

**Request for Proposals
To Manage/Operate the Conference Center Niagara Falls
Niagara Falls, New York**

Question & Answers

April 17, 2008

Q1. Isn't this RFP merely a State-required process to renew the existing operator?

A1. No. This is not a pro-forma procurement. The original CCNF operations contract was competitively procured for a five-year term, with the opportunity for an automatic contract extension of five years upon achieving specific performance levels. The existing operator did not achieve these benchmarks and thus was not granted an extension.

Moreover, the context of both Niagara Falls and the larger conference/convention industry has evolved since the original opening of the CCNF. It best behooves the State of New York to vigorously explore the availability of emerging approaches for operations, better structures to optimize performance/quality, and new companies/entities that have been created and/or changed over the last five years—and soliciting a new competitive procurement does all of these.

Q2. Who will be on the RFP Selection Committee?

A2. The RFP Selection Committee will include, but not limited to, representatives from USA Niagara, its parent corporation Empire State Development, and the City of Niagara Falls.

Q3. Will the future Seneca Niagara Casino Conference Hotel be in competition with the CCNF?

A3. Actually, the Seneca Niagara Casino currently operates an "Events Center" and a 600-room hotel which, technically, compete with the CCNF in the context that there are marketed for meetings and conferences. However, in practice, the actual market sectors for the respective facilities are very different and are rarely perceived as competitors. On the contrary, the Seneca Gaming Corp., USA Niagara, and the City meet regularly to coordinate their activities insofar as their actions mutually support one another. This relationship is not expected to change once the Seneca Conference Hotel is developed (est. 2010).

Q4. What incentives are available to the operator?

A4. Operator incentives would be discussed and be finalized during the contract negotiation process upon the selection of an operator. Respondents are encouraged to structure the business terms of their proposal as they see as most competitive. As stated in the RFP, respondents are required to provide general information on their suggested terms of engagement, financing, and payment. Respondents are strongly encouraged to use this section of their proposals to suggest possible structures of incentive programs that would both foster the operator to achieve greater performance and economic impact of the Center (e.g., greater visitorship, more hotel nights, higher internal operating revenues) and sufficiently reward the operator for such additional effort.

Q5. Can USA Niagara disclose the names of the companies which they contacted about the RFP?

A5. This RFP is a competitive procurement process; as such USA Niagara will not share that information until the completion of the procurement. This is in order to maintain the integrity of the selection process.

Q6. The RFP states that respondents cannot communicate with people on the response review committee. Please send me a list of the people that are on the response review committee so we can avoid any conflicts.

A6. The RFP states that any contact with someone other than John Risio regarding this specific procurement during the "covered period" (i.e. after procurement is officially announced and before a final selection is made) is the only thing that is prohibited. In accordance with State Finance Law § 139-k(4), any state or local government official or employee contacted regarding this specific procurement would have to prepare and file a "Governmental Entity Record of Contact" with USA Niagara. These forms would become part of the procurement files.

Please note that normal contact regarding any other current business a company might have with ESD/USAN is fully permissible, provided that it cannot be readily interpreted to be intended to influence a decision on this specific procurement. Thus it is not intended to prevent "any" incidental contacts that would impede any normal operations.

###