

A tale of two developers and two mayors

Is there a difference between Anello-Anderson and Dyster-Glynn?

**BY FRANK
PARLATO
JR.**

Managing Member,
One Niagara, LLC



Former Mayor Vince Anello was indicted two weeks ago because, allegedly, he took a "secret" gift of \$40,000 from Smokin' Joe Anderson, then championed Anderson's development plans in downtown Niagara Falls.

The U.S. attorney charged Anello and Anderson of "scheming to deprive" city taxpayers of "the intangible right of the honest services from a public official," a felony.

Anderson pleaded guilty. Anello maintains his actions were in the best interests of Niagara Falls.

Recent news reports suggest that James and Christopher Glynn, owners of the Maid of the Mist Steamboat Co., along with others, "secretly" pledged to donate as much as \$1 million to enhance the political plans of Mayor Paul Dyster, scheming with the mayor to pay a portion of the salaries of key people in Dyster's administration.

While Anello took money directly from Joe Anderson and kept it secret, Dyster is taking money indirectly from Glynn and friends — allegedly — for public purposes. Dyster, announcing the money, has insisted on keeping contributors' names a secret. The money to be filtered through a "charitable" fund called the Building a Better Niagara Fund (BBN).

As readers know, back in 2004, Vince Anello, after taking \$40,000 from Anderson, promoted Anderson's procuring a 30-year lease for vending rights for the East Pedestrian Mall, a city-owned walkway, which runs between Rainbow Boulevard and Third Street.

Anello didn't approve the deal but endorsed it. The five-member council approved it without knowledge of Anderson's gift.

Similarly, Dyster never approved anything directly for Glynn but has endorsed plans that benefit Glynn — ironically, not on the East Pedestrian, but the West Pedestrian Mall, which runs between Rainbow Boulevard and Prospect Street.

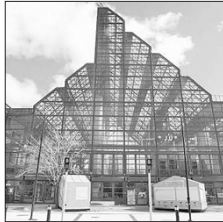
After Dyster became mayor, Glynn's Maid of the Mist Co. contracted to purchase the Comfort Inn Hotel and adjacent retail stores that front along the West Pedestrian Mall.

Simultaneously, Mayor Dyster endorsed a plan in August to the City Council to buy out the West Mall lease still under contract with businessman Lou Antonacci.

Antonacci's lease gave him rights to sub-lease the West Mall to vendors who sell food and souvenirs that compete with the Comfort Inn's shops and restaurants. The buyout would eliminate Glynn's main retail competitor.

At the time Dyster endorsed it, he did not reveal Glynn was buying the Comfort Inn and its stores. Did he know? He hasn't said.

Meanwhile, the secret BBN fund is devised to help pay higher salaries for



Mayor Paul Dyster wanted to save the historic Wintergarden building (above) until his benefactor James Glynn bought a hotel and stores next to it. Now Dyster wants the building torn down.



Mayor Paul Dyster appears ready to do anything for James Glynn, owner of the Maid of the Mist. Glynn contributed about \$4,000 to Dyster's campaign and, significantly, apparently, funded Dyster's secret Build A Better Niagara Fund.



James and Chris Glynn bought the Comfort Inn (above) and before it was announced publicly, Mayor Paul Dyster proceeded to pave the way for their success with tax dollars.

key appointments of the mayor. Chris Glynn sat in on the hiring process. Dyster, Glynn and other contributors hired Peter Kay for "Economic Development Chief." About \$35,000 of his \$100,000 salary will be paid by the BBN.

Glynn and his group also selected and pay part of City Administrator Donna Owens' salary. (\$35,000 of Owens' \$110,000 salary comes from BBN.)

Meanwhile, as the BBN pays government officials' salaries, Dyster, in turn, partners with USA Niagara — a state agency — designed to help develop Niagara Falls.

As Dyster told the *Niagara Gazette* in June, "We're always in close discussion and partnership with USA Niagara."

Besides supporting the buyout of Glynn's competition, Dyster, partnering with USA Niagara, will fund the renovation of the poorly-maintained West Pedestrian Mall.

USA Niagara, using public money, is replacing the old, worn, brick walkway with new cobblestone, adding parking, bicycle racks, old-fashioned street lights, benches, and, ironically, for the Maid of the Mist owner, a giant "mist" fountain — all in front of the Glynn's new investment.

Dyster claims his plan benefits Niagara Falls by creating a pathway between Seneca Niagara Casino and the Niagara Falls State Park. What he didn't disclose when he championed the plan was that Glynn's new development was smack in between. Glynn's plans were announced the following month.

The plan to improve the frontage of Glynn's development will cost \$7.9 million in government money; \$1.6 million of it is set aside to buy the historic Wintergarden, a glass building that stands between the East and West malls, owned by Smokin' Joe Anderson. And ironically, to buy back the vending rights to the East Mall that

Anderson bought, which made him a felon.

This purchase by USA Niagara will ensure Anderson will not compete with Glynn by having vendors in the East Mall.

It is also in Glynn's interest that the Wintergarden be demolished. It could be used to compete against Glynn's retail enterprises. USA Niagara has dedicated additional money to demolish the Wintergarden.

Additionally, Dyster reportedly supports Glynn's plan to get his property off the tax rolls with help from the Niagara County IDA. All told, the IDA may gift Glynn with \$15 million in tax breaks, gifts and incentives — more than he paid for the property.

Intriguingly, also, of the five major developers surrounding the new Glynn development, the mayor officially refuses to speak to, and has instructed his staff to avoid, three of them, and USA Niagara bought out the other two. Dyster seems deferential to Glynn's modus operandi.

The Glynn's are famous for not liking competition: In absolute secrecy, Glynn has managed to have a monopoly for his Maid of the Mist Co. on both banks of the lower Niagara, getting Park officials to refuse all proposals for competition. By neatly staggering leases on both sides of the border he monopolizes the river and deprives the public of a better attraction on government-owned land.

In 2002, the NY State Parks renewed Glynn's lease, saying since he had the Canadian side, it made sense to renew it. One thing they failed to disclose is the Canadian lease expires in 2009, but NY Park officials gave Glynn an unprecedented 40-year lease, making it possible for the Canadian side to say, "He has the American lease for 40 years, so how can we give the

Canadian side to anyone else?"

World-famous Ripley's Entertainment, trying to bid for the Canadian lease this year, was rebuffed by the Niagara Parks Commission even though Ripley's' concept included better boats, longer and varied rides, and an interactive pre-boat "wonderland" experience.

Ripley's offered far more than the "sardine density," standing only, refreshment-less and bathroom-less, 15-minute boat ride the Glynn's offer on their boats as Niagara Falls' premier attraction.

But we digress: To show how far Dyster will go to help Glynn, consider the proposed demolition of the Wintergarden. Many people oppose it. An architect proved it is cheaper to renovate than demolish. To help quell anti-demolition sentiment, Dyster declared the Wintergarden not repairable. Odd, before Glynn came to develop, Dyster said the Wintergarden was an irreplaceable architectural treasure and an essential part of our cultural heritage.

Meanwhile, as plans move forward, the city will utilize the services of the city administrator and the economic developer (hired and paid by Glynn) to help oversee construction of the West Mall to improve the frontage of Glynn's investment.

Dyster won't say who is involved with the secret fund or admit to knowledge of who the donors are. "I don't know who established the fund," Dyster said. "I have no direct knowledge of that, nor am I trying to find that out."

Which last statement is simply ridiculous.

Meanwhile, Smokin' Joe pleaded guilty in U.S. District Court in Buffalo to scheming with Vince Anello to become a favored developer in Niagara Falls. A federal grand jury indicted Anello.

"It's very disconcerting that anyone could enter into such arrangements and think that it should not be disclosed to the Council or the public," U.S. Attorney Terrence Flynn said of Anello's secret \$40,000 fund and his championing of Anderson's East Mall Plans.

It may be time for Mayor Dyster to say what his involvement is with Glynn on the West Mall.

"If you're a public official, it makes sense to disclose this kind of information. It's astounding to me that they would think that it wasn't appropriate to disclose it," Flynn said of Anello.

It would seem that Dyster should take heed.

"If you provide money to an elected official with the understanding that you will get a benefit," Anderson's attorney Terry Connors said, "you get in trouble."

I strongly urge Mayor Dyster and the Glynn's to step forward to reveal what their involvement is in the secret funds, and with full disclosure to the Council — tell what benefits have been given and received and what was privately discussed and what is expected to be gifted — to the only favored developer in this town — The Glynn's, of the monopoly Maid of the Mist.

Frank Parlato Jr. can be reached at frank@frankreport.com.