

Tompkins County

Industrial Development Agency

Off-Site Commercial Solar Photovoltaic Policy

Adopted: October 12, 2017

Purpose

The Tompkins County Industrial Development Agency (IDA) wishes to adopt an off-site commercial solar photovoltaic policy to encourage solar development for the following purposes:

1. Support New York State's "Reforming the Energy Vision" Initiative, which is intended to encourage renewable energy development that will spur economic growth and develop new energy business models. The initiative sets statewide goals of cutting greenhouse gas emissions by 80% by 2050 and generating 50% of New York's electricity from renewables by 2030.
2. Support Tompkins County's energy and greenhouse gas emissions policy to "meet community needs without contributing additional greenhouse gases to the atmosphere." The policy includes goals to:
 - Reduce greenhouse gas emissions to reach a minimum 80 percent reduction from 2008 levels by 2050 and reduce reliance on fossil fuels across all sectors.
 - Increase the use of local and regional renewable energy sources and technologies.
3. Support consumer choice for renewable energy generation.
4. Administer a single countywide uniform tax exemption policy allowing municipalities to collect long-term predictable payments in lieu of taxes without the burden of developing and administering PILOT agreements at the municipal level.
5. Assist project developers by offering a single countywide tax exemption policy, eliminating the need to negotiate PILOTS with multiple taxing jurisdictions.
6. To enhance developers' prospects for financing community distributed generation projects by offering a uniform PILOT structure that is simple, predictable, and more appealing to lenders.

Policy

This policy provides incentives for off-site solar projects that provide renewable energy benefits to residential and commercial customers. Eligible projects are commercial scale projects, generally two megawatts or less, as outlined in state law. Types of eligible projects include:

- Community distributed solar /shared solar
- Off-site generation projects that have a wholesale power purchase agreement with one or more users.

To respect variations in local municipal policy, each project application must include a letter from the host municipality endorsing the proposed payment in lieu of tax agreement with the IDA. It is strongly encouraged that applicants provide a preference or pre-offering to Tompkins County residents.

Tompkins County Industrial Development Agency

The following standard incentives will be offered:

Property Tax: Real estate taxes on the increased value resulting from improvements are partially abated over a twenty (20) year period. The annual payment in lieu of taxes (PILOT) will range from \$4,200 to \$4,800 per megawatt (MW) of the facility's nameplate capacity, with a 2% increase each year. PILOT payments replace local, county, and school district taxes only; special district taxes are not eligible under the PILOT. The actual amount will depend on projected annual revenue.

Sales Tax: Exemption from State and local sales tax on project costs outlined in the IDA Policies and Procedures.

Mortgage Recording Tax: Exemption from the State share of the mortgage recording tax as outlined in the IDA policies and Procedures.

Fees

The applicant is responsible for paying the IDA Administrative Fee at the time of closing. The fee will be equal to .50% of the total value of expenses that are positively impacted by IDA incentives. The applicant is also responsible for paying the IDA for all legal costs it incurs including IDA Counsel.

Other

Unless specifically outlined in this policy, the applicant will be responsible for complying with all other rules and regulations as set forth in the IDA's Policies and Procedures.
