



NYS DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES

RP-412-a (1/95)

INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name Town of Lockport Industrial Development Agen
Street 6560 Dysinger Road
City Lockport
Telephone no. Day (716) 439-9535
Evening () _____
Contact Marc R. Smith
Title Administrative Director

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name Up North Hosting LLC
Street 4922 IDA Park Drive
City Lockport
Telephone no. Day () _____
Evening () _____
Contact Daniel Saltman
Title President

3. DESCRIPTION OF PARCEL

a. Assessment roll description (tax map no./roll year)
108.00-1-55
b. Street address 4922 IDA Park Drive
c. City, Town or Village Lockport

d. School District Lockport City
e. County Niagara
f. Current assessment 435,000
g. Deed to IDA (date recorded; liber and page)
052218 - No. 2018-08480

4. GENERAL DESCRIPTION OF PROPERTY (if necessary, attach plans or specifications)

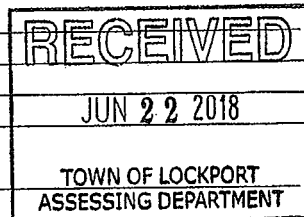
a. Brief description (include property use) Property and building acquisition to be used as a data center
b. Type of construction _____
c. Square footage 13500+/-
d. Total cost 365,000.00
e. Date construction commenced n/a
f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)
2034

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

a. Formula for payment See attached PILOT

b. Projected expiration date of agreement 2034



c. Municipal corporations to which payments will be made

	Yes	No
County <u>Niagara</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>Lockport</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village _____	<input type="checkbox"/>	<input type="checkbox"/>
School District <u>Lockport</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name _____
 Title _____
 Address 4922 IDA Park Drive
Lockport, New York 14094

e. Is the IDA the owner of the property? Yes No (check one)

If "No" identify owner and explain IDA rights or interest Telephone _____
 in an attached statement. Up North Hosting LLC - Lease/Leaseback to IDA

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No

If yes, list the statutory exemption reference and assessment roll year on which granted:
 exemption Previous PILOT to assessment roll year _____
previous Owner

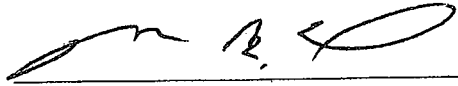
7. A copy of this application, including all attachments, has been mailed or delivered on _____ (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

CERTIFICATION

I, Marc R. Smith, Administrative Director of
 Name Title
Town of Lockport Industrial Development Agency hereby certify that the information
 Organization

on this application and accompanying papers constitutes a true statement of facts.

6/4/18
 Date


 Signature

FOR USE BY ASSESSOR

1. Date application filed _____
2. Applicable taxable status date _____
- 3a. Agreement (or extract) date _____
- 3b. Projected exemption expiration (year) _____
4. Assessed valuation of parcel in first year of exemption \$ _____
5. Special assessments and special as valorem levies for which the parcel is liable:

 Date

 Assessor's signature

APPENDIX C

2018 UP NORTH HOSTING LLC PROJECT

PAYMENTS IN LIEU OF TAXES

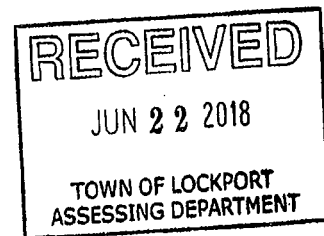
It is recognized that under the provisions of the Act, the Agency is required to pay no real estate taxes upon any of the property acquired by it or under its jurisdiction or control or supervision or upon its activities. Except as otherwise provided herein, while the Facility is being used in accordance with the Act and the Leaseback Agreement, the provisions of this Appendix C with respect to payments in lieu of real estate taxes shall be applicable. Until the commencement of the tax fiscal year of the appropriate taxing authority subsequent to the first tax status date on which the Agency is the holder of a leasehold interest in the Facility, Up North Hosting LLC (the "Lessee") shall continue to pay all appropriate taxing authorities all taxes due. Thereafter the Lessee shall pay to the Town of Lockport (Town), County of Niagara (County) and the Lockport City School District (School District) in lieu of exempted taxes the following amounts:

The Lessee shall make the following payments in lieu of taxes:

A. To the Town, 6560 Dysinger Road, Lockport, New York 14094, no later than January 15th of each year,

1. Commencing in tax fiscal year 2020, an amount equal to the percentage of the Town taxes which would be due, were there no such exemption, based upon the assessed value of the Facility in accordance with the following schedule:

Tax Fiscal Year	Percentage
2020	20%
2021	20%
2022	30%
2023	30%
2024	40%
2025	40%
2026	40%
2027	40%
2028	40%
2029	50%
2030	50%
2031	50%
2032	50%
2033	50%
2034	50%



2. Commencing in tax fiscal year 2035, an amount equal to the Town taxes which would

be due, were there no such exemption based upon the then assessed value of the Facility.

B. To the County, c/o County Treasurer, County Office Building, Lockport, New York 14094, no later than January 15th of each year,

1. Commencing in tax fiscal year 2020, an amount equal to the percentage of the County taxes which would be due, were there no such exemption, based upon the assessed value of the Facility in accordance with the following schedule:

Tax Fiscal Year	Percentage
2020	20%
2021	20%
2022	30%
2023	30%
2024	40%
2025	40%
2026	40%
2027	40%
2028	40%
2029	50%
2030	50%
2031	50%
2032	50%
2033	50%
2034	50%

2. Commencing in tax fiscal year 2035, an amount equal to the County taxes which would be due, were there no such exemption based upon the then assessed value of the Facility.

C. To the School District, Lockport City School District, 130 Beattie Avenue, Lockport, New York 14094,

1. Commencing with the School District's tax fiscal year 2019-2020, an amount equal to the percentage of the School District taxes which would be due, were there no such exemption, based upon the assessed value of the Facility in accordance with the following schedule:

Tax Fiscal Year	Percentage
2019-2020	20%
2020-2021	20%
2021-2022	30%
2022-2023	30%
2023-2024	40%
2024-2025	40%
2025-2026	40%

2026-2027	40%
2027-2028	40%
2028-2029	50%
2029-2030	50%
2030-2031	50%
2031-2032	50%
2032-2033	50%
2033-2034	50%

2. Commencing with the School District's tax fiscal year 2034-2035, an amount equal to the School District taxes which would be due, were there no such exemption based upon the then assessed value of Facility.

The parties intend that the Lessee shall receive the standard fifteen years of tax abatement on the full assessed value of the Facility Realty.

The foregoing provisions are subject, in each case, to the Lessee's right to obtain reductions in the assessed valuation of the Facility, to maintain existing exemptions, and to obtain other exemption, abatements or discounts therefrom, if any, and to seek to obtain a refund of any such payments made, all of which are hereby expressly reserved by the Lessee.

If the Lessee shall fail to make any such installments of payments in lieu of real estate taxes, the amount or amounts so in default shall continue as an obligation of the Lessee until fully paid and the Lessee agrees to pay the same with interest thereon.

In addition, a late payment penalty of five percent (5%) of the amount due shall be paid by the Lessee if payment is not received by the affected tax jurisdiction by the due date. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall accrue and be paid to the affected tax jurisdiction on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made. Once having paid the amount required by Section 4.3 of the Lease Agreement to be paid by it in lieu of real estate taxes, the Lessee shall not be required to pay any such taxes for which a payment in lieu thereof has been made to the appropriate officer if the Town, County or School District, as the case may be.

The Agency shall cause such officers to apportion, within fifteen days prior to the date on which the Agency is no longer to be the holder of a leasehold interest in the Facility, that installment or payment in lieu of tax paid by the Lessee to the Town, County and the School District, as the case may be, immediately preceding the date on which the Agency no longer holds a leasehold interest in the Facility, as of such date, and apply that portion attributable to the period from such date to the end of the period of such installment as a credit against the amount of real estate tax that would have been due for the period of such installment had the Facility been privately owned and not leased to the Agency on the final assessment date of the tax year immediately preceding the date of such installment, and bill the Lessee for the balance of such installment, which amount shall be paid by the Lessee to such officer immediately upon the receipt thereof. The Agency shall terminate the Lease to Agency and the Leaseback Agreement

and cause the Facility to be returned to the tax rolls as of the termination of the Lease to Agency and the Leaseback Agreement and the Lessee shall pay the remaining installments due for such tax fiscal year.

If the Project is not being used in accordance with the Act and this Agreement, the Lessee shall be required to make full payments in lieu of real estate taxes on the land, building and improvements constituting the Facility in such amount as would result from taxes levied on the Facility if the Facility were owned by the Lessee and not leased to the Agency. Such amounts shall commence to be paid for the period subsequent to the date it is reasonably determined by the Agency that use of the Project under the Act or this Agreement is not in compliance. In such event, the tax rate and valuation shall be those then in effect in the records of the proper County, Town and School District departments, respectively. The Agency in its discretion may waive the increased payments set forth in this paragraph and agree to the continuation of the payments as otherwise set forth in Section 4.3 of this Leaseback Agreement.

The obligations of the Lessee under Sections 4.3 and 4.4 of this Leaseback Agreement shall survive the termination or expiration of this Agreement for any reason whatsoever. The Agency, in its discretion and in furtherance of the purposes of the Act, may waive, in whole or in part, payments in lieu of taxes, set forth in Section 4.3 and 4.4 of this Leaseback Agreement, for good cause shown.

Payments for the Town of Lockport shall be mailed to the Town of Lockport, 6560 Dysinger Road, Lockport, New York 14094 and are due no later than January 15th of each year.

Payments to the County of Niagara shall be mailed to the County Treasurer, County Office Building, Lockport, New York 14094 and are due no later than January 15th of each year.

Payments for the Lockport City School District shall be mailed to the Lockport City School District, 130 Beattie Avenue, Lockport, New York 14094 and are due not later than October 15th of each year.

TOWN OF
LOCKPORT
ECONOMIC DEVELOPMENT



Community Based. Job Focused.

Town of Lockport
Industrial Development Agency
6560 Dysinger Road
Lockport, New York 14094-7970

Tel (716) 439-9535
Fax (716) 439-9715

www.LockportEconomicDevelopment.com
Email: LED@elockport.com

May 25, 2018

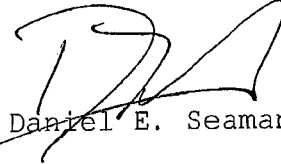
Jill Lederhouse, Assessor
Town of Lockport
6200 Robinson Road
Lockport, New York 14094

Re: Up North Hosting LLC 2018 Project
IDA Application for Real Property Tax Exemption

Dear Ms. Lederhouse:

Enclosed please find IDA Application for Real Property Tax Exemption
together with attached PILOT Agreement.

Very truly yours,



Daniel E. Seaman

DES:clb

cc: Dr. Michele T. Bradley, Superintendent
Lockport City School District
John Shoemaker, Director
Real Property Tax Services, County of Niagara
Marc R. Smith, Administrative Director
Town of Lockport Industrial Development Agency

Enclosure

