

TOWN OF LOCKPORT INDUSTRIAL DEVELOPMENT AGENCY

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

APPLICATION FOR INCENTIVES

Project Applicant: Bison Bag Co., Inc. 5404 Crown Drive, Inc.

Project Title: PLANT EXPANSION

Total Project Cost: \$ 1,600,000

Date of Application: 12/9/13 6/24/14

- Type of Project*:
- Acquisition of Existing Facility
 - Civic Facility (Not for Profit)
 - Commercial
 - General Office
 - Industrial/ Producer Services
 - Life Care Community
 - Multi-tenant Facility
 - Research & Development
 - Retail
 - Other _____

Location of Project: Commerce Dr
Bank: FIRST NIAGARA

* All projects will be reviewed and approved in accordance with the provisions of Article 18A of the New York State General Municipal Law. In certain instances, project applicants may be required to complete a retail questionnaire supplement based on the information contained within this application.

Date Application Received: 6/24/14 *For Office Use Only* Project #: _____
Date of approval by IDA Board: _____
Date copy was forwarded to IDA Counsel: _____
Check Amount: \$1,000 Received on: 7/8/14 Date remitted to IDA CFO: 7/8/14

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. This application may be used to determine the Applicant's eligibility for any of the benefit programs of the Town of Lockport IDA, an extension of the current benefits and/or an expansion of the Applicant's current project. In certain instances, additional information may be required.

I. PROJECT APPLICANT

- A. Project Applicant: 5404 CROWN DR, INC.
- B. Company Officer (Partner) completing this application:
Name: SCOTT ZGODA
Title: ~~PRESIDENT~~
Business Address: 5404 CROWN DR.
LOCKPORT, NY 14694
Telephone: (716) 434-4380
Email: SZGODA@BISONBAG.COM
Website: BISONBAG.COM
- C. IRS Identification Number: 16-1536511
- D. Is Applicant currently receiving assistance from the Town of Lockport IDA?
 Yes No
- E. Business Organization:
 Company
 Corporation
 Joint Venture
 Limited Liability
 Partnership
 Sole Proprietorship
 Other (specify) _____
- F. State of Incorporation or Organization: NEW YORK
- G. Business Description: PRINTERS / CONVERTERS OF
FLEXIBLE PACKAGING
HOLDING COMPANY
- H. If Applicant is a corporation, is it publicly or privately held?
 Public
 Private

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

Name	Percentage	Home Address
BRUCE ZGODA	50%	CLARENCE, NY
JAMES C. STREICHER	50%	LANCASTER, NY

** 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).

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

~~NO~~ YES, BISON BAG CO INC

K. If any of the persons or group of persons listed in the response to question J 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:

N/A

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

No

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

N. Complete the following information:

Officers and Directors	Phone	
BRUCE ZGODA	769-8358	VP
SCOTT ZGODA	434-4380	
JAMES G. STREICHER	434-4380	
JAMES C. STREICHER	434-4380	PRESIDENT

O. Applicant Counsel: _____

1. Name of Attorney: BOB KNOER
2. Name of Firm: THE KNOER GROUP
3. Address: 424 MAIN STREET SUITE 1820 BUFFALO NY 14202
4. Telephone Number 332-0032 Fax: _____
5. Email: AKNOER@KNOERGROUP.COM

- P. Applicant Accountant: _____
1. Name of Accountant: BRUCE ZGODA
 2. Name of Firm: BRUCE M. ZGODA, CPA
 3. Address: 4848 SMILEY TERRACE, CLARENCE, NY 14031
 4. Telephone Number: 716-759-8358 Fax: 716-759-6996
 5. Email: BMZ4848@AOL.COM
 6. Principal Bank: M+T BANK

- Q. Is the Applicant and/or any person listed in item I:
1. Now a plaintiff or a defendant in any civil or criminal litigation?
 Yes No
 2. Ever been convicted of a crime (other than a minor traffic violation)?
 Yes No
 3. Been declared bankrupt within the last 10 years? Yes No
 4. Delinquent in the payment of any state or municipal property taxes?
 Yes No
 5. Delinquent in the payment of any income tax obligation? Yes No
 6. Delinquent in the payment of any loans? Yes No
 7. Currently in default on any of its loans? Yes No
 8. The subject of any unsatisfied judgment? Yes No

If the answer to any of the questions in Section Q is Yes, please furnish details in a separate attachment.

II. DESCRIPTION OF PROJECT OCCUPANT

A. Applicant/Company History

1. Location of current facility:
 Address: 5404 CROWN DR.
 City: LOCKPORT State: NY Zip: 14094
 Telephone: 716-434-4380 Fax: 716-434-4546
2. NAICS Code: 323112
3. Description of current facility: 50,000 SQ FT STEEL STRUCTURE
 Number of buildings: 1
 Square footage of facilities: 50,000
 Own or Rent present facilities

SAME OWNERSHIP HOLDING COMPANY RENTS TO BISON BAG.

4. Is the facility currently receiving property tax abatement? Yes No

If Yes, at what date does this abatement expire: 2017

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? N/A
 Yes No (Please provide additional information if necessary)

B. Principal product / service: FLEXIBLE PACKAGING

C. Percentage of Gross Revenue (from products & services) derived from sales outside of Niagara County: 100%

D. Market served: FOOD, RETAIL, FOOD SERVICE

III. ELIGIBILITY

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

ALLOW FOR GROWTH BY ADDING EQUIPMENT + SPACE TO MOVE MORE MATERIALS + GOODS THROUGH

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

YES, THE FINANCIAL ASSISTANCE MAKES THE CONTINUED GROWTH SUSTAINABLE

C. Is the project occupant moving its entire operation to this proposed facility or a Division thereof? Yes No

Does the project involve the consolidation of existing facilities? Yes No

D. Is this project necessary to prevent the Applicant/Company from moving out of Niagara County and / or New York State and / or to remain competitive with its industry? YES

E. What are the current market conditions which necessitate the construction of this project? INCREASE IN PRODUCTS + CUSTOMERS. WITHOUT

ADDITIONAL SPACE WE CANNOT PROPERLY SERVICE CUSTOMERS.

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

NONE, IT WILL BE A CONTINUATION / ENLARGING OF EXISTING FACILITY.

IV. 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	X	
2. Land Lease		X
3. Construction of a new building If Yes, indicate number and size	X ~ 42,000 sq ft	
4. Renovations to an existing building If Yes, indicate nature of renovations	X ONLY TO ACCOMMODATE CONNECTION TO ADDITION	
5. Construction of an addition to an existing building If Yes, indicate nature of expansion	X WAREHOUSE SPACE	
6. Acquisition of an existing building If Yes, indicate number and size of buildings		X
7. Acquisition, installation of machinery and/or equipment	X ULTIMATELY TO FACILITATE CONTINUED GROWTH	
8. Equipment lease		

B. Site Plan Approval

1. Have site plans been submitted to the Town Planning Department for approval?

___ Yes X No Date of submittal and current status: _____

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

2. Have any plans been submitted to the US Army Corps of Engineers and the NYS

Department of Environmental Conservation for approval?

___ Yes X No

If YES, date of submittal and current status: _____

3. Identify school district pertaining to Project location: STARPOINT

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

Gas	NYSEG	Size
Electric	NYSEG	Power
Water	TOWN OF LOCKPORT	Size
Sewer	TOWN OF LOCKPORT	Size
Other (Specify)		

C. Project Site

1. Are there buildings now on the project site? ___ Yes No
2. Indicate the present use of the project site: VACANT LAND
3. Indicate present owner(s) of project site: 54040 CROWN DR, INC.
4. If the Applicant/Company now owns the project site, indicate:
 - a. Date of purchase: JUNE 2, 2014
 - b. Purchase price: \$ 30,000
5. Has the Applicant/Company entered into a contract and/or option to purchase the site? Yes ___ No
6. If the Applicant/Company is not the owner of the project site, does the Applicant/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 Applicant/Company and the seller of the project: ___ Yes No
If Yes, describe the relationship: _____
8. Is the proposed Project Site located on a site where the known, or potential presence of, a contaminant is complicating the development/use of the property? ___ Yes No
9. If so, is this a "Brownfield" project? ___ Yes No
10. Has a Phase I Environmental Assessment been prepared or will one be prepared with respect to the property? Yes ___ No
11. Have any other studies or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development? ___ Yes No
12. 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, if any) N/A

13. List principal items or categories of equipment to be acquired as part of the project: PACKAGING EQUIPMENT (PRINTING, LAMINATING, SLITTING, BAGGING)
14. Has any of the above equipment been ordered or purchased? Yes No
If Yes, indicate items: NEW EQUIPMENT IS ON ORDER TO FULFILL CURRENT FACILITY
15. Total Estimated Project Costs FACILITY

<u>Description of Costs</u>	<u>Allocations of Costs</u>
Land	\$ 30,000
Building(s)	\$ 1,400,000
Renovation	\$ N/A
Equipment	\$ TBD
Site Work & Preparation	\$
Installation	\$
Interest during Construction	\$
Engineering Fees	\$
Architectural Fees	\$
Agency Fees	\$
Legal Fees	\$
TOTAL	\$ <u>1,600,000</u>

16. Have any of these expenditures already been made by the Company?
 Yes No If Yes, indicate particulars: _____
17. Project Schedule: Indicate the estimated date for:
a. Commencement of construction: TBD
b. Completion of construction: TBD
18. Is this a single phase or multi-phase project? Single Multi
Phase I Activities: LAND PURCHASE
Phase II Activities: BUILDING
Phase III Activities: _____

D. Project Employment Information

NOTE: Please calculate full time equivalent employees (approximately two part time employees equals one full time employee). Report information for the Town of Lockport Facility only.

1. Will Niagara County contractors and/or sub-contractors be utilized for the Construction project? Yes No
2. What is the estimated number of construction jobs to be created at the project site
from: Niagara County Erie County Other areas
TBD
3. What is the present number of employees of the Applicant/Company before IDA Status? # Full Time Equivalent Employees: 54
Estimated Annual Salary: \$20K - \$60K DEPENDING ON POSITION
4. Estimate how many full time/ part time jobs will be retained as a result of this project over the next three years:
Full Time 54 Part Time _____
Estimated annual salary range of jobs to be retained
From \$ 20K - 60K to \$ _____
5. Estimate how many full time/ part time jobs will be created as a result of this project over the next three years:
Full Time 15 Part Time _____
Estimated annual salary range of jobs to be created
From \$ 20K - 60K to \$ _____
6. Approximate Annual Applicant/Company Sales for previous year:
\$17,000,000

V. PROJECT FINANCING

A. Financial and Feasibility Data

Provide any marketing, economic, business plan or feasibility studies that have been developed particularly for this facility. The Agency may also require financial statements for the last three (3) years.

B. Financial Assistance Requested from the Agency

1. Is the Applicant requesting a real property/tax abatement (payment in lieu of taxes agreement)? Yes No

2. Is the Applicant expecting to be appointed agent of the Agency for purposes of being exempt from payment of NYS Sales and Use Tax Abatement? Yes No

If Yes, what is the approximate amount of purchases which the Applicant expects to be exempt from the NYS Sales and Use Taxes?
\$ TBD

3. Is the Applicant expecting to be appointed agent of the Agency for purposes of being exempt from payment of Mortgage Tax Abatement? Yes No

4. 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? \$ 1,400,000

CERTIFICATION

(to be executed by the principal of the Applicant)

I. BRUCE M ZGODA affirms under penalty of perjury he/ she is the V.P. of 5404 CROWN DRIVE 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, upon information and belief.

II. 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 be held 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) any further action taken by the Agency with respect to the proposed project.

III. By executing and submitting this Application, the Applicant covenants and agrees to pay the fee to the Agency and the Agency's general counsel and the Agency's transaction counsel, as well as fees of other consultants, if any, retained by the Agency in connection with the proposed project.

IV. By executing and submitting this Application, and in the event the closing does not occur, the Applicant further covenants and agrees to pay the fees of the Agency and the Agency's general counsel and the Agency's transaction counsel incurred and to forego the application fee.

V. By executing and submitting this Application, the Applicant covenants and agrees to comply with the reporting requirements as required of or determined by the Agency, from time to time.

The Applicant is aware and acknowledges that according to the New York Public Officer's Law, Article 6, Freedom of Information Act, 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 the Applicant acknowledge that the Agency and its counsel will rely on the representations made in this Application and, if applicable, made in related Addenda, when acting hereon and hereby represents that the statements made herein and therein do not contain any untrue statements of material fact and do not omit to state a material fact necessary to make the statements contained herein or therein misleading.

Company/Applicant: 5404 CROWN DRIVE INC.

Name/Title (print): BRUCE M. ZGODA, V.P.

Signature: Bruce M Zgoda