



City of Niagara Falls, New York

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Office of the City Council

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April 25, 2012

Hon. Andrew Cuomo
NYS Governor
Executive Chamber – State Capital
Albany, NY 12224

Dear Governor Cuomo:

The City of Niagara Falls, due to the current dispute between the Seneca Nation and New York State, finds itself in a very difficult and soon to be desperate financial situation.

With our dedicated share of the casino slot revenue delayed for nearly three years and with no end to the stalemate in sight our city is nearing the point where severe reductions in city services and employee layoffs will be necessary. While we trust that a favorable outcome will be reached as the Seneca Nation and New York State proceed to arbitration we find our city's fiscal picture to be grim.

At this time I would like to respectfully ask that the State give thoughtful consideration to the proposal of making the anticipated casino slot revenue available in the form of a loan with no interest to the City of Niagara Falls. Immediate repayment would be made to the State when we receive our portion of casino funds. We estimate that the loan amount sought would be approximately fifty-five million dollars. It is my understanding that there may be a precedent for New York State to make such a loan arrangement in as much as this has been done to bridge certain school district situations with a repayment plan agreed to by the State and school district.

In the event that such a loan is not feasible I respectfully suggest that due consideration be given to Assembly bill 9284 (A.9284/S.00866B) sponsored by Assemblyman John Ceretto. This proposed legislation would authorize municipal governments hosting tribal casinos to receive payments directly from the Native American groups, thereby solving the current impasse between the Seneca Nation and New York State.

On behalf of the Niagara Falls City Council and my council colleagues, Robert Anderson and Glenn Choolokian, I thank you for your thoughtful consideration on this matter.

Please do not hesitate to call upon me should your office require additional information

Sincerely,

Sam Fruscione, Chairman
Niagara Falls City Council

Cc: Hon. Sheldon Silver, Speaker of the NYS Assembly
Hon. Dean Skelos, Majority Leader of the NYS Senate
Hon. George Maziarz, Vice Pres. Pro Tempore of the NYS Senate