

## **PAYMENT-IN-LIEU-OF-TAX APPLICATION**



**ECONOMIC DEVELOPMENT  
GROWTH ENGINE**  
FOR MEMPHIS & SHELBY COUNTY

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**100 Peabody Place, Suite 1100  
Memphis, TN 38103  
(901) 341-2100**

Please submit your application online at [www.growth-engine.org](http://www.growth-engine.org)

**APPLICATION FOR PILOT**

**ECONOMIC DEVELOPMENT GROWTH ENGINE INDUSTRIAL DEVELOPMENT BOARD OF  
CITY OF MEMPHIS AND SHELBY COUNTY, TENNESSEE**

**Applicant**

Company Name: FR8 Zone Inc  
Company Contact: Michael Cohen CEO  
Mailing Address: 99 Wall Street  
City: New York State: NY Zip: 10005  
Telephone: (833) FR8 ZONE (378-9663) Fax: (855) 438-9361  
Federal Employer Identification Number: 83-4343728  
Applicant's Legal Structure: Corporation

If any outside consultants will be representing the applicant (accounting firm, law firm or site consultant) in applying for this PILOT, please provide the following:

Company Name Farnsworth Investment Company  
Contact Name: Michael Mullis  
Mailing Address: 5865 Ridgeway Center Pkwy; Suite 315  
City: Memphis State: TN Zip: 38120  
Telephone: 901-409-2588 Fax:

**Project Location**

- A. Address: 4173 B.F. Goodrich Blvd
- B. Tax Parcel Numbers: 073097 00038C
- C. City of Memphis: Yes No
- D. New Market Tax Credit Eligible Site: Yes No

**Project Description**

Briefly describe the applicant's principal business activities to be conducted at the Project Site:

FR8 Zone Inc. ("FR8") is a development stage company, ("the Company") incorporated under the laws of the State of Delaware. The Company is a multifaceted logistic company that is developing proprietary technology to replace RFID technology and implement the technology into its developing supply chain logistics infrastructure. The Company is based in New York City with affiliates and subsidiaries in New Jersey, California, and Florida. The Company intends to develop, manufacture, install and utilize a proprietary device that will monitor the entire logistics supply chain of any product at a reduced cost when compared with RFID. Further, the Company is developing proprietary software to enhance the technology and support of its ongoing warehousing and logistics ventures. The company is seeking a location in the central USA that would serve as its manufacturing and development headquarters. The company intends to relocate its business to a central US location that can provide adequate trained labor and access to multi rail facilities.

**Project - Real Property Investment**

Building a new \_\_\_\_\_ sq. ft. facility  
 X  Purchasing an existing facility, and \_\_\_\_\_ x Making renovations or additions  
 Leasing \_\_\_\_\_ sq. ft. of an existing facility and \_\_\_\_\_ x Making renovations or additions

Category	Capital Investment
Purchase Price of Land	\$
Purchase Price of Building	\$ 5,800,000
New Construction/Site Improvements	\$ 1,000,000
Renovation of Existing Structure	\$ up to 3,000,000
Soft Costs	\$ 850,000
<b>TOTAL</b>	<b>\$ 10,650,000</b>

**Project - Personal Property Investment**

Group	New	Relocated <sup>2</sup>
1 – Furniture, Fixtures, General Equipment & All Other Property Not Listed in Another Group	\$ 100,00	\$
2 – Computers, Copiers, Fax Machines, Peripherals & Tools	\$ 50,000	\$ 100,000
3 -- Molds, Dies & Jigs	\$	\$
4 – Aircraft, Towers & Boats <sup>1</sup>	\$	\$
5 – Manufacturing Machinery	\$ 650,000	\$
6 – Billboards, Tanks & Pipelines	\$	\$
7 – Scrap Property <sup>1</sup>	\$	\$
8 – Raw Material & Supplies <sup>1</sup>	\$ Not sure yet	\$
9 – Vehicles <sup>1</sup>	\$ Not Sure yet	\$
<b>TOTAL</b>	<b>\$800,000</b>	<b>\$100,000</b>

<sup>1</sup>Vehicles, towers, scrap and inventory are not eligible for a PILOT agreement, but the value of these items may be included in the determination of the PILOT benefit. <sup>2</sup>Depreciated value.

**Items to be submitted with this application**

\_\_\_\_\_ Tax Compliance – Provide documentation demonstrating payment of all municipal, county, state, and federal taxes due for all properties owned by the Applicant located within Shelby County.

\_\_\_\_\_ Application Fee (\$3,000.00)



**PROJECT EMPLOYMENT FOR RELOCATION**

Position	# of Full-time Jobs <sup>1</sup>	Average Annual Base Pay <sup>2</sup>		Annual Overtime/ Incentive Pay <sup>3</sup>		Annual Benefits <sup>4</sup>		Annual Total Compensation	
		Each	Total	Each	Total	Each	Total	Each	Total
General Manager	1	125,000.00	125,000.00			37,500.00	37,500.00	162,500.00	162,500.00
Assemblers and Fabricators,	3	30,680.00	92,040.00			7,670.00	23,010.00	38,350.00	115,050.00
Electromechanical Assemblers	2	32,531.00	65,062.00			8,133.00	16,266.00	40,684.00	81,328.00
Controlled Machine Tool Operators, Metal and Plastic	2	39,228.00	78,458.00			9,807.00	19,614.00	47,478.00	98,070.00
Packaging and Filling Machine Operators and Tenders	4	34,798.00	139,194.00			8,700.00	34,800.00	43,048.00	173,992.00
Laborers and Freight, Stock, and Material Movers	20	27,500.00	550,000.00			6,875.00	137,500.00	35,750.00	715,000.00
<b>Total</b>	<b>32</b>		<b>1,049,754.00</b>				<b>268,690.00</b>		<b>1,345,940.00</b>
<b>Average</b>			<b>32,805.00</b>				<b>8,397.00</b>		<b>42,061.00</b>

*Definitions:*

<sup>1</sup>Permanent jobs or combination of permanent positions that provide employment of 1,600 hours or more within a year that is employed directly by the Applicant or employed by a contract employer on behalf of the Applicant.

<sup>2</sup>Annual base wage must exceed \$12 per hour to be included, please show payments as annual average wages.

<sup>3</sup>Include paid overtime, paid holidays and vacation pay. Do not include discretionary bonus or stock options.

<sup>4</sup>Include health insurance, dental insurance, 401K plans, paid sick leave, bonus compensation, etc.