



APPLICATION FOR FINANCIAL ASSISTANCE

SOLAR Project

ADDENDUM

Please complete this addendum and submit Pages 1-3, including any required supplemental information requested, along with the OCIDA Application for Financial Assistance (Base Leaseback Application)

Community Solar Project Questionnaire

Complete the following questions only if your project is Community Solar. Please specifically reference ALL of the parameters outlined in Part I (A-D) of the OCIDA Uniform Tax Exemption Policy (Community Solar Projects) contained within this application and respond to the questions as they relate to the parameters of the policy. Attach additional pages as needed.

1(a) Describe the project in detail, ie; (MW total capacity; battery storage; fixed or sun-tracking panels; single or double sided panels; project engineer; any required upgrades to transport energy generated to grid; domestic or foreign panel manufacture; any specific business entity or community tied to power generated; obligations of property owner, etc.)

1(b) Has the applicant provided written communication to any of the affected taxing jurisdictions notifying of its intent to construct the facility? Yes No

If YES, have any of the jurisdictions responded within 60 days of receipt of the written communication responded that they will require a contract for a payment in lieu of taxes?

Yes No

If YES, please explain and provide a copy of the communications and also the written response(s):

1(c) Will the applicant be applying for **NYS RPTL 487** with any taxing jurisdiction? **1(d)** Yes No

1(d) Will there be a Host Community Agreement? Yes No

*** If there is no Host Community Agreement please attach letters of support from each affected taxing jurisdiction.**

1(e) Has a facility decommissioning plan been accepted by the host community? Yes No

*** Please provide a copy of the accepted plan and evidence of acceptance.**

1(f) Has provision been made to reserve funds for facility decommissioning, either through bond posting or establishment of an escrow account? Yes No

***Please provide a copy of evidence for provision of reserve funds for decommissioning.**

1(g) Has the project received or is it seeking any tax credits from any local, state or federal entity? Yes No

If YES, please explain in detail in 12(d) on Page 19 of OCIDA Application for Financial Assistance

Checklist for Solar Project Applications

Application for Financial Assistance and all supplemental information required by IDA (signed and notarized)

Check, or proof of paid application and commitment fee in the amount of \$5,500.00

*Facility map delineating where on property the solar facility will be located. Map must include tax parcel number(s), Oneida County GIS-verified soils and be accompanied with a metes and bounds legal description.

Zoning or Planning Board approval (or if no such approvals are required, a letter of support from the Host Community)

Copy of Host Community Agreement or confirmation that one is not being executed. (OCIDA encourages Project Operators to enter into a Host Community Agreement directly with the Host Community.)

Decommissioning plan prepared by a licensed engineer detailing decommissioning of the Facility, which includes an estimated cost reflecting inflation to the time of decommissioning. If a decommissioning plan has been reviewed by a Zoning or Planning Board of the Host Community, such approval should be submitted. The Agency reserves the right to retain an independent engineer at the Project Operator's expense to validate the decommissioning plan and cost.

Evidence that provision has been made (or will be made before closing) to reserve funds for decommissioning, either through the posting of a bond or establishment of an escrow account.

Copy of Lease Agreement with landowner (if applicable)

Part 1 EAF completed and signed by the Applicant

Parts 2 and 3 EAF completed and signed by the lead agency with determination of type of action (with copies of resolutions if available)

*** Is any portion of the tax map parcel upon which the facility will be located listed as desirable for commercial or residential development per the zoning, or is it designated on the Oneida County GIS-verified soils map as prime soils land (Prime Farmland)?** Yes No

*** Has any portion of the site upon which the facility will be located been used for an agricultural purpose within the past 18 months?** Yes No

Oneida County Industrial Development Agency
Uniform Tax Exemption Policy (Community Solar Projects)

Adopted September 18, 2020

Modified April 30, 2021 and

Modified March 3, 2022

The Oneida County Industrial Development Agency (the “Agency”) has adopted the following uniform tax exemption policy with respect to Community Solar projects. Final determination regarding the extent to which financial assistance, if any, will be granted is solely within the discretion of the Agency. The Agency’s definition of ‘community solar projects’ follows the guidance and definition as provided by the New York State Energy and Research Development Authority (NYSERDA). The Agency will modify its definition of ‘community solar projects’ as needed.

I. Project Eligibility Criteria

- (A) All Project Operators must submit a signed Application for Financial Assistance in the Agency’s standard form, together with all supplemental information the Agency may require (the “Application”).
- (B) Support of the affected tax jurisdictions is required for Community Solar projects. A copy of zoning or planning board approval is required; in absence of such, the host jurisdiction can issue a letter of support.
- (C) Community Solar projects are required to provide a metes & bounds survey map of the “Project Solar Array Area,” which includes the solar array as well as all land controlled by the Project Operator in connection with operation of the solar array.
- (D) Community Solar projects are encouraged to enter into a Host Community Agreement.
- (E) The Agency will consider the following additional factors in determining whether a Community Solar project is eligible for financial assistance:

- i. The extent to which the project benefits users residing in Oneida County
- ii. The extent to which the project is located on undesirable land or difficult land to develop (e.g., landfills, gravel pits, sites designated as Brownfield, not harmful to agriculture operation)
- iii. The extent to which a project does not create an additional burden to affected tax jurisdictions

II. Financial Assistance

1. **Property Tax Exemptions.** Project Operators will pay a fixed payment in lieu of taxes (“PILOT Payments”) for a period of twenty-five years, to be billed by and allocated among the tax jurisdictions in the same proportion that taxes would have been paid but for the Agency’s involvement. PILOT Payments will be calculated as follows:
 - (i) During Exemption Year 1, a fixed PILOT Payment equal to \$10,000 per MW-AC of nameplate capacity (the “Minimum PILOT Payment”); and
 - (ii) During Exemption Years 2 through and including 25, a fixed PILOT Payment equal to the greater of (x) the Minimum PILOT Payment or (y) \$10,000 per MW-AC of nameplate capacity in the immediately preceding calendar year, plus an incremental increase of two percent (2.00%) for each Exemption Year; and
 - (iii) 100% of taxes after Exemption Year 25.
- The Agency will use the MW-AC nameplate capacity contained in the Application to calculate the Minimum PILOT Payment. The Project Operator will be required to provide to the Agency annually within 60 days of the end of each calendar year the Annual Megawatt Generation Report that is submitted to NYSERDA and certify the nameplate capacity for the Project. The PILOT Payment will be adjusted annually (upward, not downward) based on the actual MW-AC of nameplate capacity.
- PILOT Payments are intended to be in lieu of the increase in taxes attributable to construction of the solar array. The Company shall pay to the tax jurisdictions taxes, or payments in lieu of taxes, on the Project Solar Array Area and existing facilities thereon (other than the solar array) that would be payable but not for the Agency’s involvement.

2. **Mortgage Recording Tax Exemption.**

If, based on the project eligibility criteria described in Part I of this Policy, the Agency determines a project is eligible for financial assistance, the Agency will provide an exemption from New York State mortgage recording tax for the financing of project costs.

- Such exemption is limited to the extent of the Agency's legal exemption. As of the date of this Policy, the Agency is exempt from 75% of the 1% mortgage recording tax but is not exempt from 25% of the 1% mortgage recording tax applicable to CENTRO..
- The Agency reserves the right to deviate from the mortgage recording tax exemption policy on a case by case basis at its sole discretion.

3. **Sales Tax Exemption.**

- No Sales tax benefit is offered.

III. Other Requirements

- **Annual Rent.** The Project Operator shall pay annual rent to the Agency in the amount of \$2,000, payable on the Closing Date and annually each January during the term of the PILOT Agreement.
- **Host Community Payment.** In the absence of a Host Community Agreement, the Project Operator will be required to pay directly to the host jurisdiction an annual Host Community Payment equal to five percent (5%) of the PILOT Payment.
- **Decommissioning Plan.** The Project Operator must provide a decommissioning plan prepared and stamped by a licensed engineer detailing decommissioning of the Facility and including an estimated cost including inflation to the time of decommissioning. The Agency will require evidence that provision has been made to reserve funds for decommissioning, either through the posting of a bond or establishment of an escrow account. The Agency will require evidence that provision has been made to reserve funds for decommissioning, either through the posting of a bond or establishment of an escrow account for the benefit of the landowner or, if the Project Operator is the landowner, for the benefit of the Host Jurisdiction.

- Project Operators are directed to consult the Decommissioning Plan Guidance posted on the Agency’s website in preparing a decommissioning plan. The Agency reserves the right to retain an independent engineer at the Project Operator’s expense to validate the decommissioning plan and cost.

V. Recapture

The Agency financial assistance is conditioned upon the Company’s representations that the project will be completed substantially in accordance with the Application (the “Project Obligation”). The Agency is required to review on an annual basis whether a Project is achieving its Project Obligation. Failure to provide the annual report to the Agency, or if the Annual Report shows that a Company is not meeting its Project Obligation, could result in recapture of all or a portion of tax benefits granted by the Agency.

VI. Deviations

Deviations from this Policy shall be infrequent. The Agency reserves the right, at its sole discretion, to deviate from this Policy on a case by case basis. The Agency will provide written notice to the chief executive officer of each affected tax jurisdiction of any deviation from this Policy and will comply with the deviation requirements of the General Municipal Law.

Oneida County Industrial Development Agency Decommissioning Plan Guidance

1.0 DEFINITIONS

Solar Energy Equipment: Electrical material, hardware, inverters, conduit, storage devices, or other electrical and photovoltaic equipment associated with the production of electricity.

Solar Energy System: The components and subsystems required to convert solar energy into electric energy suitable for use. The term includes, but is not limited to, Solar Panels and Solar Energy Equipment. The area of a Solar Energy System includes all the land inside the perimeter of the Solar Energy System, which extends to any interconnection equipment.

Owner: One who has legal title to the Property.

Developer: Owner or Lessee planning, constructing and/or maintaining a Solar Energy System.

Lease: A contract by which an Owner of Property conveys exclusive possession, control or use of it, or portion thereof, for a specific rent and a specified term after which the Property reverts to the Owner.

Storage Battery: A device that stores energy and makes it available in an electrical form.

2.0 DECOMMISSIONING

Decommissioning will occur as a result of any of the following conditions:

- A. The land Lease, if any, ends.
- B. Upon cessation of electricity generation of a Solar Energy System on a continuous basis for [6 months].
- C. Upon the reduction of electricity generation of a Solar Energy System below 10% of the design capacity on a continuous basis for [1 year].
- D. The system is damaged and will not be repaired or replaced.
- E. Abandoned prior to the completion of construction.
- F. The facility has been otherwise abandoned.

In the event of default or abandonment of the Solar Energy System, the system shall be decommissioned as set forth in the accepted Decommissioning Plan.

2.1 DECOMMISSIONING PLAN

A Decommissioning Plan signed by the Developer of the Solar Energy System shall be submitted by the applicant, addressing the following:

- The cost of removing the Solar Energy System.
- The work and time required to decommission and remove the Solar Energy System and any ancillary structures, and to remediate any environmental impacts.
- The time required to repair any damage caused to the Property by the installation and removal of the Solar Energy System.

2.1.1 DECOMMISSIONING COSTS

- The Developer may complete all decommissioning work with either their own finances or workforce. However, for cost estimating purposes, all work associated with decommissioning is assumed to be undertaken by a third party retained by the Owner or [DESIGNATED MUNICIPAL ENTITY].
- Cost estimates are to be certified by a licensed architect or engineer and accepted by the [DESIGNATED MUNICIPAL ENTITY] and updated every 5 years beginning 10 years after construction at the cost of the Developer. The surety instrument should be adjusted according to the updated cost estimates, as well as automatic increases as outlined in the Surety section.

2.1.2 DECOMMISSIONING WORK AND SCHEDULE

The work and time required to remove the Solar Energy System any ancillary structures, shall include:

1. All efforts to properly remove and dispose of all components of the Solar Energy System in accordance with the Decommissioning Plan and Federal, State and local laws.

2. All efforts to properly remove and dispose of any infrastructure above and below ground associated with the Solar Energy System, including but not limited to foundations, driveways, road, fences, lighting and/or other utilities.
3. All efforts to identify and remediate any hazardous or otherwise contaminated material released onsite during the construction, operation and/or decommissioning of the Solar Energy System.

The Decommissioning Plan, including remediation and restoration, must be completed within [one year] of notification by the [DESIGNATED MUNICIPAL ENTITY].

2.1.3 RESTORATION

The work and time required to repair and restore any damage or disturbances caused to the Property by construction, operation and/or decommissioning of the Solar Energy System shall include:

1. All efforts to properly grade the Property back to pre-disturbed condition or a condition otherwise agreed upon by all involved parties.
2. Unless otherwise agreed upon, restoration will include:
 - a. Proof rolled subgrade.
 - b. Fill materials compacted to 85% modified proctor
 - c. Three inches (minimum) of topsoil.
 - d. Seed and mulch.
3. Materials to be used:
 - a. Fill material: NYSDOT Item No.: 203.05
 - b. Topsoil: NYSDOT Specification Section 713-01
 - c. Seed: NYSDOT Specification Section 713-04
 - d. Mulch: NYSDOT Specification Section 713-05

4. Restoration is to be completed after all removal and remediation efforts at the Property are completed.
5. Restoration shall be considered completed once all grading has been performed and appropriate vegetation has been properly established onsite.

3.0 SECURITY

The deposit, executions or filing with the [DESIGNATED MUNICIPAL ENTITY] Clerk of cash escrow held by a federally insured financial institution, surety bond, letter of credit or other form of security reasonably acceptable to the [DESIGNATED MUNICIPAL ENTITY] attorney, shall be in an amount sufficient to ensure the good faith performance of the terms and conditions of the permit issued pursuant hereto and to provide for the removal and restoration of the site subsequent to removal. The amount of the bond or security shall be [125] % of the cost of decommissioning the Solar Energy System and restoration of the Property with an escalator equal to the Consumer Price Index (CPI) annually for the life of the Solar Energy System. The bonding company must have a minimum A.M. Best Company rating of A- and be T-Listed. No permits will be issued until the surety instrument is in place.

In the event of default in the execution of the completion of the Decommissioning Plan, after proper notice and expiration of any cure periods, the cash deposit, bond, or security shall be forfeited to the [DESIGNATED MUNICIPAL ENTITY], which shall be entitled to use the security to complete the Decommissioning Plan. The cash deposit, bond, or security shall remain in full force and effect until restoration of the Property as set forth in the Decommissioning Plan is completed.

4.0 OWNERSHIP CHANGES

If the Developer of the Solar Energy System changes or the Owner of the Property changes, the [DESIGNATED MUNICIPAL ENTITY] issued permit shall remain in effect, provided that the succeeding Owner or Developer assumes in writing all of the obligations of the permit, Site Plan Approval and Decommissioning Plan. A new Owner or Developer of the Solar Energy System shall notify the [DESIGNATED MUNICIPAL ENTITY] of such change in Ownership or Developer [30] days prior to the ownership change.

5.0 SEVERABILITY

The invalidity or unenforceability of any section, subsection, paragraph, sentence, clause, provision or phrase of the aforementioned sections, as declared by the valid judgment of any court of competent jurisdiction to be unconstitutional, shall not affect the validity or enforceability of any other section, subsection, paragraph, sentence, clause, provision or phrase, which shall remain in full force and effect.

6.0 ENFORCEMENT

Any violation of this Solar Energy Code shall be subject to the same enforcement requirements, including liens, civil and criminal penalties, including terminating any PILOT programs provided for in the [DESIGNATED MUNICIPAL ENTITY] regulations.