

NOTICE OF AVAILABILITY OF STATE AND FEDERAL FUNDS

Environmental Facilities Corporation
625 Broadway
Albany, NY 12207-2997

DRY CLEANING FACILITIES IN EXISTENCE PRIOR TO MAY 15, 1997 LOCATED WITHIN NEW YORK STATE (DRY CLEANERS LOCATED IN THE CITY OF NEW YORK, UP TO A TOTAL OF \$2 MILLION) WHICH ARE SMALL BUSINESSES AND ELIGIBLE MACHINES INSTALLED AFTER AUGUST 1, 1996 AND NOT LATER THAN 90 DAYS AFTER THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION'S ENFORCEMENT DEADLINE FOR 4TH GENERATION MACHINE UPGRADE OF JUNE 26, 2003

Financial Assistance to Business (FAB) Dry Cleaner Program

Note: Below is a revised version of a "Notice of Final Description of Eligible Project Categories" that was published in the *State Register* on March 3, 1999, July 28, 1999, December 29, 1999, July 26, 2000, December 27, 2000, May 30, 2001, July 18, 2001, January 9, 2002, July 3, 2002 and December 24, 2002. The current revision is to increase the duration of the program and thus the number of dry cleaners who will be eligible to receive funding under this program and to expand eligibility to include dry cleaners located in the Counties of Kings, Queens, Richmond, New York and Bronx (New York City). Specifically, the last date that applications will be accepted is extended from **June 26, 2003 to March 31, 2004. All eligible equipment must be purchased/leased not later than the June 26, 2003 NYSDEC enforcement deadline, and must be installed immediately, but not later than 90 days after the June 26, 2003 deadline.**

NOTICE OF FINAL DESCRIPTION OF ELIGIBLE PROJECT CATEGORIES

I. BACKGROUND, SCOPE AND APPLICABILITY

The New York State Environmental Facilities Corporation ("EFC") proposes to provide funding to the owners of certain eligible dry cleaning facilities to defray costs associated with environmental protection requirements. This funding will be made pursuant to the Dry Cleaner Program within the existing Financial Assistance to Business ("FAB") program that was created by the Clean Water/Clean Air Bond Act of 1996, and implementing regulations (21 N.Y.C.R.R. Part 2606).

The FAB Dry Cleaner Program is intended to help owners of dry cleaning facilities comply with state regulations (6 N.Y.C.R.R. Part 232), which will result in reduced perchloroethylene ("PERC") emissions. Under the FAB Dry Cleaner Program, EFC will provide financial assistance for the acquisition and installation of certain new or upgraded eligible dry cleaning equipment, which complies with Part 232. (Requests for state assistance for dry cleaning equipment utilizing alternative technologies will be considered on a case-by-case basis).

The FAB Dry Cleaner Program only applies to: (1) dry cleaning facilities in existence prior to May 15, 1997; (2) which are located within New York State (Pursuant to the Laws of 2003, eligibility for

the FAB Dry Cleaner Program was extended to dry cleaners located in the City of New York, up to a total of \$2 Million); (3) which are "small businesses"; and (4) eligible machines installed after August 1, 1996 and not later than 90 days after the New York State Department of Environmental Conservation's (DEC) enforcement deadline for 4th generation machine upgrade of June 26, 2003.

A "small business" is any business, which is independently owned and operated, not dominant in its field, and employs not more than one hundred people.

II. PURPOSE OF THIS NOTICE

As required by the proposed Part 2606, this notice describes eligibility requirements for the FAB Dry Cleaner Program, the amount of funding available, the time period during which EFC will accept applications for funding, and certain other eligibility criteria.

III. DEFINITIONS

Unless defined herein, terms used in this notice shall have the meanings set forth in Section 56-0101 of the environmental conservation law, or 21 N.Y.C.R.R. Part 2606. Terms used in this notice have the following meanings:

(1) *Eligible dry cleaning equipment* means **new** (i.e., never before purchased or leased) perchloroethylene dry cleaning equipment that has been certified by the New York State Department of Environmental Conservation (DEC) pursuant to 6 N.Y.C.R.R. Part 232, or, if DEC had not yet certified the equipment, the vendor or manufacturer has given written assurance that the equipment will comply with 6 N.Y.C.R.R. Part 232. (Requests for state assistance for cleaning equipment utilizing alternative technologies will be considered on a case-by-case basis).

(2) *Dry cleaning project* means the acquisition (i.e., purchase or lease) and installation of eligible dry cleaning equipment for a single dry cleaning system at a dry cleaning facility in existence prior to May 15, 1997.

(3) *Dry cleaning facility* means a facility with one or more dry cleaning systems.

(4) *Dry cleaning system* means all equipment, devices, or apparatus associated with PERC dry cleaning operations, including, without limitation, dry cleaning equipment; filter or purification systems; waste holding, treatment, or disposal systems; PERC supply systems; dip tanks; pumps; gaskets; piping, ducting, fittings, valves, or flanges that convey PERC-contaminated air; and dry cleaning control systems.

(5) *Fourth generation equipment* means a primary closed-loop refrigerated dry cleaning machine that has a "secondary control system" (e.g., closed-loop refrigerated condenser with a drying sensor and an integral carbon adsorber).

(6) *Mixed Use Facility* means a dry cleaning facility sharing a common wall, floor or ceiling with a residence or business.

(7) *PERC* means a colorless volatile chlorinated hydrocarbon. PERC is also known as perchloroethylene, tetrachloroethylene, tetrachloroethene, and PCE. The chemical formula for PERC is C₁₂Cl₂. The CAS registry number for PERC is 00127-18-4.

(8) *Third generation equipment* means a closed-loop dry cleaning machine equipped with a refrigerated condenser or other equivalent primary control system.

IV. DESCRIPTION OF ELIGIBLE PROJECTS

Under the FAB Dry Cleaner Program, the owner of a dry cleaning facility in existence prior to May 15, 1997 will be eligible for state assistance for the purchase or lease, and installation of **new** eligible dry cleaning equipment which (i) is new fourth generation equipment, or (ii) will upgrade third generation equipment to fourth generation equipment.

V. DETERMINATION OF USEFUL LIFE

Useful life means the number of years the eligible dry cleaning equipment is expected to remain in service. For the purpose of the FAB Dry Cleaner Program, the useful life of such eligible dry cleaning equipment has been deemed by EFC to be 7 (seven) years.

VI. AMOUNT OF FUNDING

EFC will make state assistance payments in the following amounts for the purchase or lease, and installation of the following eligible dry cleaning equipment:

(1) Five thousand dollars (\$5,000) for the purchase or long-term lease, and installation of new fourth generation equipment with a capacity of 55 lbs or larger;

(2) Four thousand dollars (\$4,000) for the purchase or long-term lease, and installation of new fourth generation equipment with a capacity of less than 55 lbs; and

(3) One thousand dollars (\$1,000) for the purchase and installation of equipment, which will upgrade third generation equipment to fourth generation equipment.

(4) An additional five hundred dollars (\$500) for an owner who undertakes (1), (2) or (3) above and is located in a mixed-use facility.

VII. APPLICATION SCHEDULE

EFC will accept requests for state assistance under the FAB Dry Cleaner Program through March 31, 2004.

VIII. FUNDING SCHEDULE

To the extent monies are available, EFC will provide state assistance for the purchase or lease, of eligible dry cleaning equipment not later than June 26, 2003, which is installed not later than 90 days after that date, in the categories listed in Section IV of this Notice, on a first-come, first-served basis as measured by the date on which the corporation determines it has received a complete application. The amount of funding for eligible dry cleaners within New York City will be capped at \$2,000,000.

IX. ADDITIONAL REQUIREMENTS**(1) Project Limitations.**

Owners of multiple dry cleaning projects may submit requests for state assistance for up to five dry cleaning projects.

(2) Program Duration.

Subject to the availability of funds and the other eligibility criteria set forth in this notice, the owner of a dry cleaning facility will be eligible for state assistance if the owner has purchased or leased eligible dry cleaning equipment **after August 1, 1996, and before June 26, 2003, and installed not later than 90 days after June 26, 2003.**

(3) Application Deadline

Requests for state assistance under the FAB Dry Cleaner Program will be accepted until **March 31, 2004**. The required "Request for State Assistance" form may be obtained by contacting EFC at the address specified under Section X of this notice, or by visiting EFC's website at www.nysefc.org.

(4) Application Procedure

The procedures for administering the FAB Dry Cleaner Program, including the submission, review and approval of requests for state assistance, will be governed by 21 N.Y.C.R.R. Part 2606.

(5) Compliance Reporting

As part of its request for state assistance, the owner of a dry cleaning facility using PERC equipment must submit to EFC a copy of the most recent Part 232 Dry Cleaning Compliance Inspection Report covering the dry cleaning facility.

(6) Proof of Eligible Dry Cleaning Equipment

If the eligible dry cleaning equipment has not yet been certified by DEC, the owner of the dry cleaning facility must submit to EFC a copy of the manufacturer's or vendor's written assurance that such equipment will comply with 6 N.Y.C.R.R. Part 232. The manufacturer's or vendor's written assurance will be required for a request for state assistance to be complete.

(7) Proof of Insurance

As part of its request for state assistance, the owner of a dry cleaning facility who has purchased or leased a new fourth generation machine must submit a certificate evidencing that the Corporation is named as certificate holder and loss payee on the owner's property damage liability insurance policy.

(8) Proof of Installation

The new equipment must be installed immediately. The owner of a dry cleaning facility who has purchased or leased a new fourth generation machine must submit proof that the equipment was installed not later than 90 days after the June 26, 2003 DEC enforcement deadline.

X. INFORMATION AVAILABILITY

Any person seeking additional information or application material regarding this program should contact EFC at:

New York State Environmental Facilities Corporation
Financial Assistance to Business Program
Attention: Laurie A. Allen, Project Manager
625 Broadway
Albany, New York 12207-2997
Telephone (800) 200-2200
Fax (518) 486-9248

or on the New York State Environmental Facilities Corporation's website: www.nysefc.org and clicking on the Financial Assistance to Business link.