

Tompkins County Industrial Development Agency

Administration provided by Ithaca Area Economic Development

Carrowmoor Solar – Community Benefits Overview

12/13/23

Project Overview

Carrowmoor Solar, LLC is a proposed 5MWac community solar energy facility proposed to be constructed for the purpose of generating renewable energy for consumption by NYSEG and its customers in the area. The Proposed facility is located at 1340 Mecklenburg Road in the Town of Ithaca, whose lease area occupies 39 acres of former agricultural field. The facility will be composed of Terratrak single-axis tracking racks, American-Made Heliene Bifacial Solar panels, SMA Central Inverters and Transformers, and pad-mounted interconnection equipment.

The system will be connected to the NYSEG local distribution Grid via Mecklenburg Road and the West Hill Substation. Carrowmoor Solar has contributed just nearly \$1million dollars to infrastructure upgrades in the immediate area to enable this development.

The proposed incentive is consistent with the Off-Site Commercial Solar Policy: A twenty-five year PILOT with a payment of \$4,200 per megawatt (AC) in year one with a 2% annual increase each year. The fee for solar projects is 1/2% of project costs. The Town of Ithaca Supervisor has submitted a letter in support of this request.

Current town, County and school district taxes on the entire 91-acre parcel are estimated at \$4,362. Roughly 53% of the parcel will remain vacant and taxable (i.e. not part of the solar project PILOT) and would pay an estimated \$2,486 in property taxes in addition to the \$21,000 paid under the PILOT on the remaining land, for an increase in property taxes of approximately \$18,514 in year one.

Cost-Benefit Analysis

- Extent to which project would create and/or retain private sector jobs – There will be no on-site direct jobs because of this project. There will be an estimated 32 FTE construction jobs generated during development.
- Estimated value of tax exemption – 3.9% of total project costs (note that solar panels, racking, etc. are not subject to state sales tax, however the sales tax exemption delivered by the IDA exempts state and local sales tax together; applicant will likely only use 50%).

Property Tax	\$28,227
Sales Tax	\$432,964
Mortgage Tax	0
TOTAL	\$461,191

- Estimate of private sector investment to be generated by the project – \$11,831,749
- Likelihood of completing project in a timely manner – Nearly \$1 million in interconnection costs and roughly \$100,000 (24%) of soft costs have already been incurred. Town approvals have been

secured. SEQR is completed. The applicant parent company Nexamp is the largest asset holder of Community Solar projects in NYS, having financed more than 500MW worth of assets across 103 projects. The project is on track to break ground in 2024.

- Extent to which project would generate additional sources of revenue for local taxing jurisdictions – the project will generate \$563,351 in new property taxes over 25 years. In addition, fire and other special district taxes will be paid based on the full improvement value.

- Other benefits that might result from the project:
 - The project will reduce carbon emissions by providing renewable energy generation. The project supports the New York State goals to transition to renewable energy sources and the County’s carbon emission reduction goals.

Carrowmoor Solar - Incentive Schedule

The proposed incentives outlined below are consistent with the Off-Site Commercial Solar Policy: A twenty-five year PILOT with a payment of \$4,200 per megawatt (AC) in year one with a 2% annual increase each year. The fee for solar projects is 1/2% of project costs.
5 MW Project

Year	Payment With PILOT	Payment with No PILOT
1	\$21,000	\$22,052
2	\$21,420	\$22,493
3	\$21,848	\$22,943
4	\$22,285	\$23,402
5	\$22,731	\$23,870
6	\$23,186	\$24,347
7	\$23,649	\$24,834
8	\$24,122	\$25,331
9	\$24,605	\$25,838
10	\$25,097	\$26,354
11	\$25,599	\$26,882
12	\$26,111	\$27,419
13	\$26,633	\$27,968
14	\$27,166	\$28,527
15	\$27,709	\$29,097
16	\$28,263	\$29,679
17	\$28,828	\$30,273
18	\$29,405	\$30,878
19	\$29,993	\$31,496
20	\$30,593	\$32,126
21	\$31,205	\$32,768
22	\$31,829	\$33,424
23	\$32,466	\$34,092
24	\$33,115	\$34,774
25	\$33,777	\$35,470
Total	\$563,351	\$591,578

PILOT Savings	\$28,227
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Solar Portion
(47% of Full Parcel)

Current Value	Full Parcel	Solar Portion
Acres	90.12	39
Land Value	\$182,200	\$78,346
Current Taxes	\$4,362	\$1,876

NYS Solar Valuation Model

Improvement	\$842,672
land value est.	\$78,346
Total Value	\$921,018
Taxes Yr 1	\$22,052

	Tax Rate	Tax Distribution	Yr. 1 Est. Tax Distribution
2023 Town Tax	2.076933	8.67%	\$1,822
2023 County Tax	5.645193	23.58%	\$4,951
2023-2024 School	16.221173	67.75%	\$14,512
Total	23.943299		