
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. All applications must be submitted 10 days prior to meeting.

Griffiss Utility Services Corporation

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: Griffiss Utility Services Corporation

1(b) Principal Address: 153 Brooks Road
Rome, NY 13441

1(c) Telephone/Facsimile Numbers: Phone: 315-838-4872
Fax: 315-838-4877

1(d) Email Address: dan@gusc.net

1(e) Federal Identification Number: 16-1592039

1(f) Contact Person: Daniel Maneen

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>
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Not Applicable

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.

Not Applicable

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:

Not Applicable

Applicant's Counsel and Accountant

3(a). Applicant's Attorney

Name/Title: Camille Kahler/Partner
Firm: Saunders, Kahler, Amoroso & Locke, LLP
Address: 185 Genesee Street, Suite 1400, Utica, NY 13501-2194
Telephone/Fax: Phone: 315-733-0419 Fax: 315-724-8522

Name/Title: F. X. Matt/Partner
Firm: The Matt Law Firm, PLLC
Address: 258 Genesee Street, Suite 305, Utica, NY 13502
Telephone/Fax: Phone: 315-624-7360 Fax: 315-624-7359

Name/Title: Michael Mager, Esq.
Firm: Couch White, LLP
Address: 540 Broadway, PO Box 22222, Albany, NY 12201-2222
Telephone/Fax: Phone: 518-426-4600 Fax: 518-426-0376

3(b) Applicant's Accountant

Name/Title: Mark Semo/Managing Partner
Firm: D'Arcangelo & Co., LLP
Address: 120 Lomond Court
Utica, NY 13502-5950
Telephone/Fax: Phone: 315-735-5216
Fax: 315-735-5210

Business Description

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

Griffiss Utility Services Corporation (GUSC) is a non-profit, lightly regulated utility that provides steam and electricity to Griffiss Business & Technology Park.

GUSC's mission is to maximize the use of the former base's energy infrastructure and provide the lowest-cost utilities to the park's tenants as a means to encourage economic development in the park.

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.

See *Attachment #1* – Project Description

Reasons for Project

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

High prices and price volatility in the electricity, fuel oil and natural gas markets have motivated GUSC to seek innovative options to meet its heat/electricity needs. With assistance from the New York Power Authority, the Electric Power Research Institute and the ANTARES Group, GUSC has evaluated the potential to deploy a renewable energy based distributed energy project coupled with a program to offer premium energy reliability and power quality services to its customers. The preliminary economics and potential to improve customer service appear to be very favorable. As a result, GUSC is actively engaged in developing a commercial, but unique biomass-based combined heat and power project at the park.

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

GUSC is seeking the OIDA to participate as a conduit for tax exempt financing for the project.

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

If the project is not able to secure tax-exempt financing, it will have to seek more costly taxable financing. This route will increase project costs with no exception of significant added benefit. This will have the effect of lowering the net benefit to GUSC's customers and may jeopardize the project's viability.

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.

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.

GUSC's financial viability is based on its ability to maintain competitive rates for its customers. The project is viewed as one of the most significant opportunities for GUSC to continue to offer competitive steam and electric rates to its customers.

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.

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).

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.

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) _____
- Other (specify) Electric & Steam power generation

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

- Acquisition of land
- 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) _____

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 type="checkbox"/> Real Property Tax Abatement	\$ _____
<input type="checkbox"/> Mortgage Tax Exemption	\$ _____
<input type="checkbox"/> Sales and Use Tax Exemption	\$ _____
<input checked="" type="checkbox"/> Issuance by the Agency of Tax Exempt Bonds	\$ <u>33,000,000</u>

Part III: Facility Information

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

7(a) Street Address of Facility:

655 Ellsworth Road

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

Rome, NY

*(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:

City of Rome, NY

7(d) Tax Account Number(s):

243.000-1-1.8 (OIDA) _____

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

Steam generation

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

Industrial/commercial

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.**

The project is to include construction of a new boiler house, turbine room and control room. The balance of the equipment is to be housed outdoors on GUSC's existing concrete pad in the former coal handling yard. The boiler house will be three stories high, while the turbine and control rooms will be a single-story building.

A plan view showing the dimensions and orientation of the new equipment is provided as *Attachment #2*.

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 2008, pending permits

Construction completion: January 2010 (estimated)

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.

New York State Department of Environmental Conservation (NYSDEC) – Air Permit, State Pollutant Discharge Elimination System (SPDES) permit.

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

Important: please attach Environmental Assessment Form to this Application.

See Attachment #3.

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: Griffiss Utility Services Corporation

Address: 153 Brooks Road

Rome, NY 13441

Telephone: 315-838-4872

Balance of Mortgage: Not Applicable

Holder of Mortgage: Not Applicable

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.

Applicant is present owner of the facility.

- 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.

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

Not Applicable

- 8(h) Will there be any other users other than the applicant to the IDA be utilizing the facility?
[] Yes [X] 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.)

SCOPE OF SUPPLY-KEY EQUIPMENT

- 2x85 MMBtu/hr Gasifiers from Hurst Boiler and Welding
- 2xSimoneau boilers sized to provide (50,000 pph of steam each)
- 1ESP and stack, equipped with CEM
- SNCR NOx control system
- Single point extraction, condensing steam turbine with condensing equip
- 48' Tractor/Trailer tipper
- Receiving bin for tipper
- 30 hour live storage in Single Silo w/ auger unloader (uncovered)
- Repaired stacker for under pavilion storage
- Conveyors, magnetic separation
- Manual silo bypass for direct feeding of gasifiers
- Overs screening, milling and recycle
- Truck scale
- Boiler House
- All controls and installation

- 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.

No equipment has been ordered.

- 9(c) What is the useful life of the equipment? N/A

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 30 (estimated maximum)

Permanent Jobs to be created by Project at Applicant's facility 2

Permanent Jobs to be retained by Project at Applicant's facility N/A

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 16

Other locations in Oneida County N/A

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	\$	-
Acquisition of Building(s)	\$	-
Renovation Costs	\$	-
New Construction of Buildings	\$	800,000
Machinery and Equipment (other than furniture)	\$	21,440,313
Fixtures	\$	-
Installation Costs	\$	5,500,000
Fees (other than owner legal fees)	\$	250,000
Legal Fees	\$	250,000
Architectural/Engineering	\$	2,050,000
Interest on Interim Financing	\$	1,401,881
Other (Bank Fees, Commissioning)	\$	1,385,866
Subtotal	\$	33,078,060
Agency Fee	\$	5,000
Total Project Capital	\$	33,083,060

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

100%

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:

Tax Acct #	Current Assessed Value (Land)	Current Assessed Value (Building)	Real Estate Taxes
243.000-1-1.8			

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

City of Rome

198 North Washington Street

Rome, NY 13440

12(c) Address of Receiver of School Taxes:

Rome City School District

112 E. Thomas Street

Rome, NY 13440

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

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

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.

Discussions with M&T Bank and KeyBanc are in progress.

- 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.

Please see *Attachment #4*.

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.

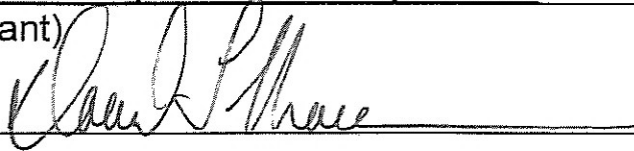
5. The applicant acknowledges that the OCIDA has disclosed that the actions and activities of the OCIDA are subject to the Public Authorities Accountability Act signed into law January 13, 2006 as Chapter 766 of the 2005 Laws of the State of New York.

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.

Griffiss Utility Services Corporation

(Applicant)

By: _____



Name: **Daniel L. Maneen**

Title: **President**

Date: **June 18, 2008**

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.

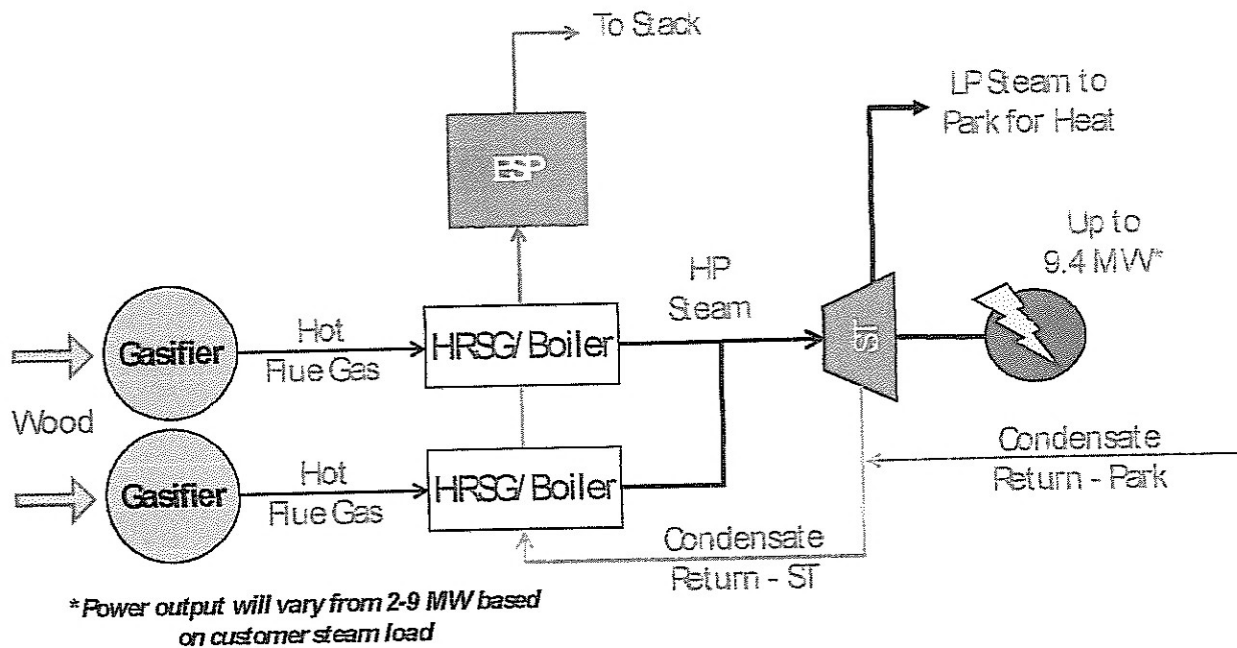
Revised: SP 1/25/07

ATTACHMENT #1 – Project Description

Currently GUSC only operates a district heating plant, while simultaneously operating/maintaining the electrical and steam distribution system for Griffiss Business and Technology Park. The project will utilize a combination of commercially available biomass gasification components and steam-based equipment to allow GUSC to generate both electricity and steam (cogeneration) and provide such energy through its existing infrastructure to GUSC's customers. The key components include a gasifier/combustor island that converts the incoming wood to hot gas; heat recovery steam generators (HRSGs); and a steam turbine.

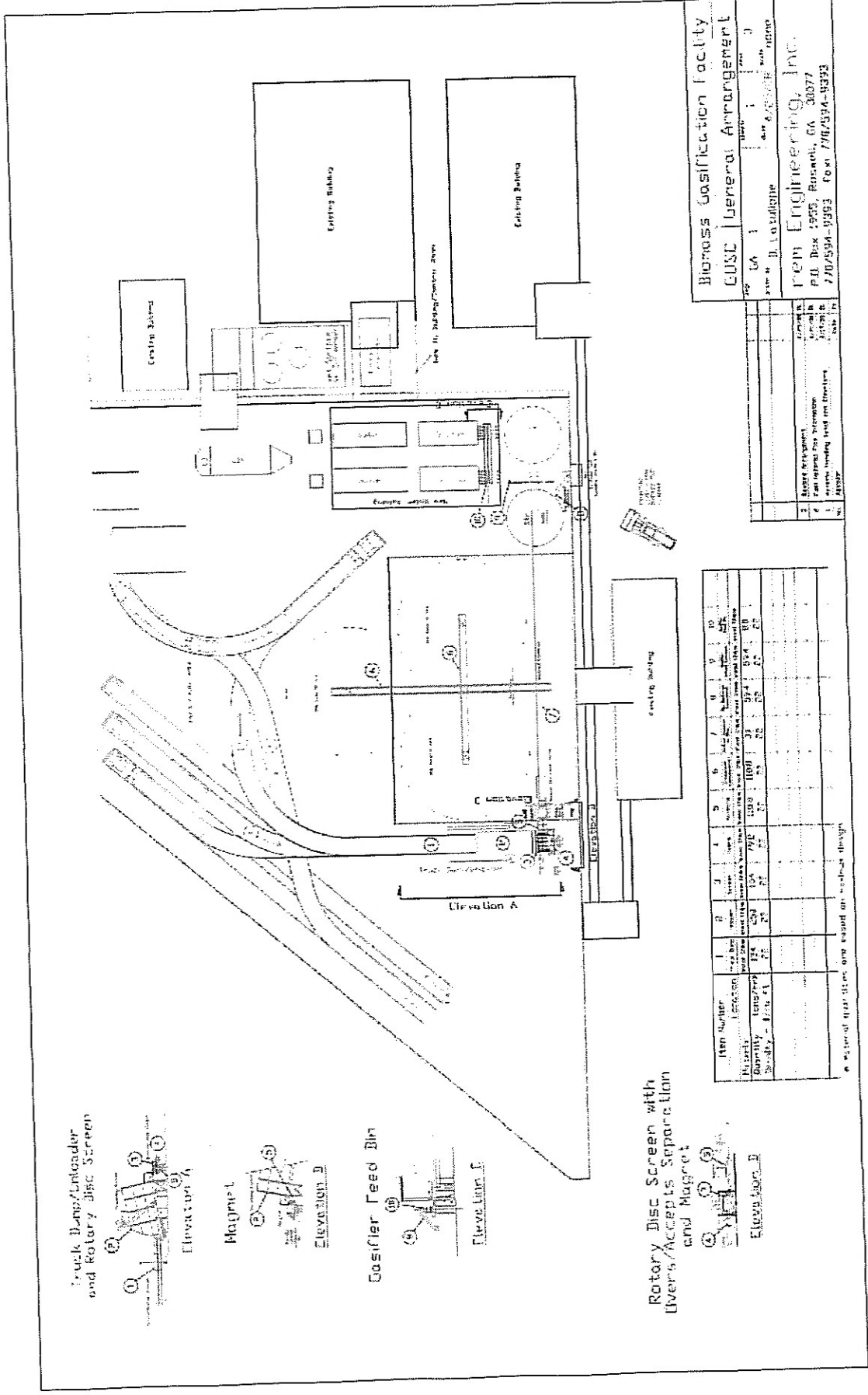
The existing gas-/fuel oil-fired boilers will be retained to provide back-up steam generation. The project will also be electrically connected to the grid to allow for generation back-up and as a source of supplemental electricity.

NEW PLANT SCHEMATIC



Operation of the plant will include the receipt, processing and storage of wood fuels. The site will incorporate a combination of truck unloading facilities, under cover, open pile and silo storage. Fuel will be fed to two gasifiers where it is converted to a low-Btu gas for conversion in the system's combustors to a hot flue gas. The hot flue gas will be passed to the system's boiler to make medium pressure steam. As needed for heating, low pressure steam will be extracted from the system and distributed to the industrial park using the existing steam network and the balance of the steam energy will be used to generate electricity. Electricity will continue to be distributed to the park using GUSC's mini-grid at the park.

Attachment #2 - General Arrangement Diagram



PROJECT I.D. NUMBER

617.20

Appendix C

SEQR

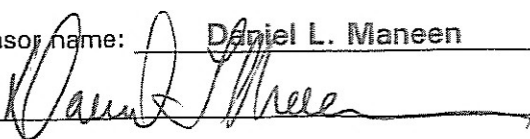
State Environmental Quality Review

SHORT ENVIRONMENTAL ASSESSMENT FORM

For UNLISTED ACTIONS Only

Part 1 - PROJECT INFORMATION To be completed by Applicant or Project sponsor)

ATTACHMENT #3

1. APPLICANT/SPONSOR: Griffiss Utility Services Corporation	2. PROJECT NAME: Griffiss Renewable Energy Combined Heat & Power Project
3. PROJECT LOCATION: Municipality: Rome County: Oneida County	
4. PRECISE LOCATION: (Street address and road intersections, prominent landmarks, etc., or provide map) 655 Ellsworth Road, Rome, New York 13441	
5. PROPOSED ACTION IS: <input type="checkbox"/> New <input checked="" type="checkbox"/> Expansion <input type="checkbox"/> Modification/Alteration	
6. DESCRIBE PROJECT BRIEFLY: This EAF is for funding related to a proposed project targeted at retrofitting or adding new steam generation sources based on established biomass gasification technologies. The technology will involve multiple gasification vessels followed by combustion and steam generation using two new heat recovery steam generators.	
7. AMOUNT OF LAND AFFECTED: Initial <u>0</u> acres Ultimately <u>0</u> acres Existing facility paved area will be used.	
8. WILL PROPOSED ACTION COMPLY WITH EXISTING ZONING OR OTHER EXISTING LAND USE RESTRICTIONS? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe briefly	
9. WHAT IS PRESENT LAND USE IN VICINITY OF PROJECT? <input type="checkbox"/> Residential <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Agricultural <input type="checkbox"/> Park/Forest/Open space <input type="checkbox"/> Other Describe: Facility is located within the Griffiss Business & Technology Park.	
10. DOES ACTION INVOLVE A PERMIT APPROVAL, OR FUNDING, NOW OR ULTIMATELY FROM ANY OTHER GOVERNMENTAL AGENCY (FEDERAL, STATE OR LOCAL)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, list agency(s) name and permit/approvals New York State Department of Environmental Conservation (NYSDEC)- Air Permit and State Pollutant Discharge Elimination System (SPDES) 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(s) name and permit/approval NYSDEC - SPDES permit will be modified and state facility air permit will be replaced with a Title V permit.	
12. AS A RESULT OF PROPOSED ACTION WILL EXISTING PERMIT/APPROVAL REQUIRE MODIFICATION? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE TO THE BEST OF MY KNOWLEDGE	
Applicant/Sponsor name: <u>Daniel L. Maneen</u>	Date: <u>6/18/08</u>
Signature: <u></u>	

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

A. DOES ACTION EXCEED ANY TYPE 1 THRESHOLD IN 6 NYCRR, PART 617.4? If yes, coordinate the review process and use the FULL EAF. Yes No

B. WILL ACTION RECEIVE COORDINATED REVIEW AS PROVIDED FOR UNLISTED ACTIONS IN 6 NYCRR, PART 617.6?
If No, a negative declaration may be superseded by another involved agency. Yes No

C. COULD ACTION RESULT IN ANY ADVERSE EFFECTS ASSOCIATED WITH THE FOLLOWING: (Answers may be Handwritten, if legible.)

- 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:
- C2. Aesthetic, agricultural, archaeological, historic, or other natural or cultural resources; or community or neighborhood character? Explain briefly:
- C3. Vegetation or fauna, fish, shellfish or wildlife species, significant habitats, or threatened or endangered species? Explain briefly:
- 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:
- C5. Growth, subsequent development, or related activities likely to be induced by the proposed action? Explain briefly:
- C6. Long term, short term, cumulative, or other effects not identified in C1-C5? Explain briefly:

Note that a long form EAF with supplemental information is being prepared for the project.

Other impacts (including changes in use of either quantity or type of energy)? Explain briefly:

D. WILL THE PROJECT HAVE AN IMPACT ON THE ENVIRONMENTAL CHARACTERISTICS THAT CAUSED THE ESTABLISHMENT OF A CRITICAL ENVIRONMENTAL AREA (CEA)? Yes No If Yes, explain briefly:

E. IS THERE, OR IS THERE LIKELY TO BE, CONTROVERSY RELATED TO POTENTIAL ADVERSE ENVIRONMENTAL IMPACTS?
 Yes No If Yes, explain briefly:

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) probability of occurring; (c) duration; (d) irreversibility; (e) geographic scope; and (f) magnitude. If necessary, add attachments or reference supporting materials. Ensure that explanations contain sufficient detail to show that all relevant adverse impacts have been identified and adequately addressed. If question D of Part II was checked yes, the determination of significance must evaluate the potential impact of the proposed action on the environmental characteristics of the CEA.

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.

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 impacts **AND** provide on attachments as necessary, the reasons supporting this determination:

City of Rome, New York _____
Name of Lead Agency

John Mazzaferro _____
Print or Type Name of Responsible Officer in Lead Agency

Common Council President _____
Title of Responsible Officer

Signature of Responsible Officer in Lead Agency

Signature of Preparer (If different from responsible officer)

Date

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: Griffiss Utility Services Corporation

DESCRIPTION OF PROJECT: Renewable Energy Cogeneration Project at
Griffiss Business and Technology Park.

**NAME OF ALL SUBLESSEES OR
OTHER OCCUPANTS OF FACILITY:** Not Applicable

PRINCIPALS OR PARENT OF APPLICANT: Not Applicable

**PRINCIPALS OF ANY SUBLESSEE
OR OCCUPANT:** Not Applicable

PRODUCT/SERVICES: Energy generation and sales

ESTIMATED DATE OF COMPLETION OF PROJECT: January 2010

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

TYPES OF BENEFITS RECEIVED:

Taxable Financing
 Tax-Exempt Bonds
 Sales Tax Until Completion Date

___ Mortgage Tax Abatement

___ Real Property Tax Abatement

PROJECT COSTS – CAPITAL INVESTMENT

Land	\$ 0; Cost per Acre \$0
Existing Building	\$ 0
Rehab of Existing Building	\$ 0
Construction of New Building	\$ 6,300,000; Cost per Sq Ft: \$944
Addition or Expansion	\$ 0, Cost per Sq Ft: 0\$
Engineering and Architectural Fees	\$ 2,300,000 (including permitting)
Equipment	\$21,440,313 per Sq Ft: \$3,214
Legal Fees	
Bank, Bond, Transaction, Company,	
Credit Provider, Trustee	\$ 250,000
Finance Charges	
Title Insurance, Environmental	
Review, Bank Commitment Fee,	
Appraisals, etc.	\$ 2,787,747
Agency Fee	\$ 5,000
TOTAL COST OF PROJECT	\$ 33,083,060

Job Revolving Fund Loan	\$ 0
Other Grants or Loans	\$ 0

COMPANY INFORMATION

Existing Jobs	___ 16 ___
Created Jobs (Year 3)	___ 2 ___
Retained Jobs	___ 0 ___

EARNINGS INFORMATION

County Spec Average Direct Jobs	\$ ___
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: Not Applicable

Assumed Real Property Assessment of facility where IDA assistance is being sought: Not Applicable

Assumed NYS Income Tax rate on earnings 4.25%: Not Applicable

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	<u>2</u>	_____
Existing	<u>16</u>	_____
Indirect Jobs		
Created	_____	_____
Existing	_____	_____
Construction		
Person Years	<u>10</u>	_____
TOTALS	_____	_____

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%	_____	_____
Indirect Jobs			
Created <small>(total earnings for indirect jobs created x .36)</small>	36.0%	_____	_____

Existing	(total earnings for indirect jobs existing x .36)	36.0%	_____	_____
Construction				
Person yrs.	(total earnings for construction person yrs. x .36)	36.0%	_____	_____
Totals			_____	_____

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 \$_____

COSTS

Real Property Taxes Abated on Improvements
Only (3-year period) Not Applicable, Tax-exempt

Mortgage Tax Abated Not Applicable, Tax-exempt

Estimated Sales Tax Abated During Construction Period Not Applicable, Tax-exempt

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.

See **Attachment A**

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

Attachment A

Name of Applicant: GUSC

Description of Project: _____

Name of All Sublessees or Other Occupants of Facility: _____

Principals or Parent of Applicant: _____

Products or Services of Applicant to be produced or carried out at facility: _____

Estimated Date of Completion of Project: _____

Type of Financing/ Structure: _____ Tax-Exempt Financing
_____ Taxable Financing
_____ Sale/ Leaseback
_____ Other: _____

Type of Benefits being Sought by Applicant: _____ Taxable Financing
_____ Tax-Exempt Bonds
_____ Sales Tax Exemption on Eligible Expenses Until Completion
_____ Mortgage Recording Tax Abatement
_____ Real Property Tax Abatement

Project Costs

Land	
Existing Building	
Existing Bldg. Rehab	
Construction of New Building	6300000
Addition or Expansion	
Engineering/ Architectural Fees	2300000
Equipment	21440313
Legal Fees (Bank, Bond, Transaction, Credit Provider, Trustee)	250000
Finance Charges (Title Insurance, Environmental Review, Bank Commitment Fee, Appraisal, Etc.)	2787747
Agency Fee	5000
Other (provide detail)	
TOTAL COST OF PROJECT	33083060

Assistance Provided by the Following:

EDGE Loan:	
MVEDD Loan:	
Grants - Please indicate source & Amount:	
Other Loans - Please indicate source & Amount:	

Company Information

Average Salary of these Positions

Existing Jobs	16	45000
Created Jobs (over three years)	2	45000
Retained Jobs	16	45000

Earnings Information for Oneida County

Average Salary of Direct Jobs for Applicant	45000
Average of County Indirect Jobs	25000
Average of Construction Jobs	32000

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

Construction Person Years of Employment: 139

Calculation of Benefits (3 Year Period)

	Total Earnings	Revenues
Direct Jobs		
Created	270000	11475
Existing	2160000	91800
Indirect Jobs		
Created	375000	15937.5
Existing	3000000	127500
Construction - only one year		
Person Years	4435058	188490
TOTALS Calculation of Benefits (3 Year Period)	10240058	435202

TAXABLE GOODS & SERVICES

	Spending Rate	Expenditures	State & Local Sales Tax Revenues
Direct Jobs			
Created	36%	97200	9477
Existing	0.36	777600	75816
Indirect Jobs			
Created	0.36	135000	13162.5
Existing	0.36	1080000	105300
Construction - only one year			
Person Years	0.36	1596621	155671
TOTAL TAXABLE GOODS & SERVICES		3686421	359426

Local (3 year) real property tax benefit (assuming 60% of jobs existing and created own a residence) with an average assessment of \$80,000 and the remainder of jobs existing created pay real property taxes through rent based on an average assessment per apartment of \$50,000.

Tax Rate for School District where facility is located:	
Tax Rate for Municipality where facility is located:	
Tax Rate for County:	
	54.52

Real Property Taxes Paid: **66732.48**

COSTS:

Real Property Taxes Abated on Improvements Only (3 yr. Period): **0** Amount of Taxes that would be abated by applying PILOT.

Mortgage Tax Abated (1.0%)

Estimated Sales Tax Abated During Constructions Period (8.75%)

	0
	0

(40% of the construction and
Rehab costs times the NYS &
Local Sales tax)

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.