

*The Original Crunch
Rou Factory, LLC*

INDUSTRIAL REVENUE BONDS

AND

TAX LEASE PROGRAM

APPLICATION

for assistance through

**the
County of Chautauqua
Industrial Development Agency**

**County of Chautauqua Industrial Development Agency
200 Harrison Street
Jamestown, New York 14701**

Phone: 716-664-3262

Fax: 716-664-4515

**Application for Financial Assistance
through the
County of Chautauqua
Industrial Development Agency**

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. All information completed with this form will be treated confidentially. This application is only for the purpose of determining whether the applicant is eligible for consideration by the Board of Directors of the County of Chautauqua Industrial Development Agency. Return eight (8) copies of this application to the County of Chautauqua Industrial Development Agency at the address listed on the cover of this document.

PART 1

A. APPLICANT

Federal ID # 81-0765548

Company Name: The Original Crunch Roll Factory, LLC

Office Address: 90 Sylvan Parkway
Amherst, NY 14228

Telephone: 585-259-4833

Company officer completing this application:

Name: Zachary Bohn

Title: President

1. Number of locations of present business facilities:

- a. County of Chautauqua: Zero at this time
- b. New York State: 1
- c. Outside New York State: Zero

2. Business Organization (check appropriate categories):

Corporation Partnership

Sole Proprietorship Subchapter S

Other (Specify) Limited Liability Company

3. Is business publicly or privately held? Public Private

4. List principal stockholders and percentage of ownership if applicable:

<u>Name</u>	<u>Percentage</u>	<u>Home Address</u>
Zachary Bohn 50%		157 Willowood Dr., Rochester, NY 14612
Douglas MacKinnon 25%		6575 Megan Rose Way, East Amherst, NY 14051
Angel Swan 25%		3828 Knottingwood Dr., N. Tonawanda, NY 14120

5. Is the business a subsidiary of, or affiliated directly or indirectly with any other organization? Yes No If "Yes" indicate relationship and name and address of the related organization(s) on a separate sheet.

6. Complete the following information:

<u>Officers</u>	<u>Name</u>	<u>Address</u>	<u>Social Security Number</u>	<u>Other Principal Business Affiliations</u>
President	Zachary Bohn			
Vice President	Douglas Mackinnon			
Vice President	Angel Swan			

B. References (these will be contacted):

1. Banking (List names of banks, account officers address and telephone number):
Bank of America
Tammy Otminski 716-838-4040

2. Business Suppliers (List three largest accounts – names, addresses, telephone numbers, and list suppliers' terms of sale):
 1. Sysco Food Service, 2914 Walden Ave, Depew, NY 14043 –Jeb Walker 716-570-8349
 2. Palmer Foods, 900 Jefferson Rd, Suite 1000, Rochester, NY 14623-Ken Hudson 585-703-4948

3. Major customers (List three largest – names; addresses, telephone numbers, and show percentage (%) of gross business obtained from each):
 1. Batavia Downs- 8315 Park Rd., Batavia, NY 14020- Michael Nolan 716-998-4736 “3%”
 2. Jack Devine’s – 6935 Ward Rd., Niagara Falls, NY 14304 – Mike Kowalick 716-983-2179 “4%”
 3. Get Fried- 1 Galleria Dr., Cheektowaga, NY 14225- Chris Covelli 716-868-5050 “4%”

4. What are your terms of sale? Net 30

5. Current Landlord (List name, address and telephone number):
90 Sylvan, LLC – Suzanne Magnus 716-578-6447 Sylvan Parkway
Amherst, NY 14228

6. Legal Counsel (List name, address and telephone number):
Carl Steinbrenner
104 Troup Street
585-269-3555

C. Business Description

1. Describe type of business:
Food Manufacturer
2. Describe the principal products and services:
Prepared Appetizers and Snacks
3. Describe the market(s) served:
Restaurants and food service outlets

D. Present Location

1. If you rent:
 - a. What is the present annual rent (state whether firm has a gross or net lease):
The owner is allowing us to use an office without rent on a short term basis.
 - b. When does the lease expire? N/A Month to Month
2. If you own:
 - a. What is the current annual mortgage payment?
 - b. When does the mortgage terminate?
3. Describe present location (include square footage, number of buildings, number of floors, etc.) small office space strictly for sales and administration, no production or manufacturing at this time.
4. List the current annual taxes by respective taxing jurisdictions:
 - a. Building(s): \$0
 - b. Land: \$0

E. Previous Financial Activities

1. What were your company's estimated capital expenditures in Chautauqua County, New York, during the past three (3) years? (Specify by place, year and amount.)
Zero
2. Has your company ever been a recipient of funds obtained through tax-exempt or taxable bonds? Yes No If "Yes" give details below:
3. Describe your company's effort to secure assistance or financing in the County of Chautauqua, or any other area, on a separate sheet.

F. Types of Financial Assistance Requested
(Cross out those which are not applicable.)

1. Intentional deleted
2. Tax Lease
3. Other loan(s). Describe:
 - a. PILOT
 - b. Sales Tax Abatement
 - c. Mortgage recording tax abatement
 - d. Equipment and Building improvement

Part 2

A. Describe the Project

(Include a general, functional description and prospective location.)

Set up a new food manufacturing facility at 75 Bourne Street, Westfield NY. Initially we will produce 4 varieties of Crunch Rolls including the Buffalo Chicken, Stuffed Hot Pepper, Philly Cheese Steak and Southwestern Beef.

B. Reasons for Project

1. Briefly describe the reasons why this project is necessary and what effect it will have on your business:

This is a new company, that was born out of having developed a product that was wildly successful in a full service restaurant. After conducting some additional market studies it was determined that the product had national appeal.

2. If your business is unable to arrange suitable financing for this project, what will be the impact on your company and the County of Chautauqua? Would your company proceed with the project without Agency assistance and / or financing? Describe in detail:

While we would proceed with the startup of the company without the approval of assistance and financing we would do so in another location. Impact would be the loss of what is a company that will expand very quickly and create significant jobs in manufacturing and corporate functions. We have a product that has demonstrated demand and have distribution agreement is in place initially with three companies, which initially will focus on New York State, but will provide National and international reach. Several other distribution companies have express interest in selling and distributing our product line however we want to focus on the first three.

C. Type of Project

1. Check category which best describes your project:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Manufacturing | <input type="checkbox"/> Warehousing |
| <input type="checkbox"/> Industrial Assembly | <input type="checkbox"/> Pollution Control |
| <input type="checkbox"/> Research | <input type="checkbox"/> Other (Specify) |

2. If pollution control, check appropriate items below:

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Air | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Water | <input type="checkbox"/> Solid Waste |
| <input type="checkbox"/> Air/Water | <input type="checkbox"/> Other (Specify) |

D. Proposed Location

1. Does the project consist of (check appropriate categories):

- | | | |
|--|---|--|
| a. Construction of a new building | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| b. Renovations to an existing building | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| c. Construction of an addition to an existing building | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| d. Acquisition of an existing building | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

If the Company is to acquire an existing plant, attach a photograph and indicate if it is in operation, about to be abandoned or abandoned. If in operation, describe present products.

Plant has been closed. Formerly home to RAE Foods.

List costs or orders made by Company for the project, at the date of this application, on a separate sheet.

2. Describe the proposed location(s) of this project, including square footage, number of floors, address, etc. (If new construction is involved or expansion of existing plant, attach proposed floor plan):

75 Bourne Street, Westfield, NY.

15,630 Sq ft. on 1.872 acres, single story free standing building.

3. List the present owner of the project site and the owner's name, address, and phone number. (If currently owned by the applicant, indicate date of purchase, reason for purchase and current use of the site):

Lakeshore Savings Bank 31 East Fourth Street, Dunkirk, New York 14048

4. Does the project site currently have existing occupant(s)?
 Yes No

If "Yes", list all lessees, the amount of space occupied by each, and the date of termination of such leases on a separate sheet.

5. Is there a relationship legally or by virtue of common control between the applicant or present owner?
 Yes No

If "Yes", provide details on a separate sheet.

6. Does the Company have an option to purchase the project site or has a contract of sale been executed for such purchase? (If so, attach particulars.)
 Yes No Letter of Intent has been accepted by both parties and final Purchase and Sales agreement is being reviewed by attorneys, expect to have executed ASAP.

7. Has the Company placed any purchase orders or entered into any other agreements or contracts with respect to proposed project costs? (If so, attach particulars.)
 Yes No

E. Location Maintenance Costs

1. What are the real estate taxes on the land and the building? (If current rate is not available, give assessed value for each and so state.)

Land \$ is assessed at \$21,500.00

Building \$ is assessed at \$278,500 Total tax is \$14,762.18

2. What is the estimated useful life of the:

a. Facility 20

b. Equipment 10

3. Is proposed Project site served by:
- a. Transportation Rail Truck Air
 Water
- b. Utilities Sewer Water Gas
 Electric Power

F. Employment

1. Employment at present time, if Company is now in existence within Chautauqua County, and an estimate of such employment at the proposed location at the end of one and two years:

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>
Full Time	2	15	20 (30 within 5 years)
Part Time*			
Seasonal*			

*Estimate percent that total part time or seasonal working time bears to total annual full working time 0%.

Total \$

2. Estimate the annual payroll:

At present \$ 120,000

In one year \$ 637,000

G. Project Costs

1. List the costs necessary for the construction, acquisition or renovation of the project. (The project costs should **not** include working capital needs or moving expenses.)

<u>Description</u>	<u>Amount</u>
Land	\$ Incl with building
Building(s)	\$ 430,000
Renovation	\$ 300,000
Machinery and Equipment (Do not include furniture costs)	\$ 970,000
Installation	\$100,000

(G. Continued)

Fees (Do not include your own counsel fees)	\$ 3,500
Architectural Fees	\$ 7,500
Financial Charges (specify)	\$
Other (specify)	\$
Subtotal	\$ 1,811,000
Agency Administrative Fee	\$ 18,110
<u>Total Project Cost</u>	\$ 1,812,000

2. What is the amount of funds and term requested for financing through the County of Chautauqua Industrial Development Agency?

H. Project Schedule

1. Indicate the estimated days for:
 - a. Financing of the project 45-60
 - b. Commence of construction 90
 - c. Completion of construction 120
2. List the date(s) and in what amount(s) the estimated funds will be required:

I. Other Agency Involvement

1. Have you contacted any other governmental agency in reference to this project?
 Yes No

If "Yes", please indicate the agency and the nature of the inquiry below:
SUNY Fredonia – for participation in Startup NY

2. Have you contacted any financing institutions or other industrial development agencies in New York State, or elsewhere, for financial assistance in reference to this project or one of a similar nature?
 Yes No

If "Yes", please indicate below the institution and / or agency and the present status of the inquiry:

Lakeshore Saving Bank- current owner of proposed property-
Initially we spoke with Genesee County IDA and representatives in Oklahoma, Ohio and Ontario Canada, about sites for setting up manufacturing facilities.

J. Financial Information (attach the following)

1. Certified financial statements for the last three (3) fiscal years. Not available Newly formed entity, company is a start up.

For Industrial Development Bonds (IDB) complete Questions 2, 3 & 4.

2. Pro forma sheet as at start of operations at project site.
3. Project profit and loss statements for first two (2) years of operation at projected site.
4. Projected "cash flow" statement, by quarters, for first year of operation at project site.

Certification

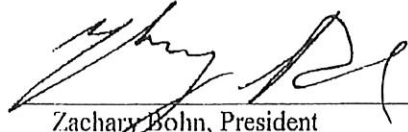
Zachary Bohn deposed and says that he is the President of The Original Crunch Roll Factory, LLC , the Limited Liability Company named in attached application;

that he has read the foregoing application and attachments and knows the contents thereof; that the same is true to his knowledge, contains no information or data that is false or incorrect and is truly descriptive of the project which is intended as security for the requested financing.

Deponent further says the reason for this verification is made by the deponent and not by The Original Crunch Roll Factory, LLC is because the said company is a Limited Liability Company. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information required by deponent in the course of his duties as an officer of and from the books and papers of said Limited Liability Company.

As an officer of said limited liability company (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the non-profit County of Chautauqua Industrial Development Agency (hereinafter referred to as the "Agency") acting in connection with the attendant negotiations and ultimately the closing of the project and (or) financing. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application, then upon presentation of invoice, applicant shall pay to the Agency, its agents or assigns all actual costs involved in conduct of the application and the drafting of documents up to that date and time, including fees of counsel for the Agency.

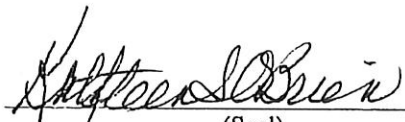
The costs incurred by the Agency and paid by the applicant, including the Agency's counsel's fees and the administrative fee, may be considered as a cost of the project and included as part of any resultant bond issue, subject to the limitations imposed by law.


Zachary Bohn, President

Notary 

Sworn to before me this

29th day of March, 2016


(Seal)

KATHLEEN S. O'BRIEN
Notary Public - State of New York
No. 01OB6112192
Qualified in Monroe County
Commission Expires 06/25/16

TO: Project Applicants
 FROM: County of Chautauqua Industrial Development Agency
 RE: Cost/Benefit Analysis Questionnaire

In order for the County of Chautauqua Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"):	The Original Crunch Roll Factory, LLC
2. Brief Identification of the Project:	Proposed acquisition of property and buildout of food manufacturing facility.
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ _____
B. Value of Sales Tax Exemption Sought	\$40,000 _____
C. Value of Real Property Tax Exemption Sought	\$128,869
D. Value of Mortgage Recording Tax Exemption Sought	\$6,450.00 _____

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$ _____
2. Site preparation	\$ _____

3. Landscaping	\$ _____
4. Utilities and infrastructure development	\$ _____
5. Access roads and parking development	\$ _____
6. Other land-related costs (describe)	\$ _____
B. Building-Related Costs	
1. Acquisition of existing structures	\$430,000 _____
2. Renovation of existing structures	\$250,000 _____
3. New construction costs	\$ _____
4. Electrical systems	\$50,000 _____
5. Heating, ventilation and air conditioning	\$100,000 _____
6. Plumbing	\$ _____
7. Other building-related costs (describe)	\$ _____
C. Machinery and Equipment Costs	
1. Production and process equipment	\$870,000 _____
2. Packaging equipment	\$30,000 _____
3. Warehousing equipment	\$20,000 _____
4. Installation costs for various equipment	\$100,000 _____
5. Other equipment-related costs (describe)	\$ _____
D. Furniture and Fixture Costs	
1. Office furniture	\$10,000 _____
2. Office equipment	\$2,000 _____
3. Computers	\$10,000 _____
4. Other furniture-related costs (describe)	\$ _____
E. Working Capital Costs	
1. Operation costs	\$80,000 _____
2. Production costs	\$25,000 _____
3. Raw materials	\$256,000 _____
4. Debt service	\$47,000 _____
5. Relocation costs	\$0 _____
6. Skills training	\$25,000 _____
7. Other working capital-related costs (describe)	\$ _____

F. Professional Service Costs		
1. Architecture and engineering	\$7,500	_____
2. Accounting/legal	\$15,00	_____
3. Other service-related costs (describe)	\$	_____
 G. Other Costs		
1. _____	\$	_____
2. _____	\$	_____
 H. Summary of Expenditures		
1. Total Land Related Costs		\$ _____
2. Total Building Related Costs	\$830,000	_____
3. Total Machinery and Equipment Costs	\$1,020,000	_____
4. Total Furniture and Fixture Costs	\$32,000	_____
5. Total Working Capital Costs	\$433,000	_____
6. Total Professional Service Costs	\$22,500	_____
7. Total Other Costs		\$ _____

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

I. Please provide estimates of total construction jobs at the Project:

Year	Construction Jobs (Annual wages and benefits \$40,000 and under)	Construction Jobs (Annual wages and benefits over \$40,000)
Current Year		8 -10
Year 1		
Year 2		
Year 3		
Year 4		
Year 5		

- II. Please provide estimates of total annual wages and benefits of total construction jobs at the Project:

Year	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	\$150,000_____	\$12,000_____
Year 1	\$_____	\$_____
Year 2	\$_____	\$_____
Year 3	\$_____	\$_____
Year 4	\$_____	\$_____
Year 5	\$_____	\$_____

PROJECTED PERMANENT EMPLOYMENT IMPACT

- I. Please provide estimates of total existing permanent jobs to be preserved or retained as a result of the Project:

Year	Existing Jobs (Annual wages and benefits \$40,000 and under)	Existing Jobs (Annual wages and benefits over \$40,000)
Current Year		2
Year 1		2
Year 2		2
Year 3		2
Year 4		2
Year 5		2

II. Please provide estimates of total new permanent jobs to be created at the Project:

Year	New Jobs (Annual wages and benefits \$40,000 and under)	New Jobs (Annual wages and benefits over \$40,000)
Current Year	6.5	6.5
Year 1	9	9
Year 2	10	10
Year 3	11	11
Year 4	13	13
Year 5	14	14

III. Please provide estimates of total annual wages and benefits of total permanent construction jobs at the Project:

Year	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	\$465,000_____	\$0_____
Year 1	\$1,134,000_____	\$0_____
Year 2	\$1,247,000_____	\$0_____
Year 3	\$1,361,000_____	\$0_____
Year 4	\$1,588,000_____	\$0_____
Year 5	\$1,701,000_____	\$0_____

IV. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

PROJECTED OPERATING IMPACT

I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1st year following project completion) \$300,000-600,000_____

Additional Sales Tax Paid on
Additional Purchases \$25,000 to \$40,000_____

Estimated Additional Sales (1st full
year following project completion \$10,000,000_____

Estimated Additional Sales Tax to
be collected on additional sales (1st
full year following project
completion) \$N/A_____

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"):

Year	Existing Real Property Taxes	New Pilot Payments	Total
Current Year	14,762		14,762
Year 1		1,505	1,505
Year 2		1,536	1,536
Year 3		3,133	3,133
Year 4		3,195	3,195
Year 5		4,890	4,890
Year 6		4,987	4,987
Year 7		6,782	6,782
Year 8		6,918	6,918
Year 9		8,821	8,821
Year 10		8,998	8,998

III. Please provide estimates for the impact of other economic benefits expected to be produced as a result of the Project:

In addition to the number of direct jobs being created, there will be additional indirect jobs created. As a company that will always look to our neighbor to provide services and raw material we see a potential opportunity with Empire Specialty Cheese Co. and

Jamestown Container just to name a few so for every one direct employee we believe the area could realize an additional 2.5 to 3 indirect jobs.

CERTIFICATION

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

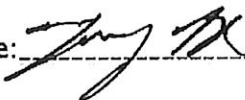
Date Signed: March 28, 2006.

Name of Person Completing Project
Questionnaire on behalf of the Company.

Name: Zachary Bohn

Title: President

Phone Number: (603) 543-8113

Signature: 

SCHEDULE A

CREATION OF NEW JOB SKILLS

Please list the projected new job skills for the new permanent jobs to be created at the Project as a result of the undertaking of the Project by the Company.

New Job Skills	Number of Positions Created	Wage Rate
Year One		
Production worker	8	25,000
Production supervisor	1	50,000
Quality Assurance	1	66,000
Logistics & Shipping	1	66,000
Sales & Marketing	1	85,000
Office/Clerical	1	50,000
Year Two		
Production worker	10	26,250
Production supervisor	2	52,500
Quality Assurance	1	69,300
Logistics & Shipping	1	69,300
Sales & Marketing	2	89,250
Office/Clerical	2	52,500

Should you need additional space, please attach a separate sheet.

**County of Chautauqua
Industrial Development Agency**

FINANCIAL FEE

STRUCTURE

REVOLVING LOAN FUNDS

1% of total loan

CIVIC FACILITIES BONDS

1% of total IDA project cost

INDUSTRIAL REVENUE BONDS

1% of total IDA project cost

TAX LEASES

1% of total IDA project cost

AN APPLICATION FEE OF \$250 IS DUE UPON SUBMISSION OF ALL LOAN APPLICATIONS

AN APPLICATION FEE OF \$1,000 IS DUE UPON SUBMISSION OF ALL BOND AND TAX
LEASE APPLICATIONS