
APPLICATION FOR FINANCIAL ASSISTANCE

Oneida County Industrial Development Agency

153 Brooks Road
Rome, New York 13441-1405
(315) 338-0393 telephone
(315) 338-5694 fax

Shawna M. Papale, Executive Director

A non-refundable application fee of \$250.00 must be submitted at the time of application, to be credited to the Company at closing.

Please submit the original application and fourteen copies.

Burrstone Energy Center LLC

Name of Applicant

Number (to be provided by the agency)

Note to Applicant:

The information requested by this form is necessary to determine the eligibility of your project for Agency benefits. Please answer **all** questions, inserting "none" or "not applicable" where appropriate. If you are providing an estimate, please indicate by inserting "est" after the figure. Attach additional sheets if more space is needed for a response than is provided.

Return the original application and fourteen copies with a check in the amount of \$250.00 made payable to: **Oneida County Industrial Development Agency**, 153 Brooks Road, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Executive Director.

All information contained in this application will be treated confidentially, to the extent permitted by law.

By signing and submitting this Application, the Applicant acknowledges that it received a copy of the Uniform Tax Exemption Policy adopted by the Agency and Agency Memorandums pertaining to the benefits of projects financed through the Agency.

A project financed through the Agency involves the preparation and execution of significant legal documents. Please consult with an attorney before signing any documents in connection with the proposed project.

Part I: Applicant Information

Note: In responding to the following questions, please keep in mind that the Applicant will be party to all of the documents and is the individual or entity which will receive the actual financial assistance from the Agency.

Applicant

- 1(a) Applicant's Legal Name: Burrstone Energy Center LLC
- 1(b) Principal Address: 22 Century Hill Drive
Suite 201
Latham, NY 12110-2128
- 1(c) Telephone/Facsimile Numbers: 518-213-1010
518-213-1050
- 1(d) Email Address: mattbette@bettecring.com
- 1(e) Federal Identification Number: 205039760
- 1(f) Contact Person: John Moynihan
- 1(g) Is the Applicant a
- Corporation:
If yes, Public Private
If public, on which exchange is it listed?

 - Subchapter S
 - Sole Proprietorship
 - General Partnership

 - Limited Partnership
 - Limited Liability Corporation/Partnership
 - DISC
 - Other(specify) _____
- 1(h) State of Organization (if applicable) ___New York_____

Applicant's Stockholders, Directors and Officers (or Partners)

2(a) Provide the following information with respect to parties with 15% or more in equity holdings:

<u>Name</u>	<u>Home Address</u>	<u>Social Security No.</u>	<u>Percentage of Ownership</u>
Matthew Bette	c/o Bette Cring, LLC 22 Century Hill Drive Suite 201 Latham, New York 12110-2128	Confidential	30%
Peter Bette		Confidential	30%
Chris Bette		Confidential	20%
Mark Bette		Confidential	20%

2(b) Is the Applicant, or any of the individuals listed in 2(a) above, 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.

2(c) Is the Applicant affiliated with any other entity, directly or indirectly, other than as listed in the response to 2(a) above? If yes, please indicate name and relationship of such other entity and the address thereof:

Applicant is affiliated with Bette & Cring LLC, the Contractor for the construction of the Project.

Applicant's Counsel and Accountant

3(a). Applicant's Attorney

Name/Title: Paul J. Goldman, Esq.
Firm: Segel, Goldman, Mazzotta & Siegel, P.C.
Address: 9 Washington Square
Albany, New York 12205
Telephone: (518) 452-0941
Fax: (518) 452-0417

3(b) Applicant's Accountant

Name/Title: James W. Drislane, CPA
Firm: Teal Becker & Chiaramonte CPA's P.C.
Address: 7 Washington Square
Albany, New York 12205
Telephone/Fax: 518-456-6663
518-456-3975

Business Description

4(a) Describe the nature of your business and principal products and/or services. Attach additional sheets if necessary.

The Project to be undertaken by Applicant consists of: (a) the acquisition of a leasehold interest in an approximately two (2) acre vacant parcel of land on the St. Luke's Hospital Campus located at 1656 Champlan Avenue, Utica, New York and various distribution easements; (b) the construction on the Land of a certain approximately 5,400 square foot building (the "Facility"); (c) the installation within the Facility of a certain 3.6 mw combined heat and power equipment and all other related equipment (the "Equipment"); (d) the construction of various distribution pipes and conduits on private lands and the easements for the benefit of the St. Luke's Hospital, Inc., St. Luke's Nursing Home and Utica College and (e) financing costs of the foregoing (collectively, the "Project").

Part II: Project Information

5(a) Explain your project in detail. This description should include explanation of all activities which will occur due to this project. Attach additional sheets if necessary.

The Project, as defined in Section 4(a) herein will provide electric energy to St. Luke's Hospital, St. Luke's Nursing Home, and Utica College. The waste heat produced from the engine generators exhaust will be transmitted and used by St. Luke's Hospital.

The CHP plant will consist of (3) 1100 kW and (1) 334 kW natural gas fired lean burn reciprocating engines that produce electricity and steam.

Reasons for Project

6(a) Please explain in detail why you want to undertake this project.

The major objectives and benefits to our three customers from the Burrstone CHP plant are as follows:

- *The Project will result in electric costs savings to St. Luke's Hospital, St. Luke's Nursing Home and Utica College which facilities deliver critical community services.*
- *The Project will produce steam that will reduce the operating costs at St. Luke's Hospital.*
- *The Project will reduce substantial risk to St. Luke's Hospital, St. Luke's Nursing Home and Utica College of delivery services with National Grid power grid and distribution facilities.*
- *The Project will result in infrastructure improvements to the Hospital whose boilers are circa 1950, and Utica College will receive an upgrade to the electric distribution systems that are forty (40) years old.*
- *The Project will reduce green house gas emissions from current service.*
- *Reduced electrical demand on the National Grid distribution system in the Utica area.*

6(b) Why are you requesting the involvement of the Agency in your project?

To obtain sales tax abatement on the purchase of building materials, and distribution equipment that is not exempt from sales tax. A portion of the Project consisting of the electric generation equipment is exempt from tax pursuant to §1115(a) (12) of the New York State Tax Law.

Applicant is also requesting Mortgage Recording Tax Exemption.

Applicant is also requesting a Payment in Lieu of Tax Agreement ("PILOT") in the amount of a full value of \$600,000 for the Facility only.

6(c) How will the Applicant's plans be affected if Agency approval is not granted?

This will result in a project cost increase of roughly \$800,000 which will be passed on to the customers in the form of higher energy costs. In addition, the PILOT Agreement benefits will be based to St. Luke's Hospital, Inc., St. Luke's Nursing Home and Utica College who will not pay taxes based on the equipment value.

6(d) Is the proposed project reasonably necessary to discourage the Applicant from removing such other plant or facility to a location outside the State of New York?

Yes No **If yes**, please explain briefly.

The Project makes the beneficiary facilities more competitive and more cost efficient.

Is the proposed project reasonably necessary to preserve the competitive position of the Applicant in its respective industry? Yes No **If yes**, please explain briefly.

The Project makes the beneficiary facilities more competitive and more cost efficient.

6(e) Will financing by the Agency result in the removal or abandonment of a plant or other facility of the applicant or any related entity presently located in another area of New York State?

Yes No **If yes**, please explain briefly the reason for the move.

The operation of the Burrstone CHP facility will result in a 70-80% reduction of operating hours of the St. Luke's Hospital boilers.

~~6(f) Has the Applicant or any related entity previously secured financial assistance in Oneida County (whether through the Agency, the Empire State Development Corporation, or any other entity)? Yes No~~

~~**If yes**, please explain (indicate date of benefit, location of facility and outstanding balance).~~

~~*Burrstone Energy Center has a \$1,000,000 grant from New York State Energy Research Development Agency ("NYSERDA"). The grant was committed on 7/22/2003 for this Project. Previous Applicant drew \$150,000 for the costs incurred for engineering plans and balance of the NYSERDA grant has not been disbursed.*~~

6(g) Has the Applicant or any related entity secured financial assistance anywhere within the United States within the last 90 days or does the Applicant or any related entity anticipate receiving financial assistance within the next 90 days? Yes No
If yes, please explain.

Please see 6(f) above.

6(h) Check all categories best describing the **type of project**:

- Manufacturing
- Industrial Assembly or Service
- Research and Development
- Warehousing
- Commercial or Recreational
- Pollution Control (specify)-net reduction in green house gases and other pollutants
- Other (specify) Electricity and steam production

6(i) Check all categories best describing the **scope of the project**:

- Acquisition of leasehold interest
- Acquisition of existing building
- Renovations to existing building
- Construction of addition to existing building
- Demolition of existing building
- Construction of a new building
- Acquisition of machinery and/or equipment
- Installation of machinery and/or equipment

- Other (specify) Electricity/Steam Production

6(j) Please indicate the financial assistance you are requesting of the Agency, and provide the estimated value of said assistance.

Assistance	Estimated Value
<input checked="" type="checkbox"/> Real Property Tax Abatement	\$ <u>TBD</u>
<input checked="" type="checkbox"/> Mortgage Tax Exemption	\$ <u>135,055**</u>

[x] Sales and Use Tax Exemption \$___\$229,350***

[] Issuance by the Agency of Tax Exempt Bonds \$_____

** Mortgage of \$13,505,586 x 1.0% Mortgage Recording Tax

*** Sales Taxes on the Facility \$600,000 x 50% x 8.25% = \$24,750 Sales Taxes on the Portion of the Equipment that is not exempt pursuant to Tax Law §1115(a)(12) \$6,200,000(1-60%) = \$204,600.

Part III: Facility Information

Facility (Physical Information) If multiple locations please provide information on all.

7(a) Street Address of Facility:

1656 Champlin Avenue

7(b) City, Town and/or Village:

Town of New Hartford/City of Utica (Distribution Conduct only)

*(Note: It is important that you list **all** incorporated municipalities in which the facility lies. This information will be used in scheduling a public hearing as required by statute.)*

7(c) School District:

NY MILLS

1 Marauder Blvd
New York Mills, NY 13417
Oneida County

7(d) Tax Account Number(s):

317.000-2-2.1

7(e) For what purpose was the facility site most recently used (i.e., light manufacturing, heavy manufacturing, assembly, etc.)?

Vacant Land

7(f) Zoning Classification of location of the project:

Business B-1

7(g) Please describe in detail the facility to be acquired, constructed or renovated (including number of buildings, square footage, number of floors, type of construction,) and attach plot plans, photos or renderings, if available. **Please be as specific as possible.**

Burrstone will construct a 5400 square foot building to house the four engine generators and heat recovery equipment necessary to provide the electrical and thermal energy to our customers. The footprint of the building will be 90' W x 60' D x 25" H and there will only be one floor. The building's structure will be steel I-beams wrapped with a metal siding. The new CHP building will be connected to the existing St. Luke's Hospital Boiler House by a 30' corridor. See attached rendering.

7(h) Has construction or renovation commenced? [] Yes [x] No

If yes, please describe the work in detail, including the date of commencement.

If no, indicate the estimated dates of commencement and completion:

Construction commencement: _____December 2007_____

Construction completion: _____December 2008_____

7(i) Will the construction or operation of the facility or any activity which will occur at the site require any local ordinance or variance to be obtained or require a permit or prior approval of any state or federal agency or body (other than normal occupancy and/or construction permits)?

[x] Yes [] No

If yes, please describe.

Town of New Hartford Building permit (Obtained on October 10, 2007)

New York State Department of Environmental Conservation Air Facility Registration Certificate (Obtained on July 18, 2007)

New York State Department of Transportation Highway Work Permit-to be obtained in Spring 2008

7(j) Will the project have a significant effect on the environment? [] Yes [x] No

Important: please attach Environmental Assessment Form to this Application.

7(k) What is the useful life of the facility? _____30_____ years

Facility (Legal Information)

8(a) With respect to the **present owner** of the facility, please give the following information:
(Note: the present owner is not necessarily the user of the facility, but that party which holds legal title to the facility.)

Legal Name: St. Luke's Hospital, Inc.

Address: 1656 Champlin Avenue, Town of New Hartford, New York

Telephone: _____

Balance of Mortgage: To be release _____

Holder of Mortgage: _____

If the Applicant is not the present owner of the facility, please attach any written agreements and contracts concerning the acquisition of the real property and/or equipment.

8(b) Is there a legal relationship, directly or indirectly, by virtue of common control or through related persons, between the Applicant and the present owner of the facility?
 Yes No. If yes, please explain.

~~8(c) Will a related real estate holding company, partnership or other entity, be involved in the ownership structure of the transaction?
 Yes No. If yes, please explain.~~

8(d) Will the title owner of the facility/ property also be the user of the facility?
 Yes No. If no, please explain.

Leasehold Interest will be in the Applicant.

8(e) Is the Applicant currently a tenant in the facility? Yes No

8(f) Are you planning to use the entire proposed facility?
 Yes No

If no, please give the following information with respect to tenant(s) which will remain in the facility after the completion of the project:

<u>Name of Tenant</u>	<u>Floors Occupied</u>	<u>Square Feet Occupied</u>	<u>Nature of Business</u>
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N/A

8(g) Are any of the tenants related to the owner of the facility?
 Yes No
If yes, please explain.

8(h) Will there be any other users other than the applicant to the IDA be utilizing the facility?
 Yes No
If yes, please explain. Provide detail of the contractual arrangement including any financial exchange for the use of the site or property.

Equipment

9(a) List the principal items or categories of equipment to be acquired as part of the project. (As soon as one is available but prior to final authorizing resolution, please submit a detailed inventory of said equipment.)

Natural gas fired combustion engine-generators
Electrical switchgear equipment and control equipment
Electrical transmission equipment
Mechanical heating, venting, and air conditioning equipment.
Heat recovery equipment

9(b) Please provide a brief description of any equipment which has already been purchased or ordered, attach all invoices and purchase orders, list amounts paid and dates of expected delivery. Attach a sheet if needed.

Roughly 4000 feet of underground cabling and associated equipment (electrical switches, manholes, etc) have been installed on the Utica College Campus. To date Approximately \$489,000 of \$571,244 has been paid.

9(c) What is the useful life of the equipment? 30 years

Part IV: Employment Information

10(a) Estimate how many construction and permanent jobs will be created or retained as a result of this project.

Construction Jobs 100

Permanent Jobs to be created by Project at Applicant's facility _____

Permanent Jobs to be retained by Project at Applicant's facility 3

The Applicant intends to utilize three (3) St. Luke's Hospital employees that currently work at the boiler house to oversee the operation of the Project.

10 (b) What is the applicant entity's current level of employment in Oneida County at the time of application.

At location to be assisted with the requested IDA benefits 0

Other locations in Oneida County 0

Part V: Estimated Project Cost and Financing

11(a) List the costs necessary for the construction, acquisition or renovation of the facility. Do **not** include working capital needs, moving expenses, work in progress, stock in trade, Applicant's debt repayment, real estate broker fees or your legal fees.

Acquisition of Land	\$0
Acquisition of Building(s)	\$0
Renovation Costs	\$100,000
New Construction of Buildings	\$600,000

Machinery and Equipment (other than furniture costs)	\$6,200,000
Fixtures	\$0
Installation Costs	\$5,682,000
Fees (other than your own broker and legal fees)	\$1,535,000
Legal Fees	\$25,000
Architectural/Engineering	\$876,150
Interest on Interim Financing	\$150,000
Other (specify) Permits	\$82,000
Subtotal	\$15, 250,150
Agency Fee	\$5,000
Total Project Cost	\$15, 255,150

11(b) What amount of the Total Project Cost is the Applicant requesting financing by the Agency?

_____ \$0 _____

Applicant is seeking straight lease financing from the IDA under General Municipal Law §858(15).

Real Estate Taxes

12(a) For each tax parcel which comprises the facility, please provide the following information, using figures from the most recent tax year:

PART OF THE TAX PARCEL

Tax Acct #	Current Assessed Value (Land)	Current Assessed Value (Building)	Real Estate Taxes
317.-02-2.1	1,179,400	39,060,300	Exempt

12(b) Address of Receiver of Town and/or Village Taxes:

Town of New Hartford

12(c) Address of Receiver of School Taxes:

New York Mills

12(d) Will the completion of the proposed project result in the increase of the assessment of any of the parcels named above? [] Yes [X] No *Exempt*

If yes, please indicate which tax account numbers will be affected.

317.-02-2.1

Financial Information

13(a) Has the Applicant contacted any bank, financial/lending institution or private investor with respect to the financing of the proposed project?

Yes No

If yes, please provide details.

Burrstone will obtain financing from M&T Bank located in Albany NY.

13(b) Has the Applicant received a commitment letter for said financing?

Yes No

If yes, please submit a copy of said commitment letter along with this Application.

13(c) Please complete the Cost/Benefit Analysis form and attach to this Application.

Attached

REPRESENTATIONS AND CERTIFICATION BY APPLICANT

The undersigned requests that this Application be submitted for review to the Oneida County Industrial Development Agency's Board of Directors.

Approval of the Application can be granted solely by this Agency's Board of Directors. The undersigned acknowledges that Applicant shall be responsible for all costs incurred by the Agency and its counsel in connection with the attendant negotiations whether or not the transaction is carried to a successful conclusion.

The Applicant further understands and agrees with the Agency as follows:

1. **Annual Sales Tax Filings.** 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 sales tax exemptions as part of the Financial Assistance from the Agency, 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, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
2. **Annual Employment Reports.** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site as well as tax benefits received with the action of the OCIDA.
3. **Absence of Conflict of Interest.** The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer, or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein after described:
4. **Hold Harmless.** Applicant hereby releases Oneida 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 exemptions 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 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 Agency or the Applicant are unable to reach final agreement with 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.

5. The applicant acknowledges that the OCIDA has disclosed that the actions and activities of the OCIDA are subject to the Public Authorities Accountability Act signed into law January 13, 2006 as Chapter 766 of the 2005 Laws of the State of New York.

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

Burrstone Energy Center LLC (Applicant)

By:  _____

Name: Matthew Bette

Title: President

Date: 11/05/07 _____

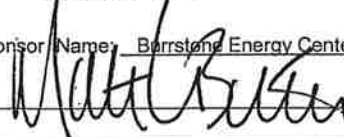
Return the original and fourteen copies of the application with a check in the amount of \$250.00 made payable to: **Oneida County Industrial Development Agency**, 153 Brooks Road, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Secretary.

Revised: SP 1/25/07

PROJECT I.D. NUMBER

**617.21
Appendix C
State Environmental Quality Review
SHORT ENVIRONMENTAL ASSESSMENT FORM
For UNLISTED ACTIONS Only**

PART I - PROJECT INFORMATION (To be completed by Applicant or Project sponsor)

1. APPLICANT/SPONSOR Burrstone Energy Center LLC	2. PROJECT NAME Burrstone Combined Heat and Power Facility
3. PROJECT LOCATION: Municipality Town of New Hartford County Oneida	
4. PRECISE LOCATION (Street address and road intersections, prominent landmarks, etc., or provide map) 1656 Champlin Avenue, Utica, NY 13503 The plant will be located on the St. Luke's Hospital Campus adjacent to the existing boiler house	
5. IS PROPOSED ACTION: New <input checked="" type="checkbox"/> <input type="checkbox"/> Expansion <input type="checkbox"/> Modification	
6. DESCRIBE PROJECT BRIEFLY: This project involves the construction and operation of a 3.6 Megawatt Combined Heat and Power (CHP) facility to be located on the Faxton-St. Luke's Healthcare campus located in New Hartford, New York. The plant will be housed in a new facility to be built adjacent to and connected to the existing hospital energy center and will cover approximately 5400 square feet.	
7. AMOUNT OF LAND AFFECTED: Initially < 1/2 acre Ultimately < 1/2 acre	
8. WILL PROPOSED ACTION COMPLY WITH EXISTING ZONING OR OTHER EXISTING LAND USE RESTRICTIONS? Yes <input checked="" type="checkbox"/> <input type="checkbox"/> No If No, describe briefly	
9. WHAT IS PRESENT LAND USE IN VICINITY OF PROJECT? <input checked="" type="checkbox"/> Residential <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Agriculture <input type="checkbox"/> Park/Forest/Open space <input type="checkbox"/> Other Describe: The CHP facility will be constructed on and connected to the existing St. Luke's Hospital boiler house and surrounded by existing Institutional/Health Care Facilities.	
10. Does Action Involve A Permit Approval, Or Funding, Now Or Ultimately From Any Other Governmental Agency (Federal, State Or Local)? Yes <input checked="" type="checkbox"/> <input type="checkbox"/> No If Yes, List Agency Name And Permit/Approval NYSERDA-Financial Grant Town of New Hartford - Building Permit NYS Department of Environmental Conservation - Emissions Permit NYS Department of Transportation - Highway work permit	
11. DOES ANY ASPECT OF THE ACTION HAVE A CURRENTLY VALID PERMIT OR APPROVAL? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, list agency name and permit/approval Town of New Hartford - Building Permit (Issued on October 10, 2007) NYS Department of Environmental Conservation - Air Registration Certificate (Issued on July 18, 2007)	
12. AS A RESULT OF PROPOSED ACTION WILL EXISTING PERMIT/APPROVAL REQUIRE MODIFICATION? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE TO THE BEST OF MY KNOWLEDGE Application/sponsor Name: Burrstone Energy Center LLC/Matthew Bette Date: _____ Signature: 	

If the action is in the Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with this assessment

PART II – ENVIRONMENTAL ASSESSMENT (To be completed by Agency)

<p>A. DOES ACTION EXCEED ANY TYPE I THRESHOLD IN 6 NYCRR, PART 617.12? If yes, coordinate the review process and use the FULL EAF. <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>B. WILL ACTION RECEIVE COORDINATED REVIEW AS PROVIDED FOR UNLISTED ACTION 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</p>
<p>C. COULD ACTION RESULT IN ANY ADVERSE EFFECTS ASSOCIATED WITH THE FOLLOWING: (Answers may be handwritten, if legible)</p> <p>C1. Existing air quality, surface or groundwater quality or quantity, noise levels, existing traffic patterns, solid waste production or disposal, potential for erosion, drainage or flooding problems? Explain briefly:</p> <p>C2. Aesthetic, agricultural, archaeological, historic, or other natural or cultural resources; or community or neighborhood character? Explain briefly:</p> <p>C3. Vegetation or fauna, fish, shellfish or wildlife species, significant habitats, or threatened or endangered species? Explain briefly:</p> <p>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:</p> <p>C5. Growth, subsequent development, or related activities likely to be induced by the proposed action? Explain briefly:</p> <p>C6. Long term, short term, cumulative, or other effects not identified in C1-5? Explain briefly:</p> <p>C7. Other impacts (including changes in use of either quantify or type of energy)? Explain briefly:</p>
<p>D. WILL THE PROJECT HAVE AN IMPACT ON THE ENVIRONMENTAL CHARACTERISTICS THAT CAUSED THE ESTABLISHMENT OF A CEA? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>E. IS THERE, OR IS THERE LIKELY TO BE, CONTROVERSY RELATED TO POTENTIAL ADVERSE ENVIRONMENTAL IMPACTS? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

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) probably of occurring; (c) duration; (d) irreversibility; (e) geographic scope; and (f) magnitude. If necessary, add attachments or reference materials. Ensure that explanations contain sufficient detail to show that all relevant adverse impacts have been identified and adequately addressed.

<input type="checkbox"/> 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.	
<input type="checkbox"/> Check this 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 impact AND provide on attachments as necessary, the reasons supporting this determination:	
<p>_____</p> <p style="text-align: center;">Type text</p> <p style="text-align: center;">Name of Lead Agency</p>	
<p>_____</p> <p style="text-align: center;">Print or Type Name of Responsible Officer in Lead Agency</p>	<p>_____</p> <p style="text-align: center;">Title of Responsible Officer</p>
<p>_____</p> <p style="text-align: center;">Signature of Responsible Officer in Lead Agency</p>	<p>_____</p> <p style="text-align: center;">Signature of Prepared (If different from responsible officer)</p>
<p>_____</p> <p style="text-align: center;">Date</p>	

**ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
COST/BENEFIT ANALYSIS
Required by §859-a(3) of the
New York General Municipal Law**

**TO BE ATTACHED TO AND MADE PART OF APPLICATION TO THE
OCIDA**

NAME OF APPLICANT: Burrstone Energy Center LLC

DESCRIPTION OF PROJECT: Combined Heat & Power Facility

**NAME OF ALL SUBLESSEES OR
OTHER OCCUPANTS OF FACILITY:** N/A

PRINCIPALS OR PARENT OF APPLICANT: Matthew Bette

**PRINCIPALS OF ANY SUBLESSEE
OR OCCUPANT:** N/A

PRODUCT/SERVICES: Electricity and Steam

ESTIMATED DATE OF COMPLETION OF PROJECT: December 2008

TYPE OF FINANCING/STRUCTURE: Tax-Exempt Financing
 Taxable Financing
 Sale/Leaseback
 Other _____

TYPES OF BENEFITS RECEIVED:

_____ Taxable Financing

_____ Tax-Exempt Bonds

X Sales Tax Until Completion Date

X Mortgage Tax Abatement

X Real Property Tax Abatement. The Applicant is requesting a payment in lieu of tax agreement based on the construction cost for the Facility (as defined in the Application to the Oneida County IDA

PROJECT COSTS – CAPITAL INVESTMENT

Land	\$0 (Cost per Acre)
Existing Building	\$0
Rehab of Existing Building	
Construction of New Building	\$600,000 (Cost per Sq Ft.)
Addition or Expansion	\$100,000 (Cost per Sq Ft.)
Engineering and Architectural Fees	\$876,150
Equipment	\$11,882,000 (Cost per Sq Ft.)
Legal Fees	
Bank, Bond, Transaction, Company,	
Credit Provider, Trustee	\$200,000
Finance Charges	
Title Insurance, Environmental	
Review, Bank Commitment Fee,	
Appraisals, etc.	\$300,000
Other Development	\$1,292,000
Agency Fee	\$5,000
TOTAL COST OF PROJECT	\$15,255,150

Job Revolving Fund Loan

Other Grants or Loans

NYSERDA - \$1,000,000

COMPANY INFORMATION

Existing Jobs 0
Created Jobs (Year 3) 3
Retained Jobs 0

EARNINGS INFORMATION

County Spec Average Direct Jobs \$60,000
County Spec Average Indirect Jobs \$ _____
County Spec Average Construction Jobs \$ _____

MULTIPLIER INFORMATION

Indirect Job Rate 2.5
Sales Tax Rate (9%)
Mortgage Tax Rate (1%)

Assumed Real Property Tax Rate Per Thousand for Municipality where project is located: *Exempt (Hospital)*

Assumed Real Property Assessment of facility where IDA assistance is being sought: \$600,000

Assumed NYS Income Tax rate on earnings 4.25%:

Note: \$1,000,000 in construction expenditures generates 22 person – years of employment

CALCULATION OF BENEFITS (3 – YEAR PERIOD)

NYS PERSONAL INCOME TAX RECEIVED

	<u>Total Earnings</u>	<u>Revenues</u>
Direct Jobs		
Created		
Existing	<u>\$60,000</u>	<u>\$5,400</u>
Indirect Jobs		
Created	<u> </u>	<u> </u>
Existing	<u> </u>	<u> </u>

Construction		
Person Years	\$5,500,000	\$495,060

TOTALS	\$5,560,000	\$500,460
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TAXABLE GOODS AND SERVICES

	<u>Spending Rate</u>	<u>Expenditures</u>	<u>State and Local Sales Tax Revenues</u> <small>(Expenditure Column x .0825)</small>
Direct Jobs			
Created <small>(total earnings for direct jobs created x .36)</small>	36.0%	_____	_____
Existing <small>(total earnings for direct jobs existing x .36)</small>	36.0%	\$21,600	\$1,782
60,000			
Indirect Jobs			
Created <small>(total earnings for indirect jobs created x .36)</small>	36.0%	_____	_____
Existing <small>(total earnings for indirect jobs existing x .36)</small>	36.0%	_____	_____
Construction			
Person yrs. <small>(total earnings for construction person yrs. x .36)</small>	36.0%	\$1,980,000	\$163,350
5,500,000			
Totals	_____	\$2,001,600	\$165,132

Local (3 year) real property tax benefit (assuming _____% of jobs existing and created own a residence) with an average assessment of \$_____ and the remainder of jobs existing created pay real property taxes through rent based on an average assessment per apartment of \$_____.

Real Property Taxes Paid \$73,500
 $\$600,000 \times \#35/TH = \$21,000 \times 3 = \$63,000$

COSTS

Real Property Taxes Abated on Improvements Only (3-year period)	\$36,750
Mortgage Tax Abated	\$135,000
Estimated Sales Tax Abated During Construction Period	\$233,475
<i>Equipment \$6,200,000x(1-.60 (exempt %)) = \$204,600</i>	
<i>Building \$600,000 x .5 = \$350,000 x .0825 = \$ 24,750</i>	

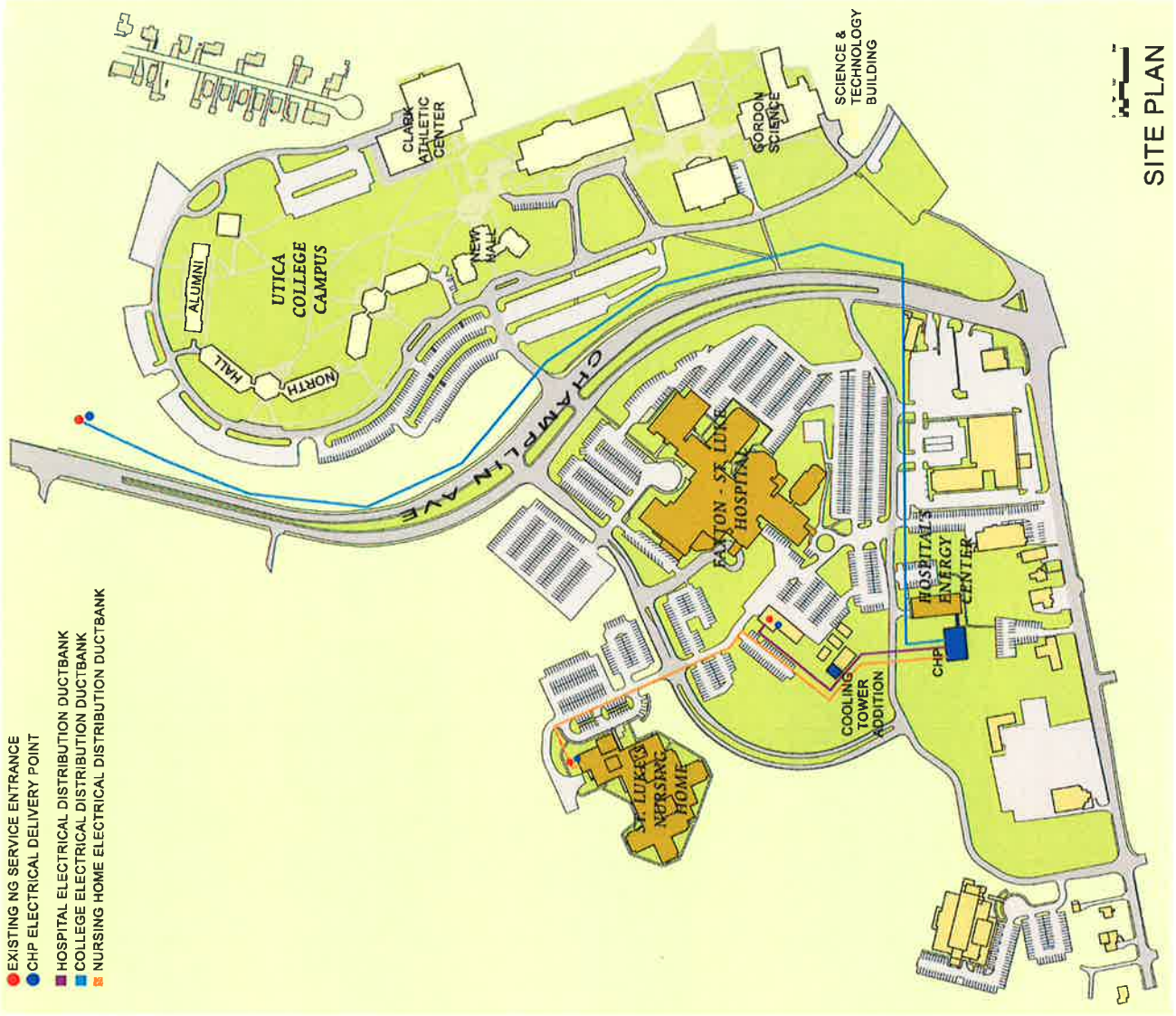
NOTE: If there is a tax-exempt financing of all or a portion of the project cost, there is a neutral cost/benefit because of lower interest rates by reason of exclusion of interest from gross income of bondholders for purposes of Federal and State income taxes. Taxable financing carries the same cost/benefit for State Income Tax purposes. Such cost/benefits cannot be quantified.



BURRSTONE ENERGY CENTER, LLC
22 Century Hill Drive
Latham, New York 12110

EXHIBIT A

- EXISTING NG SERVICE ENTRANCE
- CHP ELECTRICAL DELIVERY POINT
- HOSPITAL ELECTRICAL DISTRIBUTION DUCTBANK
- COLLEGE ELECTRICAL DISTRIBUTION DUCTBANK
- NURSING HOME ELECTRICAL DISTRIBUTION DUCTBANK



SITE PLAN