

**PROJECT EVALUATION and COST/BENEFIT ANALYSIS**

(As required by Section 869-A3 of New York General Municipal Law)

Project Applicant: **LF Bioenergy LF1 LLC, Project #4001-22-01**

Project Types and Evaluation Criteria: The Agency, in its discretion, shall evaluate each project type below based on the totality of applicable factors, taking into account the total economic impact, and no one factor may be determinative. In any case where a project may be categorized by more than one type listed below, the evaluative criteria for each applicable project type should be applied to the applicable component of the project.

- 1) Manufacturing/Warehousing/Distribution Projects
- 2) Agricultural/Food Processing Projects
- 3) Adaptive Reuse/Community Development Projects
- 4) Tourism Projects
- 5) Other Retail Projects
- 6) Back Office/Data or Call Center Projects
- 7) Energy Production Projects
- 8) Affordable Housing Projects
- 9) Senior Housing Projects
- 10) Market Rate Housing Projects
- 11) **Other Projects – Solid Waste**

Other Projects

For Other Projects, the Agency should consider the following criteria:

- i. The information provided in the Cost Benefit Analysis;
- ii. The capital investment being made by the applicant;
- iii. The impact, if any, from local labor construction for the project;
- iv. Alignment with local planning and development efforts;
- v. Other factors as determined by the Agency to be relevant to the project.

**Comments:**

LF Bioenergy LF1 LLC proposes IDA assistance for a project which includes: (A) (1) the acquisition of an interest in an approximately eight (8) acre parcel of land located at 925 County Route 54 in the Town of Lawrence (the “Land”), (2) the construction on the Land of an anaerobic digester to process cow manure produced by approximately 4,500 dairy cows, including flushing systems, a new manure handling system, a hydrolyzer and agitators (collectively, the “Facility”), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”), all of the foregoing to constitute an anaerobic digester and other directly and indirectly related activities (the Land, the Facility and the Equipment being collectively referred to herein as the “Project Facility”); (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); (C) the financing of a portion of the costs of the foregoing by the issuance of its industrial development revenue bonds in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be \$18,000,000 and in any event not to exceed \$20,000,000.

## COST/BENEFIT ANALYSIS

(As required by Section 869-A3 of New York General Municipal Law)

Project Applicant: **LF Bioenergy LF1 LLC, Project #4001-22-01**

### Estimated COST of Agency Assistance

#### 1. Sales and Use Tax Exemption

a. Amount of Project Cost Subject to Tax:		1,678,166
	Sales and Use Tax Rate	<u>8%</u>
<b>b. Estimated Exemption:</b>		<b><u>\$134,253</u></b>

#### 2. Mortgage Recording Tax Exemption

a. Projected Amount of Mortgage:		N/A
	Mortgage Recording Tax Rate	<u>0.75%</u>
<b>b. Estimated Exemption:</b>		<b><u>\$</u></b>

#### 3. Real Property Tax Exemption

Property Location: Town of Lawrence

a. Investment in Real Property	Total Project Cost	<u>N/A</u>
b. Pre-project Assessment		<u>                    </u>
c. Projected Post-project Assessment		<u>                    </u>
d. Equalization Rate (for reference only)		<u>                    </u>
e. Increase in Assessed Value of Property		<u>                    </u>
f. Total Applicable Tax Rates per \$1,000		<u>                    </u>
g. Ten Year Total Taxes	(e x f x 10)	<u>                    </u>
h. PILOT Payments with Standard IDA PILOT	(g x .25)	<u>                    </u>
<b>i. Net Exemption Amount</b>	<b>(g – h)</b>	<b><u>\$</u></b>

#### 4. Interest Exemption [Bond Only]

a. Total Estimated Interest Expense	(Assuming Taxable interest)	<u>\$20,278,575</u>
b. Total Estimated Interest Expense	(Assuming Tax Exempt Interest)	<u>\$13,496,113</u>
c. Interest Exemption	(a – b)	<u>\$ 6,782,462</u>

### TOTAL ESTIMATED EXEMPTIONS

**\$ 6,916,715**

Comments:

Applicant proposes utilization of NYS Real Property Tax exemption 483-e (Anaerobic digestion facilities) for a real property tax exemption and is not seeking an IDA real property tax exemption for the project.

# COST/BENEFIT ANALYSIS

(As required by Section 869-A3 of New York General Municipal Law)

Project Applicant: **LF Bioenergy LF1 LLC, Project #4001-22-01**

## Estimated BENEFIT of Agency Assistance

### EMPLOYMENT COMPARISON:

Do not include construction jobs relating to the Project.

- Full Time: Permanent employee who works 30 or more hours each week, and does so on a regularly-scheduled basis.
- Part Time Temporary/Seasonal: Any employee who works fewer than 30 hours each week, and does so on an occasional, temporary or as-needed basis.

- A:** Insert the number of full time and part time jobs that currently exist within your company at the time of application.
- B:** Indicate the average annual wage for each job type listed in A (full time, part time, or other).
- C:** Indicate the average annual Benefit for each job type listed in A (full time, part time, or other).
- D:** Insert the number of jobs to be created during year 1 of the project for each job type (full time, part time, or other).
- E:** Insert the number of jobs to be created during year 2 of the project for each job type (full time, part time, or other).
- F:** Insert the number of jobs to be created during year 3 of the project for each job type (full time, part time, or other).
- G:** The total number of jobs to be created for each job type (full time, part time, or other) will automatically calculate.

Jobs	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Current Jobs	Average Annual Wage	Average Annual Benefit Cost	Number of Jobs Created Year 1	Number of Jobs Created Year 2	Number of Jobs Created Year 3	Total New Jobs Created
<b>Full Time</b>							
Management		\$	\$				
Professional		\$	\$				
Administrative		\$	\$				
Production		\$ ████████	\$ ██████	2	0	0	2
Independent Contractor		\$	\$				
Other:		\$	\$				
<b>Total</b>		\$ ████████	\$ ██████	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>Part Time</b>							
Management		\$	\$				
Professional		\$	\$				
Administrative		\$	\$				
Production		\$	\$				
Independent Contractor		\$	\$				
Other:		\$	\$				
<b>Total</b>		\$	\$				

**ESTIMATED OTHER BENEFITS:**

<input type="checkbox"/>	<b>Sales Tax Revenue (New Product)</b>	This project will result in the manufacturing or selling of a new product, and the estimated amount of annual sales taxes that will be generated on retail sales of the new project is \$ .
<input type="checkbox"/>	<b>Sales Tax Revenue (Existing Product)</b>	This project will result in increased production or sales of an existing product, and the estimated amount of annual sales tax that will be generated on the retail sales of the increased production is \$ .
<input type="checkbox"/>	<b>Real Property Taxes</b>	The amount of annual real property taxes that will be payable on the project at the end of the PILOT Agreement is \$.
<input type="checkbox"/>	<b>Construction Jobs</b>	This project will help generate approximately <b>75 (over 6 months)</b> construction jobs.
<input checked="" type="checkbox"/>	<b>Community and Regional Benefit</b>	<p>The Project involves the construction of an anaerobic digester system to process cow manure from the Stauffer Dairy Farm. In addition to handling the waste of approximately 4,500 dairy cows, the project will generate renewable natural gas, providing an additional revenue stream to the farm.</p> <p>The use of anaerobic digesters for manure management will provide long-term sustainability and utilize technology that will create more environmentally friendly operations.</p> <p>This project supports the following 2022 St. Lawrence County Comprehensive Economic Development Strategy (“CEDS”) goals:</p> <p><b>Goal #1: Identify, retain, and expand employers and startups within the County by prioritizing activities that assist in ensuring viability through more profitable operations.</b></p> <p><b>Goal #3: Promote outside investment and bring new firms to the County by focusing resources on markets that can be reached effectively.</b></p> <p>Agriculture and Forest Products, Manufacturing, and Renewable Energy are also listed as three of the nine key sectors of the County economy in the CEDS. This project has attributes which add to, and support, all three of these sectors.</p>