

NCIDA

APPLICATION FOR ASSISTANCE

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Each applicant seeking assistance must complete the accompanying application material which includes the Application for Assistance and Environmental Assessment form. A non-refundable application fee of \$1,000.00 must be included with this application, payable to the Niagara County Industrial Development Agency. Every project seeking NCIDA assistance must use best efforts to use local labor for the construction of new, expanded or renovated facilities.

Please answer all questions. Use "none" or "not applicable" where necessary. Information in this application may be subject to public review under New York State Law, except for information that is considered deniable by the Freedom of Information Law. This form is available online at our web page at www.nccedev.com.

I. APPLICANT DATA

A. **APPLICANT NAME** HYDRAULIC RACE CO, INC

ADDRESS 5978 WASHINGTON ST P.O. Box 77

CITY/STATE/ZIP OLCOTT NY 14126

B. **APPLICANT'S OFFICER RESPONSIBLE FOR COMPLETING THIS APPLICATION**

NAME CLARENCE BURKOWIT

TITLE PRESIDENT

MAILING ADDRESS 5978 WASHINGTON ST P.O. Box 77

CITY/STATE/ZIP OLCOTT NY 14126

TELEPHONE (716) 622-3675

FAX (716) 778-8621

E-MAIL LOCKPORT CAVE @ VERIZON . NET

APPLICANT'S TAX ID NUMBER 16-1506383

6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132
(716) 278-8760 Fax (716) 278-8769

- C. **BUSINESS TYPE**
- Sole Proprietorship
 - Partnership
 - Privately-held Corporation
 - Public Corporation
 - Not-for-Profit Corporation
 - LLC
 - Other

D. **STATE OF INCORPORATION:**

NEW YORK

E. **IS APPLICANT AUTHORIZED TO DO BUSINESS IN NEW YORK STATE?**

Yes No

F. **PRINCIPAL STOCKHOLDERS** (Owners of 20% or more of Stock Outstanding)

Name	%	Corporate Title
<u>Clarence K. Berkend</u>	<u>51</u>	<u>President</u>
<u>Thomas P. Callahan</u>	<u>49</u>	<u>Sec. Treas.</u>

G. **Has the Applicant (or any related entity) received previous NCIDA assistance?**

Yes No.

If yes, please give year(s) and project location

H. **APPLICANT'S LEGAL COUNSEL**

FIRM NAME Seaman, Jones, Hogan & Brooks

ADDRESS West Genesee St

CITY/STATE/ZIP Lockport N.Y. 14094

TELEPHONE 716 433 5907

ATTORNEY'S NAME Morgan Jones

E-MAIL MJONES@lockportlaw.com

II. PROJECT & OCCUPANCY DATA

A. LOCATION OF PROPOSED PROJECT FACILITY

ADDRESS

5 GOODING ST., LOCKPORT NY 14094

PRINCIPAL USE

VISITORS CENTER / TICKET SALES

SBL #

ZONING

I-2 (VARIANCE GRANTED ON 1-22-13)
(BUILDING PLANS APPROVED 2-4-13)

B. INDICATE MUNICIPAL JURISDICTION

TOWN

VILLAGE

CITY

CITY OF LOCKPORT

SCHOOL DISTRICT

LOCKPORT

C. CURRENT OWNERSHIP OF PROPERTY

CURRENT OWNER

HYDRAULIC RACE CO., INC.

CURRENT ASSESSMENT

\$ 14,000⁰⁰

CURRENT TAXES (ANNUAL)

\$ 724⁵⁰

D. Who are the principal user(s) of the facility (the "Company")? If there are multiple users, please indicate on attached sheet. If same as Applicant indicate the "same" below.

COMPANY NAME

Same

ADDRESS

CITY/STATE/ZIP

CONTACT

TELEPHONE

TAX ID NO.

% OF FACILITY TO BE OCCUPIED BY COMPANY

E. Are other facilities or related companies located within New York State:

Yes No

LOCATION _____

If there are other company facilities within the State, will any of these close or be subject to reduced activity?

Yes No

F. Has the company actively sought sites and/or facilities in another country or state?

Yes No

If yes, please describe on separate sheet.

G. Description of project (check one or more)

- New Construction Sq. Footage 1136
- Addition to existing facility Sq. Footage _____
- Renovation and modernization of existing facility
- Acquisition and modernization of existing facility
- New machinery and equipment Production _____ Non-Production _____
- Other (specify) _____

H. Provide a general narrative description of the project, including history and background on user(s) of the facility. Provide information on (Appendix A) for user(s) of the facility. Describe reasons why this project is necessary and its effect it will have on Applicant. Include site plans, renderings, photos, etc.

See Appendix A

III. COMPANY EMPLOYMENT INFORMATION

A. Total current employment within Niagara County is

6 Full-Time _____ Part-Time _____

Current Annual Payroll
Including benefits

\$ 20,000

B. Projected Employment:

Applicant or principal user(s) must complete Appendix A.

IV. EMPLOYMENT IMPACT

Every project seeking NCIDA assistance must use best efforts to use Niagara County labor for the construction of new, expanded or renovated facilities. This requirement includes all project employees of the General Contractor, Subcontractor or sub to a Subcontractor, working on the project. Applicant agrees and understands the obligations herein, and agrees to transmit and convey in a timely fashion this requirement to all applicable contractors, subcontractors, suppliers and materialmen.

A. Will Niagara County contractors and/or subcontractors be utilized for the construction project?

X Yes _____ No

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

Niagara County: 32 Erie County: _____ Other Areas _____

V. APPLICANT PROJECT COSTS AND FINANCING

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the applicant.

Estimated Costs Eligible for Sales Tax Exemption Benefit

a.	Building Construction or Renovation Costs	a.	\$	<u>95,200</u>
b.	Sitework	b.	\$	<u>1,500</u>
c.	Non-manufacturing Equipment	c.	\$	_____
d.	Furniture, Fixtures	d.	\$	<u>3,500</u>
e.	Other (specify)	e.	\$	_____
f.	Subtotal	f.	\$	<u>102,200</u>

Estimated Costs Not Subject to Sales Tax

g.	Land and/or Building Purchase	g.	\$	_____
h.	Manufacturing Equipment	h.	\$	_____
i.	Soft Costs (Legal, Architect, Engineering)	i.	\$	<u>2,000</u>
j.	Other (specify) _____	j.	\$	<u>100</u>
k.	Subtotal	k.	\$	<u>2,100</u>
Total Project Costs		f + k	\$	<u>104,300</u>

B. Indicate how the project will be financed

a.	Tax-Exempt IRB	a.	\$	_____
b.	Tax-Exempt Bond	b.	\$	_____
c.	Taxable Industrial Revenue Bond	c.	\$	_____
d.	Bank Financing	d.	\$	_____
e.	Public Financing	e.	\$	_____
f.	Equity	f.	\$	_____

TOTAL SOURCES \$ _____

Estimated Amount of Mortgage \$ _____

C. If applicant expects the Tax-Exempt IRB to exceed \$1,000,000, what is the dollar value of "capital expenditures" that the applicant and company, or any related company or person, has expended within the last three years in the municipality in which the proposed project is to be located and expects to expend in that municipality three years after the bond issue?

N/A

D. Has the applicant made any arrangements for the financing of the project?

Yes No

If so, please specify bank, underwriter, etc.

VI. PROJECT CONSTRUCTION INFORMATION

A. What is the proposed commencement date of construction or acquisition of the project?

March 1, 2013

B. Outline the timetable for the project, indicating when project will be in full use.

May 4th 2013

VII. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

- A. Job Listings. In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
- D. Annual Employment Reports: The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.
- E. Absence of Conflicts of Interest: The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described: _____
- F. Local Labor: The Applicant understands that the residents of Niagara County will be providing assistance to the project. The Applicant further understands that every project seeking NCIDA assistance must use best efforts to use Niagara County labor for the construction of new, expanded or renovated facilities. This requirement includes all project employees of the General Contractor, Subcontractor or sub to a Subcontractor, working on the project. Applicant agrees and understands the obligations herein, and agrees to transmit and convey in a timely fashion this requirement to all applicable contractors, subcontractors, suppliers and materialmen.

VIII. ENVIRONMENTAL ASSESSMENT

New York State law requires that an Environmental Assessment Form (EAF) must be completed and submitted along with this application. Attach the EAF which was submitted to the municipality.

Name of Applicant's Officer Responsible for Completing Application: _____

(Please Print)

Clarence K. Berkart

Signature

Clarence K. Berkart

Date of Application

Feb 2013

CERTIFICATION

Clarence K. Borlout

Name of chief executive of the company submitting application

Deposes and says that he/she is the Clarence K. Borlout President of

of The Hydro Recs Co. Inc., the corporation named in the

attached application; that he/she has read the foregoing application and knows the contents thereof; that the same is true to his/her knowledge. Deponent further says the reason this verification is made by the deponent and not by _____

_____, (company name) is because the said company is a corporation. The grounds of deponent's belief relative to all matters in the said 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 this application as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation.

As officer of said corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the nonprofit Niagara County Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the attached application whether or not the application, the project it describes, the attendant negotiations and ultimately the necessary issue of bonds and/or completion of the lease/leaseback transaction are ever carried to successful conclusion. If, for any reason whatsoever, the applicant fails to act within a reasonable or specified period of time to take reasonable, proper, or requested actions or withdraws, abandons, cancels, or neglects the application or if the Agency or applicant are unable to identify buyers willing to purchase the total bond issue required or facilitate the lease/leaseback transaction, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not necessarily limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue or completion of the lease/leaseback transaction, the applicant shall pay to the Agency an administrative fee set by the Agency. The cost incurred by the Agency and paid by the applicant, including bond counsel and the Agency's general counsel's fees and the administrative fee, may be considered as a cost of the project and included as part of the resultant bond issue or lease/leaseback transaction.

Clarence K. Borlout

Print Name of Chief Executive

Clarence K. Borlout

Signature

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PROJECTED EMPLOYMENT*

	Full-Time	Part-Time	Total	Total Payroll*
Total number of employees within Niagara County at the date of application	<u>Seasonal business - may - NOV.</u>			
Total number of employees to be directly IMPACTED by the project:	<u>6</u>	<u>0</u>	<u>6</u>	<u>\$20,000</u>
ADD: Number of new jobs to be created During the first year after completion:	<u>0</u>	<u>2</u>	<u>2</u>	<u>\$7,000</u>
Total end of first year:	<u>6</u>	<u>2</u>	<u>8</u>	<u>\$27,000</u>
ADD: Number of new jobs to be created During the second year after completion:	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>
Total end of second year:	<u>8</u>	<u>2</u>	<u>10</u>	<u>\$36,000</u>
ADD: Number of new jobs to be created During the third year after completion:	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>
Total end of third year:	<u>10</u>	<u>2</u>	<u>12</u>	<u>\$46,000</u>
Estimated average annual salary of <u>new</u> jobs to be created:	<u>\$11.50</u>			
Expected high salary of <u>new</u> jobs to be created:	<u>\$16.00</u>			
Expected low salary of <u>new</u> jobs to be created:	<u>\$10.00</u>			

List types of jobs (i.e. production, managerial, clinical, engineering, etc.) to be created.

*Applicant or principal user(s) as noted in Section III B of application (includes benefits)

Clarence K. Borknot Clarence K. Borknot 2-8-13
Print Name Signature Date

PROJECT ID NUMBER

617.20
APPENDIX C

SEQR

STATE ENVIRONMENTAL QUALITY REVIEW

SHORT ENVIRONMENTAL ASSESSMENT FORM

for UNLISTED ACTIONS Only

PART 1 - PROJECT INFORMATION (To be completed by Applicant or Project Sponsor)

1. APPLICANT / SPONSOR <i>HYDRAULIC RACE CO., INC.</i>	2. PROJECT NAME <i>LOCKPORT CAVE & UNDERGROUND BOAT RIDE</i>
3. PROJECT LOCATION: Municipality <i>CITY OF LOCKPORT</i> County <i>NIAGARA</i>	
4. PRECISE LOCATION: Street Address and Road Intersections, Prominent landmarks etc - or provide map <i>5 GOODING ST</i>	
5. IS PROPOSED ACTION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Expansion <input type="checkbox"/> Modification / alteration	
6. DESCRIBE PROJECT BRIEFLY: <i>CONSTRUCTION OF A 1136 SQ FT. STRUCTURE TO SERVE AS VISITORS CENTER / TICKET OFFICE FOR THE LOCKPORT CAVE & UNDERGROUND BOAT RIDE ATTRACTION.</i>	
7. AMOUNT OF LAND AFFECTED: Initially <i>0.34</i> acres Ultimately <i>0.34</i> acres	
8. WILL PROPOSED ACTION COMPLY WITH EXISTING ZONING OR OTHER RESTRICTIONS? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, describe briefly:	
9. WHAT IS PRESENT LAND USE IN VICINITY OF PROJECT? (Choose as many as apply.) <input type="checkbox"/> Residential <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Agriculture <input type="checkbox"/> Park / Forest / Open Space <input type="checkbox"/> Other (describe)	
10. DOES ACTION INVOLVE A PERMIT APPROVAL, OR FUNDING, NOW OR ULTIMATELY FROM ANY OTHER GOVERNMENTAL AGENCY (Federal, State or Local) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, list agency name and permit / approval:	
11. DOES ANY ASPECT OF THE ACTION HAVE A CURRENTLY VALID PERMIT OR APPROVAL? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, list agency name and permit / approval:	
12. AS A RESULT OF PROPOSED ACTION WILL EXISTING PERMIT / APPROVAL REQUIRE MODIFICATION? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE TO THE BEST OF MY KNOWLEDGE	
Applicant / Sponsor Name <i>Clarence K Burkuit</i>	Date: <i>2-6-2013</i>
Signature <i>CLARENCE K BURKUIT</i>	

If the action is a Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with this assessment

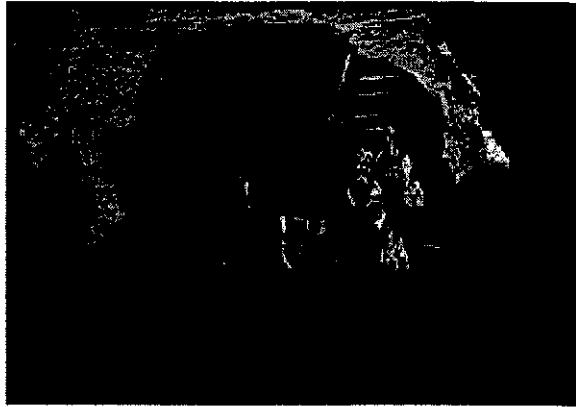
APPENDIX A

Lockport Cave & Underground Boat Ride **Experience a piece of Americana Come to Life on the Erie Canal**

The Lockport Cave & Underground Boat Ride in Lockport, NY, on the Erie Canal, is just a 20 minute drive from Niagara Falls (via Route 31 East), offers the public an exciting 70-minute guided tour through America's past. You will explore the historic Erie Canal Locks 67-71, constructed in 1838. You will also view ruins from an earlier industrial age, walk safely through a water tunnel that was blasted out of solid rock in the 1850s, viewing stalactites, flow stone, various geological formations and artifacts left behind by the men who built the tunnel in the early days of the Erie Canal. If you are lucky you may even find a fossil or two.

Ride an underground Boat ride that is Unique and Mysterious:

The next part of your journey is a one-of-a-kind underground boat ride. Embark on America's longest underground boat ride through a trip of wonders. Marvel at artifacts left by miners on the Erie Canal over a century ago. And view cave formations in their early stages of development. Visitors are awestruck as they take a ride that has been described as both "peaceful and eerie" as the boat glides through the lifeless water, illuminated only by small, sporadically placed electric lights.



Lockport Cave & Underground Boat Ride tours take approximately 70 minutes.

- **Although the cave contains some steps, a small group size and leisurely pace accommodates most people.**
- **Group rates are available for 20 or more.**
- **School Tours of the Lockport Cave and the Erie Canal Lockport Locks can be custom designed to meet the needs of your class.**