Application to
Jefferson County Industrial Development Agency (JCIDA) for
Industrial Revenue Bond (IRB) Financing and/or Tax Abatement

I. APPLICANT INFORMATION

Company Name: GREAT LAKES CHEESE OF NEW YORK

Address: 23 PHELPS ST

ADAMS, N.Y. 13605

Phone No.: 315-232-5329

Fax No.: 315-232-4055

Federal Tax ID: [redacted]

Contact Person: JOHN JENNINGS

E-Mail: [redacted]

Date: 8/9/2007

a. Principal Owners/Officers/Directors/Partners if Partnership:
(List owners with 15% or more in equity holdings with percentage ownership)

Name	Address	Percentage Ownership/Office
GREAT LAKES CHEESE CO, INC.	17825 GREAT LAKES PKWY, HIRAM, OH. 44234	100%

(Use attachments if necessary)

b. Form of Entity:

___X___ Corporation

_____ Partnership (General ___or Limited ___; Number of General Partners ___ and, if applicable, Number of Limited Partners ___, List Partners in section above.

_____ Limited Liability Company/Partnership, Number of Members ___

_____ Sole Proprietorship

This application should be submitted to the Jefferson County Industrial Development Agency, 800 Starbuck Avenue, Watertown, New York 13601 (Attn: Chief Executive Officer). The Agency will collect a 2% fee at the time of bond closing. Fees for non-bond Projects are negotiated on a case-by-case basis but will generally amount to 25% of the total value of the abatement. See attached fee schedule for additional information.

c. If a corporation, partnership, limit. liability company/partnership:

What is the date of establishment? DECEMBER 29,1984 .

Place of organization NEW YORK and,

If a foreign organization, is the Application authorized to do business in the State of New York? _____

(Attach organizational chart or other description if applicant is a subsidiary or otherwise affiliated with another entity)

d. Attach certified financial statements for the company's last three complete fiscal years. If the company is publicly held, attached the latest Form 10K as well.

II. APPLICANT'S COUNSEL

Name: HAHN LOESER & PARKS

Address: 200 PUBLIC SQUARE

CLEVELAND, OH. 44114

Phone No.: 216-621-0150

Fax No.: 216-241-2824

E-Mail: [redacted]

III. PROJECT INFORMATION:

a. Describe the proposed acquisitions, construction or reconstruction and a description of the costs and expenditures expected. (Attach additional sheets or documentation as necessary).

LAND IMPROVEMENTS & ACQUISTIONS - $530,000 T. EXEMPT

BUILDING - $34,333,000

BUILDING EQUIPMENT - $3,054,000

MACHINERY - $48,694,000 Tax Exempt

b.

Project Address: 23 PHELPS ST ADAMS, N.Y. 13605

Name of Municipality: VILLAGE OF ADAMS

Name of School District: SOUTH JEFFERSON CENTRAL SCHOOL

c. Are Utilities on Site?

Water: YES–(relocate & upsize needed) Electric: YES – (new source needed)

Gas: YES – (new line needed) Sanitary/Storm Sewer: YES – (relocation needed)

d. Present legal owner of the site if other than Applicant and by what means will the site be acquired for this Project:

_____.

e. Zoning of Project Site:

Current: INDUSTRIAL Proposed: INDUSTRIAL

f. Are any variances needed? YES -(already approved).

g. Principal Use of Project upon Completion:

PRODUCTION OF CHEESE AND WHEY PRODUCTS

h. Will the Project result in the removal of a plant or facility of the Applicant from one area of the State of New York to another? NO.

i. Will the Project result in the removal of a plant or facility of another proposed occupant of the Project from one area of the State of New York to another area of the State of New York? NO.

j. Will the Project result in the abandonment of one or more plants or facilities located in the State of New York? NO.

k. Project Costs (Estimates):

Category	Amount
Land	$ 530,000
Building	$ 34,333,000
Equipment	$ 51,747,000
Soft Costs	
Other	
Total	$ 86,610,000

l. Job Creation:

How many construction jobs will be created by the Project? 60 – 100.
Complete the following table in accordance with the instructions on the following page.

(A) Job Title	(B) Annual or Hourly Wages	(C) Current Number of Positions	(D) Jobs Created: Year One	(E) Jobs Created: Year Two	(F) Jobs Created: Year Three	(G) Total Jobs Created
PRODUCTION/SANIT/WHSE	$ 31,457	54		7		7
QUALITY	$ 31,293	2				
MAINTENANCE	$ 44,137	9	2	2		4
ADMIN/MGMT	$ 55,519	4	1			1
LEADS/SUPERVISORS	$ 44,950	9				
TOTALS:		78	3	9		12

Instructions:

Column A: Insert the job titles that exist within the company at the time of application, as well as any job titles that will be established as a result of the Project.

Column B: Indicate the entry level wage for each listed job title either in terms of hourly pay or annual salary.

Column C: For each listed job title insert the number of positions that exist at the time of application.

Column D: Insert the number of jobs to be created during year one of the Project for each listed job title.

Column E: Insert the number of jobs to be created during year two of the Project for each listed job title.

Column F: Insert the number of jobs to be created during year three of the Project for each listed job title.

Column G: Indicate the total number of jobs to be created for each listed title as a result of the Project. (Column D + Column E + Column F = Column G)

Use an additional sheet if necessary.

m. List capital expenditures of the company at this location:

Category	Last Three Years	Next Three Years
Land	$ 11,892	$ 530,000
Building	$ 254,162	$ 34,333,000
Equipment	$ 2,685,550	$ 51,748,000
Soft Costs		
Other		
Total	$ 2,951,604	$ 86,610,000

n. List any other positive impacts that the Project may have on the economy of Jefferson County:

SEE ATTACHED "CONFORMITY TO DIEVELOPMENT POLICY" DOCUMENT.

IV. JCIDA FINANCIAL SUMMARY

The following information will be used to determine the extent and applicability of incentives to the Project. Not all incentives will be available to all Projects, but will be applied on the basis of the economic impact of the Project.

a. Sales Tax

What is the budgeted construction cost of the Project? $ 34,333,000

If there are Project costs that are subject to sales tax that are not included in the construction value above, provide an estimate of those costs: _____

b. Mortgage Tax

What is the expected mortgage amount for the Project? $ 0

c. Real Property Tax Abatement

What is the expected real property tax assessment of the improvement/Project? UNKNOWN

d. Tax Exempt Bond Interest

What is the Company's current cost of capital? % N/A

V. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

HOLD HARMLESS AGREEMENT

Applicant hereby releases the Jefferson County Industrial Development Agency and the members, officers, servants, agents and employees thereof (the 'Agency') from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold 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 attached Application, regardless of whether or not the Application or the Project described therein or the tax exemption and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency 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 suites 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 Agency 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 Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

(Applicant)

By: _____

Name: _____

Title: _____

Sworn to before me this
_____ day of _____ , _____.

Notary Public

Great Lakes Cheese of New York, Inc.

23 Phelps Street Adams, New York 13605 315-232-4511 Fax 315-232-4055

"Conformity to Development Policy"

The agricultural industry is one industry that has been targeted for consideration of Empire Zone benefits. It is also one the largest industries in Jefferson County.

The economic benefits of this project well extend beyond retaining the existing work force and the projected additional employees. There is documented data that states, for the agricultural industry, for every job created at a processing facility there are four additional jobs created in the community. That is one of the largest economic multiplier for any industry. The milk supplied, which is the most significant cost to this operation, is purchased from producers located in approximately a thirty five mile radius of the plant. Those dollars will also be contributing to the local economies.

The magnitude of the investment will have an immediate impact on the economy of the local communities and long-term will result in a significant increase in the tax revenue as well.

The commitment that Great Lakes Cheese is looking to make would be greater than any manufacturing business has made or has been willing to make in this area for some time now. For the past twenty years, Great Lakes Cheese has been commited to the economy of North Country, which has been evident from the willingness to reinvest in the facility. It's now time to move to the next level with facility and it's imperative that this inclusion application be considered and approved.

Great Lakes Cheese PILOT Years 11 through 20

FOR CBA

Distribution %	
County	21.40%
Town	5.79%
Village	36.81%
School	36.01%

		County	Town	Village	School	Total
Year 11	110,000	23,540	6,369	40,491	39,611	110,011
Year 12	120,000	25,680	6,948	44,172	43,212	120,012
Year 13	130,000	27,820	7,527	47,853	46,813	130,013
Year 14	140,000	29,960	8,106	51,534	50,414	140,014
Year 15	150,000	32,100	8,685	55,215	54,015	150,015
Year 16	160,000	34,240	9,264	58,896	57,616	160,016
Year 17	170,000	36,380	9,843	62,577	61,217	170,017
Year 18	180,000	38,520	10,422	66,258	64,818	180,018
Year 19	190,000	40,660	11,001	69,939	68,419	190,019
Year 20	200,000	42,800	11,580	73,620	72,020	200,020