with the building being vacant for over 18 months. LaSalle Hospitality brings with it capital resources, experience and both an immediate and long term business strategy.

Project Costs:	Phase I – Upgrades, Renovation & improvements	\$2,000,000
	Phase II – Facility improvements	<u>3,000,000</u>
	Total	\$5,000,000

Employment: Create 30 **Skills:** housekeeping, office, and sales

Economic Impacts:		<u>Current</u>	<u>Projected</u>
	Est. Annual Property taxes	- 0 -	\$69,000

Staff Recommendations:

- Project is consistent with Agency policy and IDA legislation
- Agency Counsel has reviewed this request.
- Project will enhance the tourist accommodations serving Niagara Falls.
- Project will create new employment, expanded property tax base and generate new sales tax revenues.