

**PLEASE NOTE - We welcome public comment on the items on the following agenda. To ensure maximum opportunity for participation, speakers representing themselves may speak for up to 2 minutes each, and those representing groups may speak for up to 4 minutes (1 speaker per group). Speakers' comments may address only items considered at today's meeting. Materials relating to matters that are scheduled for discussion in open session will be available at the meeting and will be posted on ESD's website prior to the meeting in accordance with the Public Officers Law**

**UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION**

at the offices of  
Empire State Development – Buffalo Regional office  
95 Perry Street – Suite 500  
Buffalo, New York 14203

Meeting of the Directors

Thursday

July 24, 2014 – 3:30 p.m.

**PROPOSED AGENDA**

**FOR CONSIDERATION**

**CORPORATE ACTION**

1. Approval of the Minutes of the June 27, 2014 Directors Meeting

**UPSTATE REGIONAL BLUEPRINT FUND**

**CENTRAL NEW YORK REGION**

2. Regional Council Award – Oswego (Central New York Region – Oswego County) – St. Luke Health Services - Upstate Regional Blueprint Fund – Business Investment (Capital Grant) – Findings and Determinations Pursuant to Sections 16-q and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

**DRAFT – SUBJECT TO REVIEW AND REVISION**

**UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION**

Meeting of the Directors  
Held at the New York City Regional Office  
633 Third Avenue  
New York, New York 10017

and

Buffalo Regional Office  
95 Perry Street  
Buffalo, New York 14203

June 27, 2014

**MINUTES**

**In Attendance  
Directors:**

Kenneth Adams (Acting Chair)  
Sam Hoyt

**Present for Upstate  
ESD:**

Eileen McEvoy, Secretary

**Present for ESD:**

Maria Cassidy, Deputy General Counsel  
Elizabeth Fine, Senior Vice President and General Counsel  
– Legal  
Edwin Lee, Assistant Vice President – Discretionary  
Projects  
Kathleen Mize, Controller

**Also Present:**

Merideth Bahr-Andreucci – Finger Lakes Regional Office

The Press  
The Public

**DRAFT – SUBJECT TO REVIEW AND REVISION**

The meeting of the Upstate Empire State Development Corporation, a wholly-owned subsidiary of the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”), was called to order at 9:45 a.m. by Acting Chair Adams. It was noted for the record that notices to the public and news media of the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

First, Acting Chair Adams noted that the public is free to comment on any matters on the Agenda. It was noted for the record that the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Next, Acting Chair Adams set forth the guidelines regarding comments by the public on matters on the Agenda as well as with regard to any conflicts of interest the Directors may have with regard to items on the Agenda.

The Acting Chair then called for a motion to approve the Minutes of the February 20, 2014 Directors’ meeting. Upon motion duly made and seconded, the following resolution was unanimously adopted:

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE FEBRUARY 20, 2014 MEETING OF THE DIRECTORS OF THE CORPORATION FOR UPSTATE EMPIRE STATE DEVELOPMENT CORPORATION

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RESOLVED, that the Minutes of the meeting of the Corporation held on February 20,

**DRAFT – SUBJECT TO REVIEW AND REVISION**

2014, as presented to this meeting, are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

\* \* \*

The Acting Chair then asked Ms. Bahr-Andreucci to present the Midtown Tower Upstate Regional Blueprint Fund grant item for the Directors' consideration.

Ms. Bahr-Andreucci provided the relevant background information with regard to this request noting that the Directors were being asked to authorize the Corporation to make a \$1.2 million Upstate Regional Blueprint Capital grant to Midtown Tower LLC to assist in a \$57.5 million renovation and adaptive re-use of the Midtown Tower in Rochester into a focal point of commercial retail office and residential space.

Following the full presentation, the Acting Chair called for questions or comments. Director Hoyt spoke favorably with regard to the project in general and to the positive impacts that it will have. He also praised and expressed his appreciation to Ms. Bahr-Andreucci for her hard and successful work on the project.

Acting Chair Adams echoed Director Hoyt's comments.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

**DRAFT – SUBJECT TO REVIEW AND REVISION**

Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Midtown Tower Capital – Upstate Regional Blueprint Fund – Business Investment (Capital Grant) – Findings and Determinations Pursuant to Sections 16-q and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Midtown Tower Capital -- Upstate Regional Blueprint Fund – Business Investment (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Midtown Tower, LLC a grant for a total amount not to exceed One Million Two Hundred Thousand (\$1,200,000) from the Upstate Regional Blueprint Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

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There being no further business, the meeting was adjourned at 9:53 a.m.

Respectfully submitted,

Eileen McEvoy  
Corporate Secretary

# Empire State Development

## FOR CONSIDERATION

July 24, 2014

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Regional Council Award – Oswego (Central NY Region – Oswego County)  
– St. Luke Health Services – Upstate Regional Blueprint Fund – Business Investment (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Sections 16-q and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment;

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### General Project Plan

#### I. Project Summary

Grantee: City of Oswego (the “City”)

Beneficiary Organizations: St. Luke Residential Health Care Facility, Inc. d/b/a St. Luke Health Services (“St. Luke” or the “Organization”)

St. Francis Commons, LLC (“St. Francis”)

UESD\* Investment: A grant of up to \$466,000 to be used for a portion of the cost to purchase and install furniture, fixtures, and equipment

\* The Upstate Empire State Development Corporation (the “Corporation”), a subsidiary of the New York State Urban Development Corporation doing business as Empire State Development (“ESD”)

Project Location: 299 East River Road, Oswego, Oswego County

Proposed Project: Construct and equip St. Francis Common, a 60-bed adult home and assisted living facility on the St. Luke's Health Services campus

Project Type: Construction of an assisted living facility

Regional Council: The project is consistent with the Central NY Regional Plan to support and invest in the continued growth of the healthcare industry in the region.

## II. Project Cost and Financing Sources

| <u>Financing Uses</u>           | <u>Amount</u>  |
|---------------------------------|----------------|
| Construction                    | 8,186,257      |
| Furniture, Fixtures & Equipment | 474,617        |
| Soft Costs                      | <u>398,126</u> |

Total Project Costs \$9,059,000

| <u>Financing Sources</u>                              | <u>Amount</u> | <u>Percent</u> |
|---|---------------|----------------|
| ESD – Grant   | \$466,000     | 5%             |
| NYS Department of Health –<br>“Heal New York” – Grant | 8,008,000     | 88%            |
| Oswego County IDA                                     | 500,000       | 6%             |
| St. Luke John Foster<br>Burden Fund – Grant           | 35,000        | 0.4%           |
| Community Development<br>Block Grant                  | <u>50,000</u> | <u>0.6%</u>    |

Total Project Financing \$9,059,000 100%

## III. Project Description

### A. Grantee

Grantee History: The City of Oswego is located on the southeastern corner of Lake Ontario and is the largest city in Oswego County. It was incorporated in 1848, is the county seat and a trade center due to its location in the central region of New York State. Located on the southeast shore of Lake Ontario the City is enhanced by virtue of its proximity to the St. Lawrence Seaway and more specifically because it is home to the first inland port on the Great Lakes system.

Oswego’s industrial economy of the 19th and 20th centuries has evolved into a service economy, primarily based on higher education, tourism and a burgeoning alternative energy industry.



Ownership: N/A

Size: As reported in the census of 2010, there were 18,142 people, 7,486 households, and 3,896 families residing in the 8,258 housing units in the city.

B. Beneficiaries – St. Luke Health Services and St. Francis Commons, LLC.

Industry: St. Luke Health Services is a non-denominational, not-for-profit organization that provides skilled nursing and rehabilitation services to two hundred elderly residents in the Oswego County community.

St Francis Commons, LLC is the owner and operator of the St. Francis Commons Assisted Living Residence, and operates as an affiliated entity within the family of St. Luke healthcare programs.

Beneficiaries’  
History:

St. Luke is affiliated with a number of community-based, not-for-profit organizations known as “*The St. Luke’s Family of Caring*” that serve the greater Oswego County area. These affiliates include Bishop’s Commons Enriched Living Residence, St. Francis Commons Assisted Living Residence, and Michaud Residential Health Services.

St. Francis offers the only New York State licensed assisted living program in Oswego, combining residential and home care services. Housekeeping, supervision, care management, personal care and home health services to its residents. St. Francis offers services and amenities that provide an affordable lifestyle choice for individuals who wish to remain independent and active, yet may need help with daily activities.

Ownership: St. Francis and St. Luke are non-profit corporations as defined in Section 102(a)(5) of the Not-for-Corporation Law. Both organizations are governed jointly under one board of directors.

Size: Together, St. Francis and St. Luke provide care and services to over 400 people, and employ over 500 in the community.

ESD Involvement: In 2010, responding to a significant need in the community for alternative residential care facilities, St. Luke sought to reconfigure and enhance the current, long-term senior care system in Oswego County to meet identified healthcare needs of the community and reduce the cost of healthcare. Licensed residential programs are limited in Oswego with three to five certified adult care facilities providing one-hundred and

twenty-four beds to the target population throughout the County. In addition the County has experienced a spike in the population of senior residents. The Organization was also hopeful that the development of new services would result in significant cost reductions to the local healthcare environment, while meeting the residential health needs of individuals with lower to moderate income resources.

Having been awarded a New York State Health Department grant from the Heal New York Fund in September 2010, St. Luke sought to construct a new adult assisted living facility on its campus. However, it fell short of meeting the financing required to undertake construction. In 2011, St. Luke approached the City to assist it in locating new sources of funding, and the City applied under Round 1 of the Regional Council Consolidated Funding Application on behalf of St. Luke. While funding was awarded via the NYS Division of Housing and Community Renewal (“HCR”), difficulty uniting construction deadlines, and the timing of HCR’s grant process, prevented HCR from contributing to the project. Fortunately, ESD was then able to fulfill the State’s funding commitment via the Upstate Regional Blueprint Fund.

St. Luke chose to locate and develop its new ALP residence on a “shovel-ready” site located on the fourteen-acre healthcare campus owned by St. Luke Health Services since 1997. The residence is now known as the St. Francis Commons Assisted Living Residence. In December 2013, St. Luke transferred the assets of the residence to St. Francis who now owns and operates the facility.

Competition: N/A

Past ESD Support: Funding for the past five years to the Grantee is summarized in the following chart:

| <b>Program</b> | <b>Project #</b> | <b>Amount</b> | <b>Date Start<br/>(ESD Directors’<br/>Approval date)</b> | <b>Date End<br/>(Project Completion:<br/>Contract Expiration or<br/>Job Requirement)</b> | <b>Purpose</b>  |
|----------------|------------------|---------------|--|--|---|
| Restore NY     | W841             | \$1,600,000   | 2010   | 2013   | Capital Grant -<br>Redevelopment of<br>vacant warehouse |
| Restore NY     | W044             | \$1,000,000   | 2010   | 2013   | Capital Grant -<br>Expansion of a Hotel                 |

B. The Project

Completion: October 2013

Activity: St. Luke has constructed a 60-bed adult home for a new assisted living program (“ALP”) on its campus. ALPs serve people who are medically eligible for nursing home placement, but in a less medically invasive, lower cost setting. The building is currently owned and operated by St. Francis Commons, LLC, and is known as the St. Francis Commons Assisted Living Residence.

Ground broke on construction of the facility in November 2012, and a ribbon cutting ceremony was held in October 2013. Construction is complete, and the building has obtained its final Certificate of Occupancy. The completed facility is centrally located in a residential area of the City, immediately adjacent to the Oswego County Health Department, Charles E. Riley Elementary School, and the Little Luke’s Childcare Center.

The ALP will provide supportive housing and home care services to individuals who are medically eligible for placement in a nursing facility, but whose needs can be met in a less restrictive and lower-cost residential setting. This model is designed as an alternative to nursing home placement for individuals who historically have been omitted to nursing facilities. The ALP will be responsible for providing resident services that include room, board, housekeeping, supervision, personal care and home health services.

Results: The project has addressed all New York State Department of Health guidelines for Special Needs Assisted Living Residence and structural design requirements to accommodate an ALP.

Fourteen of the 60 beds in the new facility will serve individuals with identified early to middle stage dementia related illnesses. Construction of the facility is expected to create approximately 33 Full-time jobs when fully operational. A minimum of 15% of these jobs will be made available to persons of low to moderate income households.

Economic Growth

Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and

Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$487,709;
- Fiscal cost to NYS government is estimated at \$466,000;
- Ratio of project fiscal benefits to costs to NYS government is 1.05:1;
- Fiscal benefits to all governments (state and local) are estimated at \$863,406;
- Fiscal cost to all governments is \$966,000;
- The fiscal benefit to cost ratio for all governments is 0.89:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$6,294,914;
- The economic benefit to cost ratio is 6.52:1;
- Project construction cost is \$8,836,000, which is expected to generate 78 direct job years and 46 indirect job years of employment;
- For every construction-related direct job generated by this project, an additional 0.45 indirect job is anticipated in the state's economy.

(See Project Summary Benefit-Cost Evaluation attached for detail and definitions.)

Grantee Contact: Mary Vanouse, Community Development Director  
City of Oswego Community Development Office, Conway Municipal  
Center, 20 West Oneida Street  
Oswego, NY 13126  
Phone: (315) 343-3795

Beneficiary Contact  
(St. Luke): Greg Osetek, Assistant Director  
St. Luke Residential Health Care Facility, Inc.  
299 East River Road  
Oswego City, New York, 13126  
(315) 342-3166

Beneficiary Contact  
(St. Francis): Terry Gorman, CEO/Administrator  
St. Francis Commons, LLC  
12 Burkle Street  
Oswego, New York, 13126  
(315) 326-0870

ESD Project No.: Z041

|               |                                 |                 |
|---------------|---------------------------------|-----------------|
| Project Team: | Origination                     | Ray Lawrence    |
|               | Project Management              | Simone Bethune  |
|               | Contractor & Supplier Diversity | Elizabeth Gocs  |
|               | Finance                         | Jonevan Hornsby |
|               | Environmental                   | Soo Kang        |

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$466,000 capital grant (\$4,660) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$466,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials, as evidenced by a Certificate of Occupancy, and any other documentation verifying project completion as ESD may require, including documentation verifying project expenditures of \$9,000,000, and approximately \$638,000 in furniture, fixtures and equipment purchases and installation, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD must be incurred on or after April 26, 2011, to be considered eligible project costs. All disbursements must be requested by April 1, 2015.
6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$466,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the

transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

#### IV. Statutory Basis

This project is authorized under Section 16-q of the New York State Urban Development Corporation Act (the “Act”) and satisfies the eligibility criteria in the Act and the rules and regulations for the Upstate Regional Blueprint Fund Program. No residential relocation is required as there are no families or individuals residing on the site.

#### V. Environmental Review

The City of Oswego, as lead agency, has completed an environmental review of the proposed project, pursuant to the requirements of the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action which would not have a significant effect on the environment. ESD staff reviewed the supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

#### VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority- and women-owned businesses in the performance of ESD contracts. For purposes of this Contract, however, goals will not be established due to unavailability of minority- and women-owned businesses for the performance of this Contract.

#### VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

Project Photographs

New York State Map

Project Finance Memorandum

Benefit-Cost Analysis

July 24, 2014

Regional Council Award – Oswego (Central Region – Oswego County) – St. Luke Health Services – Upstate Regional Blueprint Fund – Business Investment (Capital Grant) – Findings and Determinations Pursuant to Sections 16-q and 10 (g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Upstate Empire State Development Corporation (the “Corporation”), relating to the St. Luke Health Services – Upstate Regional Blueprint Fund – Business Investment (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to City of Oswego a grant for a total amount not to exceed Four Hundred and Sixty Six Thousand Dollars (\$466,000) from the Upstate Regional Blueprint Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of



them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

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July 17, 2014

Regional Council Award – Oswego (Central Region – Oswego County) – St. Luke Health Services – Upstate Regional Blueprint Fund – Business Investment (Capital Grant) – Determination of No Significant Effect on the Environment

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RESOLVED, that based on the material submitted to the Directors with respect to the St. Luke Health Services Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

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## Project Summary Benefit-Cost Evaluation<sup>1</sup>

### St. Luke's Health Services Center -Economic Growth Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

**Construction Job Years (Direct): 78**

**Construction Job Years (Indirect): 46**

| Evaluation Statistics                | Project Result<br>NYS Govt. | NYS Govt.<br>Benchmarks for<br>ESD Projects <sup>2</sup> | Project Results<br>State & Local<br>Governments | State & Local<br>Government<br>Benchmarks for<br>ESD Projects |
|--------------------------------------|-----------------------------|--|---|---|
| <b>Fiscal Costs<sup>3</sup></b>      | \$466,000                   | \$794,250  | \$966,000                                       | \$1,020,500   |
| <b>Fiscal Benefits<sup>4</sup></b>   | \$487,709                   | \$2,085,600  | \$863,406                                       | \$4,271,980   |
| <b>Fiscal B/C Ratio</b>              | 1.05                        | 3.00   | 0.89  | 10.60   |
|                                      |                             |  |   |   |
|                                      | <b>Project<br/>Results</b>  | <b>Benchmarks<br/>for ESD<br/>Projects</b>               |   |   |
| <b>Economic Benefits<sup>5</sup></b> | \$6,294,914                 | \$119,468,000  |   |   |
| <b>Economic B/C Ratio</b>            | 6.52                        | 20.00  |   |   |

1 Dollar values are present value calculated over a 7-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

2 The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 20.00 (Economic).

3 Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

4 Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

5 Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

**St. Luke Health Services**  
Oswego  
Oswego County

