

THE SENATE  
STATE OF NEW YORK



**TIMOTHY M. KENNEDY**  
**SENATOR, 58TH DISTRICT**

**RANKING MINORITY MEMBER**  
COMMERCE, ECONOMIC DEVELOPMENT  
AND SMALL BUSINESS  
AGRICULTURE  
**COMMITTEES**  
CRIME VICTIMS, CRIME AND CORRECTION  
CULTURAL AFFAIRS, TOURISM, PARKS  
AND RECREATION  
ENERGY AND TELECOMMUNICATIONS  
HIGHER EDUCATION  
INSURANCE  
TRANSPORTATION

□ **ALBANY OFFICE:**  
ROOM 506  
LEGISLATIVE OFFICE BUILDING  
ALBANY, NEW YORK 12247  
(518) 455-2426 OFFICE  
(518) 426-6851 FAX  
□ **DISTRICT OFFICE:**  
2239 SOUTH PARK AVENUE  
BUFFALO, NEW YORK 14220  
(716) 826-2683 OFFICE  
(716) 826-2793 FAX  
**E-MAIL ADDRESS:**  
KENNEDY@NYSENATE.GOV

Mr. Ken Adams  
Empire State Development Corporation  
633 3<sup>rd</sup> Avenue #34  
New York, NY 10017

Dear Mr. Adams:

The cancellation of the NHL preseason and ongoing dispute between the players union and the owners is negatively impacting businesses, workers and families in Western New York. There are hundreds of businesses and thousands of workers whose livelihoods depend on revenue generated during Buffalo Sabres' games. The NHL lockout is already placing an undue hardship on these businesses, and now it seems matters will only get worse.

As you may know, the owners and players failed to reach an agreement before the NHL's October 25 deadline, which means the 2012-13 hockey season will be shortened and could potentially be canceled.

Local businesses, workers and their families did not cause this dispute, and it is unfair to ask them to bear the financial burden. We need to act now to ensure that Western New York businesses, employees and families can still thrive despite the potential cancellation of the NHL season.

It is critically important for Empire State Development to partner with local businesses to ensure they can weather this economic storm caused by the NHL. As business owners wait in uncertainty over whether any hockey will be played this year, I urge ESD to begin developing emergency-support plans to help local businesses make ends meet and keep their employees working. Understanding the urgent nature of this request, I offer this set of suggested actions for Empire State Development to consider:

1. Partner with the New York Power Authority and local energy providers to create a one-time utility grant for businesses that can prove significant financial hardship due to the NHL lockout. This could be 30% of their utility cost or \$2,500, whichever is less. These grants would help businesses pay the bills they have regardless of how much revenue they are bringing in. For example, a restaurant has to keep the lights and heat on whether there are 10 patrons at the restaurant or 100.

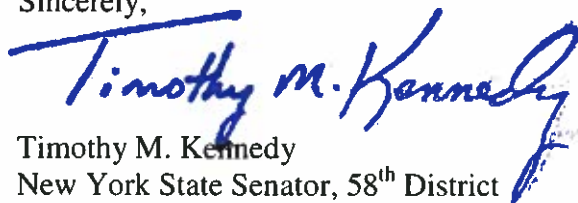
2. Work with the NHL to ensure the viability of businesses suffering from the lockout by developing an emergency hardship grant. There are numerous industries that will be affected by the lockout, including parking lots and garages, food vendors, hotels, retail stores and of course restaurants and bars. This economic support funding from the NHL should be set aside to help businesses make up for lost revenues.
3. Offer interest-free financing for business owners to pay short-term debt obligations that they would otherwise be unable to meet due to the NHL lockout. In the same way that the federal government works with banks to provide these loans, ESD should cover the interest on the loan and guarantee the loan 100 percent. The loans would be used for payments on existing loans, business credit card expenses and other short-term obligations.

The Buffalo Sabres are an important part of our local economy and our community. While this issue affects communities across the nation and in other cities in New York State, it is particularly harmful to Buffalo, due to our proximity to Ontario, Canada. Local businesses are not only supported by local fans, but also by Canadian fans who only have to make a short trip across to border to watch the Sabres. While thousands of Sabres' fans live in Southern Ontario, the economic impact of Canadian fans is even more substantial when our Sabres take on teams like the Toronto Maple Leafs, Ottawa Senators or Montreal Canadiens. During this NHL Lockout, all of the aforementioned economic activity is lost.

The NHL lockout could potentially be an economic catastrophe for Western New York and communities like ours across the United States and Canada. While today's dilemma is caused by the NHL, our state regularly takes on great economic challenges caused by economic forces outside of our control. That's why it's important to put business-relief infrastructure in place to enhance the state's ability to immediately respond to economic emergencies

I hope you will consider these ideas and work to develop a package which will assist the small businesses that are affected by the NHL lockout.

Sincerely,

  
Timothy M. Kennedy  
New York State Senator, 58<sup>th</sup> District

cc: Sam Hoyt, President, Empire State Development Corporation