

TOWN OF LOCKPORT

6560Dysinger Road
Lockport, NY 14094
(716) 439-9535
(716)-439-9517

INDUSTRIAL DEVELOPMENT AGENCY PROJECT ELIGIBILITY QUESTIONNAIRE

DJF HOLDINGS OF WNY/
Project Applicant: CONTRACTS UNLIMITED INC

Project Title: EXPANSION

Total Project Cost: \$ \$500,000.00

Type of Project*:

- Industrial/ Producer Services
- Multi-tenant Facility
- General Office
- Commercial
- Acquisition of Existing Facility
- Civic Facility (Not for Profit)
- Life Care Community
- Research & Development
- Other _____

Location of Project 5309 IDA PARK NORTH

S.B.L. # _____

Bank: FIVE STAR

* All projects will be reviewed and approved in accordance with the provisions of Article 18A of the New York State General Municipal Law and the Town or Lockport Zoning Laws, Regulations and Restrictions applying to the Industrial Land Use. In certain instances, project applicants may be required to complete a retail questionnaire supplement based on the information contained within this application.

P. Is the Company or Management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes No

Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes No

Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes No

If the answer to any of the above questions is YES, please furnish details in a separate attachment.

II. DESCRIPTION OF PROJECT OCCUPANT

A. Company History

1. Location of current Facility:

Address: 5309 IDA PARK NORTH

City: LOCKPORT State: NY Zip: 14094

Telephone: 433-7330 Fax: 433-0669

2. SIC Code: 332900

3. Description of present facility: MANUFACTURING

Lot Size: 2.4 ACRES Number of buildings: 2

Square footage of facilities: 24,000 SQ FT

Own OR Rent present facilities

4. Is the facility currently receiving property tax abatement?

Yes No

If YES, at what date does this abatement expire: 2020

5. Does the project involve the relocation of a company(s) from another municipality within Niagara County? Yes No

6. If YES, has the Supervisor / Mayor been notified?

Yes No (Please provide additional information if necessary)

B. Principal product / service: LASER CUTTING, FORMING
FABRICATING, & MACHINING

C. Percentage of Gross Revenue (from products & services) derived from sales outside of Niagara County: 90%

D. Market served: VARIETY

III. ELIGIBILITY

A. What effect will this project have on your business (why is it necessary)? :

CREATE JOBS BY INCREASING SALES

B. Is Agency participation necessary for this project to proceed?

YES

C. Is the project occupant moving its entire operation to this proposed facility or a Division thereof? Does the project involve the consolidation of existing facilities?

N/A

D. Is this project necessary to prevent the company from moving out of Niagara County and / or New York State and / or to remain competitive with its industry?

YES

E. What are the current market conditions which necessitate the construction of this project?

VERY STRONG

F. Describe any unique features / effects that this project will have on the area:

N/A

G. **New York State Empire Zone Tax Incentives**

NOT APPLICABLE

H. Is the proposed Site located in an Empire Zone? Yes No

I. **New York State Brownfield Cleanup Program Tax Incentives**

New York State provides for significant refundable New York State tax credits with respect to cleanup and construction (buildings and equipment) costs, real property tax expenses, and insurance costs related to remediation and developing a Brownfield/ contaminated property. In

addition, New York State provides for a release of liability with respect to such contamination located in, on or emanating from the Brownfield Site. New York State Brownfield Cleanup Program tax credits can be utilized concurrently with Town of Lockport Industrial Development Agency benefits and incentives.

Under the New York Brownfield Cleanup Program, a Brownfield or a Brownfield Site is any real property, the redevelopment or reuse of which may be complicated by the presence or potential presence of a hazardous waste, petroleum, pollutant, or contaminants..

J. Is the proposed Project Site located on a site where the known or potential presence of a Contaminant is complicating the development/ use of the property? ___ Yes X No

K. Has a Phase I Environmental Assessment been prepared or will one be prepared with respect to the proposed Project Site? X Yes ___ No

L. Have any other studies or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development? ___ Yes X No

M. Is this a single phase or multi-phase project? X Single ___ Multi

Phase I Activities: ERECT 12,000 SQ FT BUILDING

Phase II Activities: _____

Phase III Activities: _____

IV. FINANCIAL INFORMATION: (PLEASE ATTACH TO THE APPLICATION)

A. Describe the need or demand for the product or services to be provided as a result of the project: REQUIRE ADDITIONAL SPACE TO MEET THE DEMANDS OF OUR GROWING CUSTOMER BASE

B. Provide the marketing, economic, business plan or feasibility studies that have been developed particularly for this facility. IN PROCESS WITH NCEDA

C. The following information will be required by the Agency and returned once an action of the Agency has been taken:

1. Financial statements for the last three (3) years
2. Projections for the next three (3) years including Balance Sheets, Profit and Loss Statements, Cash Flow Statements by quarters, etc.

V. PROJECT INFORMATION

A. SUMMARY OF PROJECT: (Identify each element of the project)

Does the project consist of (check appropriate categories)

	YES	NO
1. Acquisition of vacant land	X	
2. Land Lease		X
3. Construction of new building	X	
4. If YES, indicate the number and size <u>1 BUILDING 10,000 OR 12,000 SQ FT</u>		
5. Renovations to an existing building		X
6. If YES, indicate nature of renovations		
7. Construction of an addition to an existing building		X
8. If YES, indicate nature of expansion		
9. Acquisition of an existing building		X
10. If YES, indicate number & size of buildings		
11. Acquisition, installation of machinery and / or equipment	X	
12. Equipment lease		X
13. For purposes other than the acquisition, renovation or Construction of real property		X
14. If YES, explain under separate cover		
15. Have site plans been submitted to the Town Planning Department for approval? ***	X	

*** If YES, state date of submittal and current status, also include one set of plans/ renderings with this application.

16. Have plans been submitted to the US Army Corps of Engineers and the NYS Department of Environmental Conservation for approval? ____ Yes ___X___ No

If YES, date of submittal and current status: _____

17. Identify school district pertaining to Proposal Project location: LOCKPORT

18. Utilities and services presently serving site. Provide name of utility provider.

GAS NYSEG	SIZE
ELECTRIC NYSEG	POWER
WATER	SIZE
SEWER	SIZE

OTHER (Specify)	
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B. PROJECT SITE

1. Are there buildings now on the project site? ___ YES __X__ NO
2. Indicate the present use of the project site: VACANT
3. Indicate present owner(s) of project site: IDA
4. If the Company now owns the project site, indicate:
 - a. Date of purchase: _____
 - b. Purchase price: _____
5. Has the Company entered into a contract and / or option to purchase the site?
If YES, attach a copy _____
6. If the Company is not the owner of the project site, does the Company now lease the site or any buildings on the site? ___ YES __X__ NO
7. Is there a relationship legally or by virtue of common control or ownership between the Company and the seller of the project: ___ YES __X__ NO
If YES, describe the relationship: _____
8. If any space in the project is to be leased to third parties, indicate total gross square footage of the project, percent and square feet to be leased to each tenant, and proposed use by each tenant (attach signed leases, if any)
9. List principal items or categories of equipment to be acquired as part of the project: _____
10. Has any of the above equipment been ordered or purchased? ___ YES ___ NO
11. If YES, indicate: _____

12. Total Project Costs as estimated prior to Inducement

<u>Description of Costs</u>	<u>Allocations of Costs</u>		
	Bond Financing	Equity Participation	Totals
Land	\$ _____	\$ _____	\$ 24,000.00
Building(s)	\$ _____	\$ _____	\$ 476,000.00

Renovation	\$ _____	\$ _____	\$ _____
Equipment	\$ _____	\$ _____	\$ _____
Site work & Preparation	\$ _____	\$ _____	\$ _____
Installation	\$ _____	\$ _____	\$ _____
Engineering Fees	\$ _____	\$ _____	\$ _____
Architectural Fees	\$ _____	\$ _____	\$ _____
Interest during Construction	\$ _____	\$ _____	\$ _____
Agency Fees	\$ _____	\$ _____	\$ _____
Legal Fees **	\$ _____	\$ _____	\$ _____
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TOTALS	\$ _____	\$ _____	\$500,000.00

** Agency General Counsel and Bond Counsel Only

13. Have any of these expenditures already been made by the Company? YES X NO

If YES, indicate particulars: _____

14. Project Schedule: Indicate the estimated date for:

A. Commencement of construction: 11/1/2008

B. Completion of construction: 3/1/2009

C. Anticipated closing date of project: _____

Other Government Involvement:

Have you contacted any other government agency in reference to this project?

X YES NO If YES, please include the agency and nature of inquiry:

NIAGARA COUNTY IDA

15. Will the project require any government actions, permits or clearances (other than IDA Requirements)? If YES, please provide the following details:

ACTION	ISSUING AGENCY	DATE OF ISSUANCE
_____	_____	_____
_____	_____	_____
_____	_____	_____

Include any site plans, drawings or blueprints that have been developed.

Job Creation / Retention

16. Will Niagara County contractors and / or sub-contractors be utilized for the construction project? X YES NO

17. What is the estimated number of construction jobs to be created at the project site from:

A. Is the applicant requesting any real property tax exemption in connection with the Project that would not be available to a project that did not involve the Agency? YES NO

If YES, is the real property tax exemption being sought consistent with the Agency's Uniform Tax Exemption Policy? YES NO

B. Is the applicant expecting that the financing of the project will be secured by one or more mortgages? YES NO

If YES, what is the approximate amount of financing to be secured by mortgages? \$ 500,000.00

C. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax?

YES NO

If YES, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 500,000.00

D. What is the estimated value of each type of tax exemption being sought in connection with the Project? Please detail the type of tax exemption and value of each exemption.

1. N.Y.S. Sales and Compensating Use Tax: \$ 40,000.00
2. Mortgage Recording Taxes: \$ _____
3. Real Property Tax Exemptions: \$ _____
4. Other (please specify): _____

E. Are any of the tax exemptions being sought in connections with the Project inconsistent with the Agency's Uniform Tax Exemption Policy?

YES NO

If YES, please explain how the request of the applicant differs from the Agency's Uniform Tax- Exemptions Policy: _____

CERTIFICATION

(to be executed by the principal of the applicant and acknowledged by a notary public)

I. DAVID J FEW deposes and says that he/ she is the _____ of _____ named in the attached Application (the "Applicant");

that he/she has read the foregoing Application and knows the content thereof, and that the same is true to his/her knowledge.

II. The grounds for deponent's belief relative to all matters in the Application which are not stated upon his/her own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of the Application, as well as information acquired by deponent in the course of his/her duties as an officer of and from the book and papers of said corporation or other entity.

III. As an officer of the Applicant deponent acknowledges and agrees that the Applicant shall be and is responsible for all cost incurred by the Agency and all legal counsel for the Agency, including its general counsel and /or bond/transaction counsel, whether or not the Application, the proposed project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency. (B) the Agency's acquisition, construction and /or installation of the proposed project described herein and (C) and further action taken by the Agency with respect to the proposed project: including without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expense incurred in defending and suits or actions which may arise as a result of any of the foregoing.

IV. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fee to the Agency and the Agency's general counsel and /or the Agency's bond/ transaction counsel, the same to be paid at the times indicated:

- (a) The sum of \$ 1000 as a non- refundable processing fee, plus the sum of \$ 0 if Agency assistance in retaining professionals is requested.
- (b) Unless otherwise agreed to by the Agency, an amount equal to \$ TBD to be paid at closing.
- (c) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and / or the Agency's bond/ transaction counsel. Thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/ transaction counsel; and (2) other consultants retained by the Agency in connection with the proposed project, with all such charges to be paid by the applicant at the closing.

V. By executing and submitting this Application, and in the event the closing does not occur the Applicant further covenants and agrees to pay the following fees to the Agency and the Agency's general counsel and /or the Agency's bond transaction counsel:

- (a) If the Applicant fails to conclude or consummate the necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application, the Applicant shall pay to the Agency, its agents, or assigns *****
- (b) If the applicant is unable to find buyers willing to purchase the bond issue requested, or if the Applicant in unable to facilitate the sale/leaseback transaction, then upon presentation of and invoice, all actual costs involved with respect to the Application, to that date and time, incurred by the Agency including but not necessarily limited to fees of the Agency's general counsel and/or the Agency's bond /transaction counsel.

VI. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel; and / or the Agency's bond and / or transaction counsel as expressed in Sections IV and V are obligations that are not dependent on final documentation of the transaction contemplated by this Application.

The cost incurred by the Agency and paid by the Applicant, including bond/ transaction counsel fees and the Agency's general counsel's fees and the processing fees, may be considered as a costs of the project and included in the financing of costs of the proposed project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.

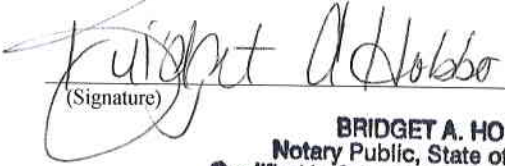
The Applicant is aware and acknowledges that according to the New York Public Officer's Law, Article 6, Freedom of Information, the public has the right to request information about the project and the Applicant, and that in accordance with Public Officer's Law Article 7, all meetings of the Agency are open to the public.

The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations made in this Application and, if applicable, made in Addendum A, when acting hereon and hereby represents that the statements made herein and therein do not contain any untrue statements of material fact and do not omit to state a material fact necessary to make the statements contained herein or therein not misleading.

Project Company: WJF Holdings of WNY
By: [Signature]
Project Officer

NOTARY

Sworn to before me this 3rd day of Oct. 2008



(Signature)

BRIDGET A. HOBBS
Notary Public, State of New York
Qualified in Orleans Co., Filed in Niagara Co.
My Commission Expires: 07/31/2009