


# Tompkins County Industrial Development Agency

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Administration provided by  **TCAD**

## **SUN8PDC Solar (2150 Dryden Rd.) – Community Benefits Overview**

4/13/17

### **Project Overview**

SUN8PDC, a subsidiary of Distributed Sun, is proposing a **12 MW** community solar array on approximately **74 acres** located at 2150 Dryden Rd. in the Town of Dryden. The developer will offer clean, renewable power at a 10% discount over existing utility rates. The **\$19.3 million** project would generate enough electricity to power the equivalent of more than 2,700 average homes.

The project has submitted applications and is in the process of securing a special use permit, subdivision approval, and SEQR with the Town of Dryden. **The Town of Dryden submitted a letter of endorsement** for both SUN8PDC projects (Dryden Rd. and Turkey Hill Rd.) however, they have requested that the IDA **consider reducing the share of taxes the county would receive and increasing the share of taxes the Town would receive under the PILOT**. If the IDA were to contemplate this request, it would require approval (via a resolution) from the affected taxing jurisdictions.

**The applicant is requesting a 30-year PILOT amount of \$8,000 per megawatt with a 1% annual increase.** The proposed IDA policy is a 20-year PILOT amount of \$8,000 per megawatt with a 2% annual increase. **The applicant is also requesting an abatement of the local share of sales tax.** The equipment is exempt from state sales tax. A sales tax abatement is consistent with the proposed IDA solar policy.

### **Cost-Benefit Analysis**

- Extent to which project would create and/or retain private sector jobs – No direct jobs on-site.
- Estimated value of tax exemption – The project would not be financially feasible if it were subject to taxation based on the full value of the improvements.
- Estimate of private sector investment to be generated by the project – \$19,384,684
- Likelihood of completing project in a timely manner – Distributed Sun has developed a number of solar projects in nine states, including New York. The company developed a solar array for Cornell near the Ithaca-Tompkins Regional Airport. The company has a successful track record at securing financing and building projects. The project will take six months to complete once approvals are secured this spring.
- Extent to which project would generate additional sources of revenue for local taxing jurisdictions – The applicant requested 30-year abatement would yield \$3,339,350 in new tax payments, with approximately \$200,000 going to the Town.
- Other benefits that might result from the project:
  - Financial savings to electricity customers (10% below current prices with a 2% annual increase thereafter).

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- Upgrades to the electrical grid that might otherwise be subject to payment by NYSEG rate payers.
- Clean energy generation to meet State and County goals.
- Increased farming output for local sheep farmers - 150 Sheep will graze the land in place of chemicals and electric powered landscaping machinery.
- 75 construction jobs (for 6 months).
- The societal benefit of generating clean energy (displacing fossil fuel) calculated using data provided by the NY Public Service Commission is \$10 million.