



NEW YORK STATE SENATOR

Robert G. Ortt

Ortt Unveils “Revitalize Niagara Plan”

ANTOINETTE DELBEL November 24, 2015



NIAGARA FALLS – State Senator Rob Ortt (R,C,I – North Tonawanda) today unveiled a two-pronged plan called “Revitalize Niagara,” which would ensure the host city and certain entities get their fair share of casino revenue, and would allocate a portion of funds for economic development and job creation. Senator Ortt will introduce this plan as part of the 2015-16 budget talks, and negotiate amendments to the 99-h law, which outlines the casino funding formula determining the amount of revenue to local government. With the 99-h law set to expire at the end of 2016, coupled with the state’s estimated billion dollar surplus following recent bank settlements, Ortt sounded a note of urgency.

“The Revitalize Niagara Plan will adjust the formula to ensure that more of those casino dollars generated in Niagara Falls will stay in Niagara Falls,” **said Senator Ortt**. “The fiscally-strained city deserves a bigger piece of the pie to strengthen key stakeholders and regain solid financial footing. Flipping the formula makes sense and should be feasible. Considering the state’s surplus, along with the dire need of jobs and support in Niagara Falls, the time is now.”

Under the current funding formula negotiated in 2006 between the State Legislature and local government, 25 percent of the net drop of slot machine revenue is appropriated for Albany. Of that amount, only 25 percent of casino revenue is appropriated for the City of Niagara Falls and its stakeholders. The state, therefore keeps 75 percent of funds. Ortt is proposing to flip Albany’s share with the city’s. The city and specific entities would then receive 75 percent of the state’s appropriation, and the state would receive 25 percent. The Seneca Nation would continue to receive 75 percent of gambling interest.

In previous years, the city’s stakeholders included the Niagara Falls City School District, Niagara Falls Memorial Medical Center, the Niagara Tourism and Convention Corp. (NTCC), the Niagara Frontier Transportation Authority (NFTA), and city programs. These entities would still receive its share of revenue under the “Revitalize Niagara Plan,” and new stakeholders could be added, such as the Niagara Falls Housing Authority.

Niagara Falls Memorial Medical Center President and CEO Joe Ruffolo said, “Niagara Falls Memorial Medical Center is a recognized health care innovator and provider and an economic engine that drives job growth in Niagara Falls. By the end of 2016, we will have created 197 new jobs on our medical campus and at our satellite offices across the Niagara Region. Our annual economic contribution to the region totals more than \$245 million. The casino revenue we have received thus far has provided a key portion of the \$85 million we have invested in capital improvements and technology upgrades at our facilities. A decline in

those revenues could impede our continued growth. Sen. Ortt's plan provides a solid strategy to ensure the continuation of Memorial's economic investment and would have an overall positive impact on the Niagara Region."

Niagara Falls Housing Authority Executive Director Stephanie Cowart said, "Through services and public housing developments, the Niagara Falls Housing Authority plays a vital role in the revitalization of communities. We improve the lives of residents in need, housing more than 1,500 individuals and serving more than 10,000 people every year. Any financial assistance from additional funds would help us out tremendously."

Without adjustments to the current funding formula, stakeholders would receive less money due to increased gaming competition across New York State. Multiple state-sanctioned casinos, along with other contributing economic factors has caused Seneca Niagara Casino revenues to decrease over the past four years, and could continue to dip over the next several years.

Additionally, the "Revitalize Niagara Plan," similar to the Buffalo Billion initiative, would set aside money specifically for economic development and private-sector investment starting in the vicinity of the Seneca Niagara Casino.

"We've seen how investments in Canalside from the Buffalo Billion has revitalized Buffalo's Inner Harbor," **said Senator Ortt.** "We need to treat the casino revenue like our Buffalo Billion. We need to build up downtown Niagara Falls and then carry that momentum throughout the entire city, block by block, to attract more private-sector investment and tourists. Improvements to the immediate area surrounding the casino will have a positive ripple effect on the economy with more tourism dollars, gaming revenue, tax revenue and private development."

Developer and President of Merani Holdings LLC Faisal Merani said, “Downtown Niagara Falls needs more public-private partnerships to continue to drive the economy forward. It is integral to keep the growth and progress of Niagara Falls moving in the correct direction and in the timeline necessary to take advantage of the increased number of tourists the city is seeing. Having a plan that is geared toward that could draw even more tourists, which is good not just for business, but for the entire community.”

Senator Ortt is calling on Governor Andrew Cuomo, Assemblyman John Ceretto and Niagara Falls Mayor Paul Dyster to consider his “Revitalize Niagara Plan,” and help him increase accountability for casino revenue and ensure a portion of the money is used transparently, effectively and efficiently.