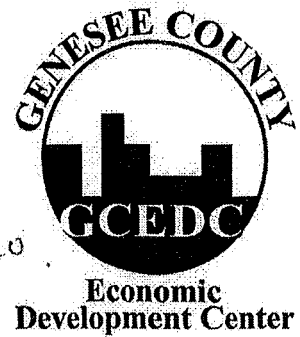


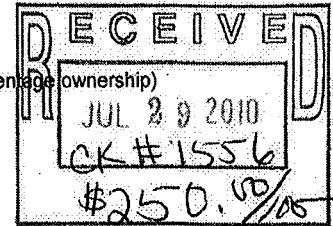
Application for Financial Assistance



Applicant Information

Company Name: Dartem Lake Hospitality LLC
 Address: 8250, Park Road City/Town: Batavia, NY State: NY Zip: 14020
 Phone No.: 344-2100 Fax No.: 344-0236
 Email Address: Chan@hibatavia.com Fed. Id. No.: 84-1620959
 Contact Person: Chan Patel

Principal Owners / Officers / Directors: (list owners with 15% or more in equity holdings with percentage ownership)
Chan Patel 31% Amir Shah 38%
Harisu Patel 31%



Corporate Structure (attach schematic if Applicant is a subsidiary or otherwise affiliated with another entity)
 Form of Entity: C Corp S Corp Partnership LLC
 LLP Sole Proprietorship Not for Profit

If a corporation, partnership, limited liability company/partnership or Not for Profit:
 What is the date of the establishment _____, Place of organization _____ and, if a foreign organization, is the Applicant authorized to do business in the State of New York? Select

Applicant's Counsel:

Jordan Morgenstern e Fix Spindelman Brantz & Goldman
 Name: _____ Address: _____ City/Town: _____ State: _____ Zip: I need
 Phone No.: _____ Fax No.: _____ 585-641-8000

Project Information

A) Detailed Description of Project: Renovation of Pool
 B) Location of Project / Project Address: 8250 Park Road, Batavia NY
 C) Current Assessed Value of Property \$ 3.2M Tax Map # _____
 (not required if project is for equipment purchases only)
 D) Square footage of existing building 135,000 S/F
 Square footage of new build N/A S/F
 Total Square Footage _____ S/F

E) Project Employment Information:

****Note: Please use full time equivalents, approximately Two part time is equivalent to one full time.**

- E1) Current number of full time equivalent employees (prior to project): 18
- E2) Estimate how many full time/ part-time jobs will be retained as a result of this Project over the next three years:
 Full Time (FT) 18 Part-Time (PT) 35 ** Total Full Time Equivalents (FTE) 33
- E3) What is the average estimated (annual) salary range of jobs to be retained \$8 to \$10
 (at current market rates)
- E4) Estimate how many full time/ part-time jobs will be created as a result of this Project over the next three years: Full Time (FT) 0 Part-Time (PT) 4
 ** Total Full Time Equivalents (FTE) 0.2
- E5) What is the planned average hourly wage for the FTE jobs to be created \$8-10
- E6) What is the average estimated annual salary range of FTE jobs to be created \$15K to \$20K
- E7) What is the planned average annual benefits paid in \$\$ per FTE job to be created 0
- E8) Estimate how many construction jobs will be created by this project: 10

- E9) Estimate average length of employment for each construction job for this Project: 4 to 6 months.
- E10) Is the Project Commercial in nature (Sales Tax Generating for Community)? select Yes, \$20K
- E11) What is the estimated annual total Sales Tax to be generated from this project at full build-out? \$ 20K.
- E12) Expected Break ground date for project (if any) October 2010. (mo/year)
- E13) Expected timeframe for project to achieve full build-out? 6 to 8 months. (in months)

Detailed Company Info: (Confidential – will not be shared publicly) – information required in order to perform direct economic impact analysis as justification for GCEDC participation in this project

- E14) Current Annual Wages / Payroll (w/n Genesee County): \$ 1 M.
- E15) Current Annual Benefits Paid (w/n Genesee County) or % of wages: \$ 20K.
- E16) Average annual growth rate of annual wages: % 3
- E17) Average annual growth rate of benefits costs: % 1
- E18) Company Average Yearly Production Related Purchases (COGS / Inventory) from vendors within NYS (Gen County Ops): \$ 1.5 M.
- E19) Company Average Yearly Non-Production Purchases (Supplies, Materials, Equipment) non-capitalized from vendors within NYS (Gen County Ops): \$ 500,000 K.
- E20) Company Average Annual Sales / Use Taxes paid (Gen County Ops): \$ 230,000,000
- E21) Company Planned Property Taxes Paid for current calendar year (Genesee County Ops): \$ 120,000,000.
- E22) Company Current Year Expected EBT (Earnings B4 Taxes or Profit B4 Taxes) for Genesee County Ops: \$ 3.5 M.
- E23) Company expected average annual growth rate for EBT: % 0
- E24) Company Current Year Expected NYS Income Taxes paid for Genesee County Ops: \$ 150,000.

Next 5 years planned / conservative estimates for capital investment beyond this project (if available)

Year 1	Year 2	Year 3	Year 4	Year 5
0 \$	0 \$	0 \$	0 \$	0 \$

- Is the company delinquent in the payment of any state or municipal property taxes? NO select
- Is the company delinquent in the payment of any income tax obligation? NO select
- Is the company delinquent in the payment of any loans? NO select
- Is the company currently in default on any of its loans? NO select
- Are there currently any unsatisfied judgments against the company? NO select
- Are there currently any unsatisfied judgments against any of the company's principals? NO select
- Has the company ever filed for bankruptcy? NO select
- Have any of the company's principals ever personally filed for bankruptcy or in any way sought protection from creditors? NO select

If the answer to any of the questions above is "Yes," please provide additional comments in the space below and on additional pages if necessary.

Estimated Project Costs / Project Capital Investment:

Building Cost \$____ (New Building Construction cost or Existing building expansion construction)
Land and Building \$____ (Purchase Value of land and/or building incl. engineering, architect and blue print fees)
Production Equipment \$____ (\$ Value of Production Equipment -- not sales taxable)
Other Equipment \$____ (\$ Value of sales taxable equip = Furniture/Fixtures, Computers, Lockers..)
Other \$ 1.5^M describe: New Water Park
Tot. Cap Invest: \$ 1.5^M (Sum all lines above)

Note:

Total Amount Financed \$ describe: 1,025,000 = 00.
Mortgage Amount on this Project? \$ 1,025,000 = 00.

Representations by the Applicant

The Applicant understands and agrees with the Center as follows:

Please initial each item where indicated

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 Center, 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) ("JPTA") in which the Project is located.

Applicant's Initials

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 Center, 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.

Applicant's Initials

Annual Sales Tax Filings - In accordance with Section 874(8) of the 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 Center, 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, an Annual Report of Sales and Use Tax Exemptions (Form ST-340) by the last day of February following applicable calendar year (with a copy to the Genesee County Economic Development Center), describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.

Applicant's Initials

Employment Reports - The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Center, the Applicant agrees to file, or cause to be filed, with the Center, on quarterly basis, copies of form NYS-45-MN Quarterly Combined Withholding, Wage Reporting, and Unemployment Insurance Returns filed with the Department of Labor applicable to the project site.

Applicant's Initials

GCEDC Reports - The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Center, the Applicant agrees to file, or cause to be filed with the Center, a certified Annual Project Report (to be mailed to the Applicant) due by the last day of January following applicable calendar year.

Applicant's Initials

Absence of Conflicts of Interest - The Applicant has received from the Center a list of the members, officers, and employees of the Center. No member, officers or employee of the Center has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

Applicant's Initials

Comments: _____

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that:

- A) The Center will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.
- B) Failure of the Applicant to file appropriate Sales Tax and Employment reports will result in the revocation of tax benefits and require repayment of benefits previously claimed.

Chandra Kant Patel
(Applicant Signature)

Chandra Kant Patel
(Print Name)

Owner
Title

Darien Lake Hospitality LLC
Company Name
8250 Park Road,
Batavia,
NY.

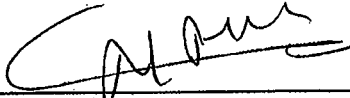
This Application should be submitted along with the items listed in Exhibit A to:

Genesee County Economic Development Center
One Mill Street
Batavia, New York 14020
(Attn: President & Chief Executive Officer)

The GCEDC encourages the use of Genesee County contractors/suppliers and asks that they be allowed to bid your project!

Hold Harmless Agreement

Applicant hereby releases Genesee County Economic Development Center and the members, officers, servants, agents and employees thereof (the "Center") from, agrees that the Center shall not be liable for and agrees to indemnify, defend and hold the Center harmless from and against any and all liability arising from or expense incurred by (A) the Center's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Center, (B) the Center's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Center with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate 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, or if the Center or the Applicant are unable to reach final agreement with the respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Center, its agents or assigns, all costs incurred by the Center in the processing of the Application, including attorneys' fees, if any.



(Applicant Signature)

Chandrakant Patil
(Print Name)

Devience Hospitality LLC.
Title

Company Name

Sworn to before me this

29 day of July, 2010

Sharon A. LaFarnara
Notary Public

Sharon A. LaFarnara
Notary Public, State of New York
License # 01LA5088008
Qualified in Genesee County
My Commission Expires Nov. 10, 2013

SEQR
 APPENDIX C
 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	2. PROJECT NAME
3. PROJECT LOCATION:	
Municipality	County
4. PRECISE LOCATION: Street Address and Road Intersections, Prominent landmarks etc - or provide map	
5. IS PROPOSED ACTION: <input type="checkbox"/> New <input type="checkbox"/> Expansion <input type="checkbox"/> Modification/alteration	
6. DESCRIBE PROJECT BRIEFLY:	
7. AMOUNT OF LAND AFFECTED:	
Initially	Ultimately
acres	acres
8. WILL PROPOSED ACTION COMPLY WITH EXISTING ZONING OR OTHER RESTRICTIONS?	
<input 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 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 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 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 type="checkbox"/> No	
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE TO THE BEST OF MY KNOWLEDGE	
Applicant / Sponsor Name	Date
Signature: _____	

If the action is a Coastal Area, and you are a state agency,

Complete the Coastal Assessment Form before proceeding with this assessment.

PART II - IMPACT ASSESSMENT (To be completed by Lead Agency)

A. DOES ACTION EXCEED ANY TYPE I THRESHOLD IN 6 NYCRR, PART 617.4? If yes, coordinate the review process and use the FULL EAF <input type="checkbox"/> Yes <input type="checkbox"/> No	
B. WILL ACTION RECEIVE COORDINATED REVIEW AS PROVIDED FOR UNLISTED ACTIONS IN 6 NYCRR, PART 617.6? If No, a negative declaration may be superseded by another involved agency. <input type="checkbox"/> Yes <input type="checkbox"/> No	
C. COULD ACTION RESULT IN ANY ADVERSE EFFECTS ASSOCIATED WITH THE FOLLOWING: (Answers may be handwritten, if legible)	
C1.	Existing air quality, surface or groundwater quality or quantity, noise levels, existing traffic pattern, solid waste production or disposal, potential for erosion, drainage or flooding problems? Explain briefly:
YES	
C2.	Aesthetic, agricultural, archaeological, historic, or other natural or cultural resources; or community or neighborhood character? Explain briefly:
YES	
C3.	Vegetation or fauna, fish, shellfish or wildlife species, significant habitats, or threatened or endangered species? Explain briefly:
YES	
C4.	A community's existing plans or goals as officially adopted, or a change in use or intensity of use of land or other natural resources? Explain briefly:
YES	
C5.	Growth, subsequent development, or related activities likely to be induced by the proposed action? Explain briefly:
YES	
C6.	Long term, short term, cumulative, or other effects not identified in C1 - C5? Explain briefly:
YES	
C7.	Other impacts (including changes in use of either quantity or type of energy? Explain briefly:
YES	
D. WILL THE PROJECT HAVE AN IMPACT ON THE ENVIRONMENTAL CHARACTERISTICS THAT CAUSED THE ESTABLISHMENT OF A CRITICAL ENVIRONMENTAL AREA (CEA)? If yes, explain briefly: <input type="checkbox"/> Yes <input type="checkbox"/> No	
E. IS THERE, OR IS THERE LIKELY TO BE, CONTROVERSY RELATED TO POTENTIAL ADVERSE ENVIRONMENTAL IMPACTS? If yes explain: <input type="checkbox"/> Yes <input type="checkbox"/> No	

PART III - DETERMINATION OF SIGNIFICANCE (To be completed by Agency)

INSTRUCTIONS: For each adverse effect identified above, determine whether it is substantial, large, important or otherwise significant. Each effect should be assessed in connection with its (a) setting (i.e. urban or rural); (b) probability of occurring; (c) duration; (d) irreversibility; (e) geographic scope; and (f) magnitude. If necessary, add attachments or reference supporting materials. Ensure that explanations contain sufficient detail to show that all relevant adverse impacts have been identified and adequately addressed. If question d of part ii was checked yes, the determination of significance must evaluate the potential impact of the proposed action on the environmental characteristics of the CEA.

Check this box if you have identified one or more potentially large or significant adverse impacts which **MAY** occur. Then proceed directly to the FULL EAF and/or prepare a positive declaration.

Check the box if you have determined, based on the information and analysis above and any supporting documentation, that the proposed action **WILL NOT** result in any significant adverse environmental impacts **AND** provide, on attachments as necessary, the reasons supporting this determination.

Name of Lead Agency

Date

Print or Type Name and Title of Responsible Officer in Lead Agency

Signature of Responsible Officer in Lead Agency

Signature of Preparer (if different from responsible officer)

To be completed / calculated by GCEDC

Type of Project: Attraction Expansion Retention
 Infrastructure Workforce

Offerings: SLB Bond Grant EZ Certification ZCC
 RLF / Loan Consulting EZ B.A. EZ Consulting

Estimated Financial Assistance to be provided via GCEDC participation – subject to GCEDC Board Approval

- | | |
|-------------------------------------------------|-----------------------------------------------------------------------------|
| 1) Estimated Sales Tax Exemption (8%) | \$ <u>60000</u> |
| 2) Estimated Mortgage Tax Exemption (1.25%) | \$ <u>12813</u> |
| 3) Estimated Property Tax Abatement | \$ <u>18810</u> |
| 4) Estimated Total Tax Savings (1+3): | \$ <u>91623</u> |
| 5) Estimated Tax-Exempt Interest Cost Savings | \$ _____ (via Tax-Exempt Bond) |
| 6) Empire Zone Benefits | \$ _____ |
| 7) Grant | \$ _____ |
| Type or name of grant (_____) | |
| 8) Land Sale Subsidy | \$ _____ |
| Property (_____) | |
| 9) Estimated total Company Savings (4+5+6+7+8): | \$ <u>91623</u> |
| 10) Benefited Project Amount | \$ _____ (the capital investment directly related to the benefits received) |
| 11) Bond Amount | \$ _____ |
| 12) Mortgage Amount | \$ <u>1025000</u> |
| 13) GCEDC Revolving Loan Fund | \$ _____ |
| 14) Loan Secured | \$ _____ |
| Source of loan (_____) | |
| 15) Total Amount Financed / Loan Funds Secured | \$ <u>1025000</u>
(12+13+14) |

Proposed PILOT structure: Standard PILOT - 60% abatement on the incremental increase in assessed value

Fees to be Paid by the Applicant:

Genesee County Economic Development Center \$ 15000 (The GCEDC will collect a 1% fee if this transaction was consummated through direct interaction between the Applicant and GCEDC. A 1.25% fee applies if this project was referred to GCEDC from a designated GCEDC partner entity. The GCEDC will collect its participation fee at the time of closing, based upon the company provided realistic capital investment costs of this project stated in this application. If bond financing is being enabled through GCEDC in addition to tax incentives – an additional 0.5% fee on the value of bond financing applies. (Should the actual costs exceed those estimates by more than 25%, an additional fee will apply.))

Harris Beach, LLP \$ 8000 (Estimated fee for legal services required in connection with the financial assistance provided by the Genesee County Economic Development Center) **Applicant may be required to pay additional out-of-pocket expenses and applicable filing or recording fees.**

****Financial incentives are public information and will be released to the media upon board approval****

(Applicant Signature)

(Print Name)

Title

Company Name