



City of Niagara Falls, New York

PO Box 69, Niagara Falls, NY 14302-0069

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Contact: Meg Rossman | (716) 286-4310 | (716) 383-8973

MAYOR PAUL A. DYSTER ANNOUNCES OPPORTUNITY ZONE FUND

National Opportunity Will Improve Quality of Life for Residents Over Next Decade

NIAGARA FALLS, N.Y. — Today, Mayor Paul A. Dyster announced his Opportunity Zone Fund Strategy for the City of Niagara Falls, the first of its kind in New York State. The second largest center in the Buffalo-Niagara region and home to one of the world’s most famous natural wonders, Niagara Falls, N.Y., the city attracts approximately 8 million visitors per year as a mecca for tourism in the region.

This groundbreaking fund is the first vehicle designed to invest in the newly-created Opportunity Zones -- one of the lesser known provisions of the Tax Cuts and Jobs Act of 2017 (the Tax Reform Act). The fund will be managed by Blue Cardinal Capital, L.P., a Buffalo-based real estate private equity firm, and Freed Maxick LLP is the Fund Accountant. The Fund will invest in Real Estate Developments in Opportunity Zones within the City of Niagara Falls that are sponsored by established developers, and is designed to match the project sponsor up to \$1 million, utilizing the tax-savings opportunities created by the tax-reform law.

Mayor Dyster said, “Since first being awarded opportunity zones, my administration has continued to explore ways in which to take full advantage of the Investing in Opportunity Act, with a focus on inclusive growth and investing in under-resourced neighborhoods. Our goal is to raise up our entire community by focusing on business creation and retention to broaden the city’s tax base while generating investment and new jobs for residents. The five census tracts covering multiple neighborhoods included in this fund are no exception. These areas are ripe for investment and inclusive economic growth and I look forward to taking advantage of this national program to revitalize our neighborhoods and improve the quality of life for residents for decades to come.”

“Blue Cardinal Capital is pleased to facilitate Qualified Opportunity Zone investments in the City of Niagara Falls. Our team looks forward to working with the development community to identify and capitalize projects that meet the OZ requirements,” **said Robert Richardson, Managing Partner, Blue Cardinal Capital**. “We applaud the efforts of Mayor Dyster and the City Council for their commitment to leveraging every advantage to ensure growth and prosperity in this global destination.”

The Fund will invest in Real Estate Developments in Opportunity Zones within the City of Niagara Falls that are sponsored by established developers. The zone highlights areas prime for immediate investment including all of the tourism district, areas adjacent to Niagara Falls Memorial Medical Center and the Intermodal Train Station/North Main Street neighborhoods, along with the imminent removal of the Niagara Scenic Parkway and waterfront real estate.

For general information, please contact Kenneth Peterson, Senior Partner at 716-878-9295.

To learn more about Opportunity Zones, and to view a map of census tracts in the Niagara Falls Opportunity Zone Fund visit <http://www.developnf.org/opportunity-zones/>.

About the Opportunity Zone Program

Pursuant to the Tax Reform Act, governors of each state have designated Opportunity Zones, which are specific geographic areas eligible for tax-advantaged, long-term investment. Investors in qualified Opportunity Zone Funds receive a basket of tax benefits, including deferral of current capital gains, a tax reduction of up to 15% on current gains, and no capital gains taxes on appreciation if the investment is held for 10 years.

Under the Tax Reform Act, investors can defer and reduce capital-gains taxes when they reinvest profits into the Niagara Falls Opportunity Zone Fund within 180 days following the sale of a prior investment. Unlike 1031 Exchange transactions, an investor does not have to invest the entire previous investment. Investors can use capital-gains proceeds from any asset class — not just real estate — to capture the benefits of the Opportunity Zone Fund provisions.

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