

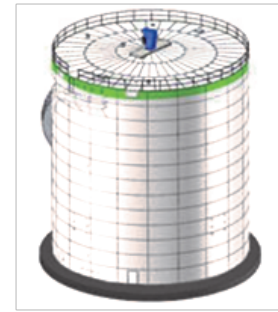
Sustainable BioPower, LLC /Quasar Energy Group
\$5,000,000
INDUCEMENT RESOLUTION

HIGHLIGHTS

- Eligibility: NAICS Section - 22
- The project will generate approximately \$220,000 of additional revenue to the local taxing jurisdictions over the abatement period representing \$40,000 to the County of Erie, \$57,000 to the Town of West Seneca and \$125,000 to the West Seneca School District. In the first year after project completion the full taxes should equal approximately \$148,000.



Biomass Equalization Tank



Digester Tank

COMPANY INCENTIVES

- Approximately \$33,000 in sales tax savings
- Mortgage tax savings up to \$50,000
- Approximately \$814,000 in real property tax savings

Project Title: Sustainable BioPower, LLC /Quasar Energy Corp.
 Project Address: North America Drive
 West Seneca, New York
 (West Seneca Centra; School District)
 SIC/NAICS: 3510/221117

Agency Request

A real property tax abatement, sales tax and mortgage tax savings in connection with the acquisition of a 5 acre parcel in the North America Center and the construction of a 2,000 sq. ft. renewable energy facility.

Land/Building Acquisition	\$ 125,000
New Building Construction	500,000
Manufacturing Equipment	3,000,000
Non-Manufacturing Equipment	130,000
Soft Costs	<u>1,245,000</u>
 Total Project Cost	 \$5,000,000

Company Description

Sustainable BioPower, LLC is owned by Forest City Sustainable Resources and Quasar Energy Group.

Forest City Sustainable was founded in 1920. The Company went public in 1960 and has established a national reputation as a property owner, manager and developer of some of the largest, and most prestigious, real estate projects in the country.

Quasar Energy Group is recycling energy in North America from organic wastes. Based in Cleveland, Ohio, Quasar is a full service waste-to-energy company with a superior laboratory and engineering facility at The Ohio State University's Ohio Agricultural Research and Development Center (OARDC) campus located in Wooster, Ohio. Quasar designs, builds, owns and operates anaerobic (capable of living without oxygen) digestion facilities using U.S. components to produce renewable energy.

Quasar technology solves waste management issues facing agricultural farmers, industrial food companies, municipal treatment plants and ethanol producers. Quasar creates a system that recycles energy from waste that would usually be incinerated or hauled to landfills. Instead, the process generates EQ (exceptional quality) biosolids. Resulting biogas becomes reusable energy while remaining liquid and resulting solids can be used for fertilizer and organic soil amendments.

Project Description

The project consists of the acquisition of a 5 acres parcel in the North American Center Industrial Park in the Town of West Seneca and the construction of a biomass based energy facility.

Sustainable BioPower, LLC /Quasar Energy Group

The energy facility will consist of 2 tanks (a digester tank and equalization tank) as well as electricity production and operation equipment and associated building.

The facility produces renewable energy through the anaerobic digestion of organic wastes such as food waste, fats, oils, greases and biosolids. The need for this type of facility was created by the New York Public Service Commission's adoption of a renewable portfolio standard that encourages the generation of green energy.

Project Benefits

This project helps New York State's goal of reducing its landfill footprint by providing a green, alternative disposal option. It also provides renewable energy for the community, job creation, economic stimulus and valuable soil amendments.

The project is anticipated to create 4 full time and 3 part time jobs.

New Tax Revenue Generated

Project Assessment	New revenue upon project completion under PILOT - Yrs 1-7 based on an increase in value
\$2,250,000	\$222,000
Combined Tax Rate: \$65.77	

- The project is estimated to generate approximately \$220,000 of additional revenue to the local taxing jurisdictions over the abatement period representing \$40,000 to the County of Erie, \$57,000 to the Town of West Seneca and \$125,000 to the West Seneca School District. In the first year after project completion the full taxes should equal approximately \$148,000.

Project Incentives

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Employment

<u>Current:</u>	<u>Projected (2 Years)</u>
0	2-4 full time and 3 part time

Project History

09/27/2012	Public Hearing held. Transcript attached.
10/15/2012	Inducement Resolution presented to Board of Directors authorizing adoption of a Negative Declaration in accordance with SEQRA.
10/15/2012	Lease/Leaseback Inducement Resolution presented to Board of Directors.