

MEMORANDUM FROM

Ron Filmer, CEO
Schoharie County Industrial Development Agency

To: Municipalities and School Districts described in attached Schedule A

Date: March 18, 2021

Subject: Uniform Tax Exemption Policy
Amendments regarding Solar Projects – Notice

Please be advised that the Schoharie County Industrial Development Agency (the “Agency”) is considering certain amendments to its Uniform Tax Exemption Policy (the “UTEP”). A copy of the resolution describing the proposed amendments is attached as Schedule B.

The proposed amendments provide a policy for the consideration of real property tax abatements for certain solar projects. You should read the proposed amendment attached as Schedule B.

Under the UTEP, the Agency before considering any final approval of any amendments to its UTEP, the Agency must first provide the various municipalities and school districts in Schoharie County with 30-days prior notice in which to comment on such amendments. This memorandum constitutes such notice.

The Agency will consider the proposed amendments at its meeting scheduled for April 21, at 9:30 a.m.

Further, the Agency has scheduled a public hearing for April 6, 2021 at 6:00 p.m. to solicit comments on the proposed amendments. The public hearing will be advertised in the Legal Notice section of the Times Journal and will be posted on the Agency’s website at www.growscny.com.

Both the public hearing scheduled for April 6, 2021 at 6:00 p.m. and the meeting of the Agency scheduled for April 21, 2021 at 9:30 a.m. will be held via remote access. Contact information will be available in the notice of the public hearing and on the Agency’s website.

Please do not hesitate to contact me with any comments or questions. Thank you.

SCHEDULE A

LIST OF MUNICIPALITIES AND SCHOOL DISTRICTS

Schoharie County Board of Supervisors

Broome
Blenheim
Carlisle
Cobleskill
Conesville
Esperance
Fulton
Gilboa
Jefferson
Middleburgh
Richmondville
Schoharie
Sharon Springs
Seward
Summit
Wright

Village Mayors

Cobleskill
Esperance
Middleburgh
Richmondville
Schoharie
Sharon Springs

School Superintendents

Cobleskill-Richmondville
Gilboa
Jefferson
Sharon Springs
Middleburgh
Schoharie

School Board Presidents

Cobleskill-Richmondville
Gilboa
Jefferson
Middleburgh
Schoharie
Sharon Springs

SCHEDULE B

CERTIFIED COPY OF AGENCY RESOLUTION
PRELIMINARILY APPROVING AMENDMENTS
REGARDING SOLAR PROJECTS

See Enclosed Attachment

SCH-B-1

**RESOLUTION REGARDING PRELIMINARY APPROVAL OF
AMENDMENTS TO UNIFORM TAX EXEMPTION POLICY – SOLAR PROJECTS**

A regular meeting of Schoharie County Industrial Development Agency (the “Agency”) was convened in public session the offices of the Agency located at 349 Mineral Springs Road in the Town of Cobleskill, Schoharie County, New York on February 19, 2021 at 2:00 o’clock p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Chester Burton	Chairman
Joseph Trapani	Vice Chairman
Wanda King	Treasurer
Peter Johnson	Member
Benjamin J. Oevering	Member

Each of the members present participated in the meeting telephonically pursuant to Executive Order No. 202.1, as supplemented, issued by New York State Governor Andrew M. Cuomo, suspending provisions of Article 7 of the Public Officers Law that require public in-person access to public meetings and authorizing board members to participate in said meetings by conference call or similar service.

ABSENT:

None

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Ronald S. Filmer, Jr.	Chief Executive Officer
Jeffrey Haslun	Chief Financial Officer
Sarah Nickle	Secretary
A. Joseph Scott, III, Esq.	Agency Counsel

The following resolution was offered by Peter Johnson, seconded by Benjamin J. Oevering, to wit:

Resolution No. 0221-

**RESOLUTION GRANTING PRELIMINARILY APPROVAL TO CERTAIN
REVISIONS TO THE AGENCY’S UNIFORM TAX-EXEMPTION POLICY.**

WHEREAS, Schoharie County Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 114 of the 1973 Laws of New York, as amended, constituting Section 905-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New

York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, pursuant to Section 874 of the Act the Agency typically enters into payment in lieu of tax agreements (each, a "PILOT Agreement") in connection with undertaking "projects" (as defined in the Act); and

WHEREAS, the Agency has enacted a Uniform Tax-Exemption Policy to provide guidance and conditions regarding the entering into of PILOT Agreements; and

WHEREAS, the Agency desires to amend its Uniform Tax-Exemption Policy to provide information and guidance regarding the provision of "financial assistance" (as defined in the Act) to commercial solar projects; and

WHEREAS, the Agency has met with members of the Board of Supervisors of Schoharie County, and further, has discussed the issue with Agency staff; and

WHEREAS, the Agency desires to consider certain amendments to its Uniform Tax-Exemption Policy, and provide notice and an opportunity for comment with respect to the proposed amendments to its Uniform Tax-Exemption Policy;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF SCHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby agrees as follows: (A) to preliminarily approve the proposed revisions to the Uniform Tax-Exemption Policy as described in the attached Schedule A, (B) to review with the Chief Executive Officer and Agency Counsel the next steps required to finalize the proposed revisions, and (C) to take the following additional actions: to arrange for the distribution of the proposed amendments to "affected tax jurisdictions" in Schoharie County and to hold a public hearing regarding such amendments.

Section 2. The Agency hereby authorizes the Chairman, the Chief Executive Officer and Agency Counsel to take all steps necessary to implement this Resolution.

Section 3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Chester Burton	VOTING	<u>Yes</u>
Joseph Trapani	VOTING	<u>No</u>
Wanda King	VOTING	<u>Yes</u>
Peter Johnson	VOTING	<u>Yes</u>
Benjamin J. Oevering	VOTING	<u>Yes</u>

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF SCHOHARIE)

I, the undersigned Authorized Officer of Schoharie County Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on February 19, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of such proceedings of the Agency and of such Resolution set forth therein so far as the same relates to the subject matters therein referred to.


I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law") except as modified by Executive Order 202.1, as supplemented, said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present, either in-person or appearing telephonically in accordance with Executive Order 202.1, as supplemented, throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed, or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 12 day of March, 2021.


Authorized Officer

(SEAL)


Christine A. Sellick
Notary Public State Of New York
NO. 01SE6138187
Qualified In Schoharie County
Commission Expires December 12, 2021

SCHEDULE A

NEW LANGUAGE REGARDING REVISIONS
TO UNIFORM TAX EXEMPTION POLICY REGARDING SOLAR PROJECTS

1. Insert the following provisions as new definitions:

“Commercial Solar Facility” means a group of solar panels and related facilities in the same location intended to be used for the production of electric power to be sold to third parties, but shall not include a Small Alternate Energy Facility. In the event of a question whether a solar facility is a Small Alternate Energy Facility or a Commercial Solar facility, the determination of the Agency on that subject shall be final. A Commercial Solar Facility includes all related equipment determined by the Agency to be necessary or desirable for collecting such electric energy and delivering same to the electric grid, but shall not include the land and improvements that were included on the tax rolls of the Affected Tax Jurisdictions prior to the commencement of the project of which such Commercial Solar Facility is a part (see Section _____ herein).

“Normal Tax” means the amount of general taxes and general assessments which would be payable to each taxing jurisdiction if the Commercial Solar Facility was owned by the project operator and not the Agency by multiplying (a) the assessed value of the Commercial Solar Facility determined by the local assessor, by (b) the tax rate or rates of such taxing jurisdiction that would be applicable to the Commercial Solar Facility if the Commercial Solar Facility was owned by the project operator and not the Agency.

“Small Alternate Energy Facility” means a facility (1) that is determined by the Agency to be a facility described in Section 487(1) of the Real Property Tax Law (including solar energy equipment, a solar energy system, farm waste electric generating equipment, and a farm waste energy system), (2) that is installed or to be installed in a residence, a farm or a small business located within the County and (3) that is not a Commercial Solar Facility.

2. Insert the following as new language to Section 1808(C) of the Uniform Tax Exemption Policy:

() Commercial Solar Facility. If a project qualifies as a Commercial Solar Facility, and if the Agency receives a letter of support for such project from the city, town or village in which such project is located, the terms of the proposed PILOT Agreement shall be described as follows:

(1) Term. The Initial Period shall be a term not to exceed twenty years (to commence following completion of construction).

(2) Existing Assessment. If the Existing Assessment of the underlying parcel and existing improvements does not remain fully taxable on the relevant assessment rolls, the proposed PILOT Agreement shall require that PILOT payments be made with respect to such underlying parcel and existing improvements in an amount equal to 100% of the Normal Tax with respect thereto, and

(3) Guaranteed PILOT Payments. The Commercial Solar Facility shall be required to make Guaranteed PILOT Payments equal to the following:

During Years 1 – 10 of the proposed PILOT Agreement:

(i) the actual installed capacity of the Solar Panels, calculated on the third (3rd) business day prior to the date on which the related payment is due pursuant to the proposed PILOT Agreement times (ii) a minimum of \$20,000/MW,

provided, that, the Guaranteed PILOT Payments are to be increased annually by three percent (3%) to account for estimated annual inflation. Each annual Guaranteed PILOT Payment will be payable on January 1 of each year (commencing on January 1 of the year following the year of expected substantial completion of the Commercial Solar Facility), subject to a thirty (30) day grace period.

During Years 11 – 20 of the proposed PILOT Agreement:

(ii) the Guaranteed PILOT Payments shall a percentage of the Normal Tax payable with respect to the Commercial Solar Facility in accordance with the following table:

Year	Percentage	Year	Percentage
11	50%	16	75%
12	55%	17	80%
13	60%	18	85%
14	65%	19	90%
15	70%	20	95%

Upon the Expiration of the proposed PILOT Agreement:

Following the end of the Initial Period, each annual PILOT Payment to be paid by the project occupant pursuant to the terms of the PILOT Agreement shall be in an amount equal to the amount which would be payable to such Taxing Entity with respect to the Commercial Solar Facility if such Commercial Solar Facility was owned by the project occupant and not the Agency.

(4) Distribution of Payments. The Guaranteed PILOT Payments shall upon receipt shall be distributed to the Affected Tax Jurisdictions in accordance with a formula based on the tax rates of the Affected Tax Jurisdictions in effect as of the date of execution of the PILOT Agreement; provided, however, that the Affected Tax Jurisdictions may agree to a different distribution by resolution adopted by each of the Affected Tax Jurisdictions.