

TOWN OF LOCKPORT

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

INDUSTRIAL DEVELOPMENT AGENCY PROJECT ELIGIBILITY QUESTIONNAIRE

Project Applicant: Contracts Unlimited, Inc.

Project Title: Expansion

Total Project Cost: \$ 150,000.⁰⁰

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
- Others _____

Location of Project 5309 IDA Park North

S.B.L. # _____

Bank: HSBC Bank USA

* 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

The information listed on this form is necessary to determine the eligibility of the project applicant. Please fill in all blanks, using "NONE" or "NOT APPLICABLE" where necessary. If an estimate is given, put "EST" after the figure. Attach additional sheets if necessary. To the extent permitted by law, and if requested by you, all proprietary information provided and identified as such will be treated confidentially, but may be subject to disclosure under the New York State Freedom of Information Act. Please note that the Company has no obligation to keep the information provided herein current. Therefore, please notify the Agency if there is any change made in the Company's plans. This application is ONLY for the purpose of determining whether the applicant is eligible for consideration by the Agency. In certain instances, additional information may be required. Return original copy of this application to the Town of Lockport Industrial Development Agency.

I. PROJECT APPLICANT

A. Project Applicant : Contracts Unlimited, Inc.

B. Company Officer (Partner) completing this application:

1. Name: Michael D. Few

2. Title: President

3. Address: SAME

4. Telephone: (716) 433-7330

5. Email : _____

6. Website: _____

C. IRS Identification Number : 16-1338326

D. Business Organization (Check appropriate category):

- Corporation
- Partnership
- Limited Liability Company
- Sole Proprietorship
- S Corporation
- Joint Venture
- Other (specify) _____

E. State of Incorporation if applicable: New York

F. Business Description Manufacturing

G. If corporation, publicly or privately held?

Public
Private

H. List officers, stockholders, members or partners in the Company. **

Name	Percentage	Home Address
David J. Few	100%	5627 Hidden Lake Drive Lockport, Ny 14094

I. Is the Company related, directly or indirectly, to any other entity by more than 50% common ownership? Is so, indicate name of such entity and the relationship:

No

If any of the persons or group of persons listed in the response to question H above Owns more than 50% of the Company, list all other entities which are related to the company by virtue of such person (or group of persons) having more than a 50% interest in such other entities:

Is the Company affiliated with any other entity, directly or indirectly, other than as indicated in response to question I. & J. above? If yes, indicate name and relationships such other entity and the address thereof:

Has the Company (or any entity listed in 7 above) made a public offering or private placement of its stock within the last year? If so, please provide Offering Statement used.
Yes () No (X)

Complete the following information:

<u>Officers and Directors</u>	<u>Address & Phone</u>
Michael Few - President	
Julie Cuzzackea - Vice President	
Suzanne Coakley - Vice President	

<u>Other Business Affiliations</u>	<u>Address & Phone</u>

** If the Company is publicly owned, it can answer this and other succeeding questions by reference to an attached copy of the company's most recent Form 10-K (Company means ultimate project occupant where known, otherwise the developer)

N. Counsel to Company: J. Michael Fitzgerald

1. Name of Attorney : Same

2. Name of Firm: _____

3. Address: _____

4. Telephone Number 434-9131 Fax: 433-8344

5. Email: _____

O. Company's Accountant: Scott Cain

1. Name of Accountant: _____

2. Name of Firm: Wittlin, Cain & Dry LLP

3. Address: _____

4. Telephone Number 438-2190 Fax: _____

5. Email _____

6. Principal Bank _____

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

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

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 (X)

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: Same

City: _____ State _____ Zip _____

Telephone: _____ Fax: _____

2. SIC Code: 332900

3. Description of present facility: Manufacturing

Lot Size: 2 Acres Number of buildings: 1

Square footage of facilities: 20,000 sq. ft.

Owns OR Rents 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, machining
Fabricating

C. Percentage of Gross Revenue (from products & services) derived from sales Outside of Niagara County: 80%

D. Market served: manufacturing

III. ELIGIBILITY

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

Increase in sales creating
additional jobs

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

Would be helpful to have the
support of IDA

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?

No

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

Excellent in our area of
expertise

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

N/A

G. New York State Empire Zone Tax Incentives.

In addition to financial incentives that the Niagara County Industrial Development Agency can provide with respect to the proposed Project, the project may also be eligible for New York State tax benefits (sales tax, income tax, and real property tax benefits and credits) under the New York State Empire Zone Program. Empire Zone tax benefits can be utilized concurrently with Niagara County Industrial Development Agency benefits and incentives.

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 Niagara County 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 contaminant (collectively, "contaminants").

J. Is the proposed Project Site located on a site where the known or potential presence of a contaminant(s) is complicating the development/ use of the property? Yes No

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

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

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

Phase I Activities: _____

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: _____
- B.** Provide the marketing, economic, business plan or feasibility studies that have been developed particularly for this facility
- 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		✓
2. Land Lease		✓
3. Construction of new building		✓
4. If yes, indicate the number and size <u>4000 sq. ft.</u>		
5. Renovations to an existing building		
6. If yes, indicate nature of renovations		
7. Construction of an addition to an existing building	✓	
8. If yes, indicate nature of expansion <u>4000 sq. ft.</u>		
9. Acquisition of an existing building		✓
10. If yes, indicate number & size of buildings		✓
11. Acquisition. Installation of machinery and / or equipment		✓
12. Equipment lease		✓
13. For purposes other than the acquisition, renovation or construction of real property		✓
14. If yes, explain under separate cover		✓
15. Have site plans been submitted to the Town Planning Department for approval? ***	✓	

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

June 1st, 2007

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

If yes, date of submittal and current status: _____

17. Identify school district *pertaining* to Proposal Project location: Lockport

18. Is this a single phase or multi-phase project? SINGLE MULTI
PHASE I Activities: Build Addition
PHASE II Activities: _____
PHASE III Activities: _____

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

GAS	<u>NYSEG</u>	SIZE
ELECTRIC	<u>NYSEG</u>	POWER
WATER	<u>Town of Lkpt</u>	SIZE
SEWER	<u>Town of Lkpt</u>	SIZE
OTHER (Specify)		

B. PROJECT SITE

1. Are there buildings now on the project site? YES NO
2. Indicate the present use of the project site: manufacturing
3. Indicate present owner(s) of project site: Contracts Unlimited
4. If the Company now owns the project site, indicate:
 - a. Date of purchase: oct 05'
 - b. Purchase price: \$ 900,000
5. Has the Company entered into a contract and / or option to purchase the site?
If yes, attach a copy N/A
6. If the Company is not the owner of the project sit, does the Company now lease the site or any buildings on the site? YES 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 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, it 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 150,000⁰⁰

Description of Costs

Allocations of Costs

	Bond Financing	Equity Participation	Totals
Land	\$ _____	\$ _____	\$ _____
Building(s)	\$ _____	\$ _____	\$ <u>150,000⁰⁰</u>
Renovation	\$ _____	\$ _____	\$ _____
Equipment	\$ _____	\$ _____	\$ _____
Site work & Preparation	\$ _____	\$ _____	\$ _____
Installation	\$ _____	\$ _____	\$ _____
Engineering Fees	\$ _____	\$ _____	\$ _____
Architectural Fees	\$ _____	\$ _____	\$ _____
Interest during Construction	\$ _____	\$ _____	\$ _____
Agency Fees	\$ _____	\$ _____	\$ _____
Legal Fees **	\$ _____	\$ _____	\$ _____
<hr/>			
TOTALS	\$ _____	\$ _____	\$ _____

** Agency General Counsel and Bond Counsel Only

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

If YES, indicate Particulars: _____

14. Project Schedule---Indicate the estimated dated for:

A. Commencement of construction: July 07'

B. Completion of construction: Sept. 07'

C. Anticipated closing date of project: Oct 07'

Other Government Involvement:

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

___ YES NO If YES, please include the agency & nature of inquiry below:

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? YES NO
17. What is the estimated number of construction jobs to be created at the project site from:

Niagara County	Erie County	Other areas
24	6	

Present # jobs....

	Full Time	Part Time	Total
Niagara County	26		
Lockport			
Town of Lockport			

At jobs completion

Est. employment	35
After 5 years	

18. Estimated Annual Payroll (*Town of Lockport Facility)

At Present	\$ 960,000 ⁰⁰
At Completion	\$ _____

19. Approximate Annual Sales for previous Year 2,400,000⁰⁰

VI. PROJECT FINANCING

A. Financial and Feasibility Data

Describe the need or demand for the product or services to be provided as a result of the project: _____

Provide any marketing, economic, business plan or feasibility studies that have been developed particularly for this facility.

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, inc. * See Attached Addendum A

B. Financial Assistance Expected from the Agency

1. Tax Benefits

A. Is the applicant requesting and 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? \$ 150,000⁰⁰

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? \$ 150,000

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: \$ 150,000
2. Mortgage Recording Taxes: \$ unknown
3. Real Property Tax Exemptions: \$ unknown
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. Michael D. Few deposes and says that he/ she is the President of Contracts Unlimited Inc. 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 hi/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 hi/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 \$ _____ as a non- refundable processing fee, plus the sum of \$ ____ if Agency assistance in retaining professionals is requested, to be paid upon submission of the Application:
- (b) Unless otherwise agreed to by the Agency, an amount equal to \$ _____ 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 is 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 Cod 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 statement 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: Contracts Unlimited Inc.

Michael JZ
By: Project Officer

NOTARY

Sworn to before me this ____ day of _____ 20__

(Signature)