



WYOMING COUNTY

Innovative Solutions for Business Growth

June 15, 2021

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Town of Castile
53 Main Street
Castile, New York 14427
Attn: Stanley Klein, Supervisor

Wyoming County Board of Supervisors
143 North Main Street
Warsaw, New York 14569
Attn: Rebecca Ryan, Chairman

Perry Central School District
33 Watkins Avenue
Perry, New York 14530
Attn: Daryl McLaughlin, Superintendent

RE: SunEast Highview Solar, LLC
Town of Castile, New York
Notice of Public Hearing and Notice of Deviation

Dear Supervisor Klein, Chairman Ryan and Superintendent McLaughlin:

The Wyoming County Industrial Development Agency (WCIDA) has proposed a deviation from its uniform tax exemption policy (UTEP) with regard to the SunEast Highview Solar, LLC (the "Company") application for real property tax abatement.

The Company has requested that the WCIDA provide tax incentives to assist in the proposed project involving the construction and equipping of a 20 megawatts (MW) AC solar photo-voltaic electric generating facility comprised of solar panel arrays, and associated appurtenances, equipment and improvements (the "Project") The Project is located at 4326 and 3999 Middle Reservation Road Perry, New York in the Town of Castile, New York.

Article 18-A of the New York General Municipal Law requires that the WCIDA contact each "Affected Taxing Jurisdiction" whenever a deviation from its UTEP is proposed. In this particular instance, the WCIDA and the Project Owner propose to enter into an Agreement for Payment in Lieu of Real Estate Taxes ("PILOT Agreement") as described in the attached "Notice of Deviation" which will

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

36 Center Street Warsaw, New York 14569 · Phone: (585)786-3764 · email: jpierce@wycoida.org

www.wvcoida.org



provide for payment by the Company of an annual Payment in Lieu of Real Estate Tax ("PILOT") of \$1,000.00 per megawatt (MW) AC installed capacity, subject to an annual increase of 2.0%.

It is anticipated that the Project will have a MW AC installed capacity of twenty (20) MWs. The WCIDA encourages your input on this project. Should you have any questions or wish to comment on this project, please contact the WCIDA directly by telephone at 585-786-3764.

The WCIDA has scheduled a public hearing regarding the Project to be held on June 29, 2021 at 2 p.m., via Zoom Meetings. A Notice of Public Hearing has been posted and is included with this letter. The WCIDA Board will consider the request for IDA financial assistance for the Project at a future meeting of the Board.

Thank you for your attention to this matter and we look forward to a successful project that will continue to have many benefits for the people of Wyoming County.

Sincerely,

A handwritten signature in blue ink that reads "James Pierce". The signature is written in a cursive style with a large initial "J".

James Pierce
Executive Director

Enclosures
Notice of Public Hearing
Notice of Deviation

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY
NOTICE OF PUBLIC HEARING

Pursuant to Section 859-a of NYS General Municipal Law, a public hearing will be conducted by the Wyoming County Industrial Development Agency (the "Agency") on June 29, 2021 at 2 p.m. regarding the project, as described below, said public hearing, given the ongoing COVID-19 public health crisis and related Executive Orders issued by Governor Andrew M. Cuomo, to be conducted electronically as hereinafter described. **Please note the special hearing logistics and instructions included at the end of this Notice.**

SunEast Highview Solar, LLC has submitted an application to the Agency (a copy of which is on file at the office of the Agency) requesting that the Agency undertake a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in a parcels of land located in the Town of Castile, New York (the "Land"), and (ii) the construction and equipping of a 20.0 megawatt (MW) AC solar photo-voltaic electric generating facility comprised of solar panel arrays, racking, solar modules, inverters, electrical wiring and other system components (the "Project"), to be located at 4326 and 3999 Middle Reservation Road Perry, New York in the Town of Castile, which Project will have a total project cost not to exceed \$20,092,838.

The Agency contemplates that it will provide financial assistance to the Company in the form of: (i) sales and use tax exemption benefits, (ii) mortgage recording tax exemption benefits, and (iii) a twenty (20) year partial abatement of real property taxes pursuant to the terms of a custom payment-in-lieu-of-tax agreement ("PILOT Agreement"), with PILOT payments based upon the megawatt (MW) generating capacity of the Project Facility and not the assessed value of the Project. If any portion of the financial assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy ("UTEP"), the Agency will follow the procedures for deviation from such policy set forth in Section 874(4) of the General Municipal Law and the UTEP prior to granting such portion of the Financial Assistance.

PLEASE NOTE SPECIAL PUBLIC HEARING CONDUCT INSTRUCTIONS AND INFORMATION:

In accordance with Section 859-a of the NYS General Municipal Law, a representative of the Agency will present a copy of the Company's project application, which is also available for viewing on the Agency's website at www.wycoida.org. However, given the ongoing COVID-19 public health crisis and related Executive Orders issued by Governor Andrew M. Cuomo, the Agency will not be able to accommodate any in-person public attendance or participation at this hearing. Nonetheless, and in furtherance of the provisions of Section 859-a of the NYS General Municipal Law requiring interested parties be provided a reasonable opportunity, both orally and in writing, to present their views with respect to the Project, and pursuant to Governor Cuomo's Executive Order 202.15 issued on April 9, 2020, as amended from time to time, authorizing the conduct of public hearings through use of telephone conference, video conference and/or other similar service, the Agency will livestream the Public Hearing on its YouTube Channel at <https://www.youtube.com/channel/UCrexugLTuFMeOsJNtftiH-Q>. The Agency will provide

public access to provide oral comments during the Public Hearing via Zoom Meetings. If you wish to speak at the Public Hearing, please notify the Agency by emailing jpierce@wycoida.org no later than 5:00 p.m. on June 28, 2021, including your name, address, e-mail and telephone number that you will use to access the Public Hearing. After registering, you will receive a confirmation email containing information about joining the Public Hearing via Zoom Meetings to provide oral comments. Finally, the Agency also encourages all interested parties to submit written comments to the Agency, all of which will be included within the public hearing record. Any written comments may be mailed to the Agency at 36 Center Street, Suite D, Warsaw, New York 14569 until the written comment period closes on June 29, 2021.

WYOMING COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

**WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the “Agency”)
NOTICE OF DEVIATION
FROM UNIFORM TAX EXEMPTION POLICY
PURSUANT TO GENERAL MUNICIPAL LAW §874(4)(b)**

This Notice of Deviation is being provided to the Town of Castile, the County of Wyoming and the Perry Central School District for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires the Agency to provide written notice to affected taxing jurisdictions prior to the Agency taking final action with respect to a proposed payment in lieu of tax agreement, if said agreement deviates from the provisions of the Agency’s Uniform Tax Exemption Policy (the “UTEP”).

Description of the Project

The project consists of the acquisition by the Agency of a leasehold interest in a parcels of land located in the Town of Castile, New York (the “Land”), and (ii) the construction of various improvements on the Land, including the proposed construction and equipping of a 20.0 megawatt (MW) AC solar photovoltaic electric generating facility comprised of solar panel arrays, racking, solar modules, inverters, electrical wiring and other system components (the “Project”), to be located at 4326 and 3999 Middle Reservation Road Perry, New York, in the Town of Castile, which Project will have a total project cost not to exceed \$20,092.838.

Location of the Project

The Project will be located at 4326 and 3999 Middle Reservation Road, located in the Town of Castile, New York.

Project Owner/Operator

The Project SunEast Highview Solar, LLC (the “Company”).

Proposed Financial Assistance from the Agency

The Company is seeking the following Agency incentives: (i) sales tax exemption on construction materials and sales taxable equipment purchased for incorporation in the Project or use at the Project location having a total cost not to exceed \$1,227,200; (ii) mortgage recording tax exemption in the amount of \$163,875; and (iii) real property tax abatement pursuant to a customized, non-standard payment in lieu of tax agreement, the annual payments under which will be calculated with reference to the per megawatt (MW) AC capacity of the Project.

Deviation From Uniform Tax Exemption Policy

The proposed financial assistance for the project constitutes a deviation from the Agency’s UTEP because the proposed payment in lieu of tax arrangement deviates from the Agency’s standard payment in lieu of tax schedule. The Agency’s standard payment in lieu of tax schedule provides for payments based on the assessed value of the property, with payments attributable to the value added by new improvements calculated based on percentages of the increase in assessment attributable to such improvements. The UTEP includes provisions for wind energy projects, but does not address solar energy projects of the type proposed by the Company. The Agency and the Company propose to enter into an Agreement for Payment in Lieu of Real Estate Taxes (“PILOT Agreement”) which will provide for payment by the Company of an annual payment in lieu of tax of \$1,000.00 per megawatt (MW) AC installed capacity, subject to an annual increase of 2.0%. It is anticipated that the Project will have a MW AC installed

capacity of 20.0 MWs. The PILOT Agreement will have a term of Twenty (20) years. Payments in lieu of taxes will be allocated among the affected taxing jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected taxing jurisdiction had the Project not been tax exempt due to the status of the Agency. The PILOT Agreement will not provide any abatements for any special assessments levied on the Project. The Town of Castile has signed a Host Community Agreement dated June 13, 2021 for the project.

The Agency's UTEP allows the Agency to deviate from the UTEP's standard PILOT schedule or to provide a project with enhanced benefits if the project is expected to have a significant impact in the locality where the project will be located. The Agency expects that the project will have a significant impact in the Town of Castile, New York. The UTEP sets forth up to thirteen factors that the Agency may consider in making its determination as to whether a project is expected to have a significant impact, no single one of which is determinative. In making this determination, the Agency has considered the following factors in accordance with its UTEP:

1. The nature of the proposed project (e.g. manufacturing, commercial, etc.).

The Project involves the acquisition of an interest in four parcels of land having a combined 83.4 acres in the Town of Castile, Wyoming County, New York and construction of a 20.0MW solar power generation array.

2. The nature of the property before the project begins (e.g. vacant land, vacant building, Brownfield site, etc.).

The project site consists of a parcel of land that is vacant and was or is currently, being used for agricultural purposes. The project site is zoned Ag Land which allows for the development of a solar energy facility.

3. The economic condition of the area at the time of the application and the economic multiplying effect the project will have on the area.

The Town of Castile is a rural community located in southeastern Wyoming County. The economic condition of the community and surrounding area is challenged by several economic factors, including difficulties in the agricultural and manufacturing sectors. The current COVID-19 pandemic has had a significant and ongoing negative impact on the local economy. The Project will result in the construction of a new modern solar energy facility to be owned by the Company. The Company estimates that as many as 25-30 individuals will be working full-time construction jobs for a period of 3 to 6 months in connection with the acquisition, construction and installation of the Project Facility. Additional benefits created by the Project will be felt by local businesses such as hotels, restaurants, gas stations, hardware stores and equipment rental companies.

4. The extent to which the project will create or retain permanent, private sector jobs, the number of jobs to be created/retained and/or the salary ranges of such jobs.

The project is a solar farm. Once the project is operating, it will be monitored remotely with minimum on-site personnel and as a result only one permanent full time equivalent job will be created for the Project after completion of construction. Contracted jobs during the operational

phase including maintenance, snow removal and landscaping would commence upon completion of the construction phase which is expected to be as early as Summer 2022.

5. The estimated value of tax exemptions to be provided.

The value of the sales tax exemption for the Project is equal to approximately \$1,227,200. There will be a mortgage recording tax exemption up to \$163,875. The value of the real property tax exemption is estimated to be \$10,261,000 over the 20-year life of the PILOT.

6. The economic impact of the project and the proposed tax exemptions on affected tax jurisdictions.

The economic impact of the Project PILOT Agreement is positive as the Company will be paying PILOT payments relating to the Project Facility in excess of the amounts currently being paid on the land and at the expiration of the Proposed PILOT Agreement the Project Facility will be subject to normal real property taxes. The land will continue to be taxed in accordance with normal taxing practices during the life of the project.

7. The impact of the proposed project on existing and proposed businesses and economic development projects in the vicinity.

The impact of the Project is a positive one for the community. The Project will assist the State of New York in meeting its goal of 50% clean energy by 2030. The completed project site will be monitored remotely creating minimal disturbance to local resident, will not have lights and will not produce noise above ambient levels for any local receptor.

8. The amount of private sector investment generated or likely to be generated by the proposed project.

Investment by the Company will be approximately \$20,092,838.

9. The likelihood of accomplishing the proposed project in a timely fashion.

The project is expected to be completed in a timely manner.

10. The effect of the proposed project upon the environment and surrounding property.

The Town of Castile has evaluated the environmental impact and has issued a negative declaration in regard to the project.

11. The extent to which the proposed project will require the provision of additional services including, but not limited, educational, transportation, emergency medical or police and fire services.

It is not anticipated that the Project will impose any significant additional burdens on municipal or educational services.

12. The extent to which the proposed project will provide additional sources of revenue for municipalities and school districts in which the project is located.

Sources of revenues to be generated by the Project include the tax revenues (both income and sales and use taxes) generated by the construction workers, PILOT payments proposed to be paid to the affected taxing jurisdictions during the life of the PILOT Agreement and the real property taxes generated when the Project Facility is placed on the tax rolls at the expiration of the Proposed PILOT Agreement.

13. The extent to which the proposed project will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the project is located.

The benefit is a positive one economically as the Project would not occur without the entering into of the Proposed Pilot Agreement. The Project will result in upgrades to NYSEG's power system as costs that will not affect local power consumer, lower power costs to local power consumers and increase the amount of clean energy being produced in New York State.