

**Joint Meeting of JCIDA Loan Review and JCLDC Alternative Energy
Committee Meeting Minutes
April 27, 2021**

Present (Loan Review): Robert Aliasso, Chair, John Jennings

Present (Alternative Energy): William Johnson, Paul Warneck

Excused: David Converse

Also Present: David Zembiec, Marshall Weir, Lyle Eaton, Peggy Sampson, Jay Matteson, Joy Nuffer, Rob Aiken, Ed Walldroff, Justin Miller, Esq., Kelly Stokes, Christian Schlesinger, Genevieve Trigg, Esq., Lisa LøHuillier

I. Call to Order: Loan Review Chair Aliasso called the meeting to order at 8:00 a.m.

II. Pledge of Allegiance

TherARTpy – A request for a \$10,102 Microenterprise Loan to be used for startup costs for an arts and crafts business to be created in Alexandria Bay, NY. Staff recommended a five-year amortization at 5%. Collateral will be a first position on the assets of the business and a personal guarantee of Suzette Robertson. Mrs. Robertson will be the sole employee during startup.

Mr. Aliasso pointed out that the amount in the draft resolution needs to be changed from \$19,000 to \$10,102.

Mr. Aliasso said that according to the balance sheet, a lot is annualized except for rent. He said it appears Mrs. Robertson will rent for six months then come back and rent again since the business will be seasonal. He said that there may be a rental agreement with the building owner, but didn't know that for sure.

Mr. Jennings said that the business plan was well written and indicated that Mrs. Robertson did her homework. Mr. Aliasso pointed out that Mrs. Robertson was assisted by the Small Business Development Center.

Mr. Eaton said that Ms. Nuffer wrote up this loan request. He said that it is a small operation and is strictly cash. Mr. Aliasso said that it appears the business will be cash positive in year one.

A motion was made by Mr. Jennings to move the request to the full board of directors, seconded by Mr. Aliasso. All in favor.

Mr. Jennings asked if anything came from the state budget for evaluation of alternative energy projects. Mr. Warneck said yes that there is a bill moving forward. He said that they have 180 days to come up with standards. Attorney Miller indicated that the impact will not be immediate and may not be effective until 2023.

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Ms. LøHuillier entered the meeting at 8:11 a.m.

- III. NY 18144 Game Farm, LLC** – Mr. Aliasso said the project has already met the SEQR criteria. He asked the applicant to clarify the number of acres since there were two different figures listed in the application. Mr. Schlesinger said the total acres is 24.7 which includes the access road. Mr. Aliasso asked Mr. Eaton to revise the project summary sheet and cost benefit analysis to reflect the correct number.

Mr. Jennings asked how long the SEQR determination is good for since it was completed in September 2020 for this project. Attorney Miller said that it can be good for several years as long as the site plan doesn't change. Mr. Schlesinger confirmed that the site plan has not changed.

Mr. Johnson asked if the applicant has spoken to the General Brown School District regarding the proposed PILOT. Attorney Trigg said that they have not to her knowledge and indicated that it was her understanding that the IDA would do that. Mr. Warneck said that the board used to require a letter from each taxing jurisdiction. However, it was decided that it created too much confusion, causing some jurisdictions to think we were asking for formal approval. Therefore, it has not been required for the newest projects. Mr. Walldroff asked if we should still seek the letter from the affected taxing jurisdictions (ATJ's), which can be used as an introduction to get everyone on the same page. Due to the confusion, Mr. Zembiec said that staff will reach out to the ATJ's as we have been doing recently. Attorney Miller said that the communication should occur in normal course which would allow the ATJ's to make comments at the public hearing. Mr. Walldroff acknowledged that he can settle for that.

Mr. Warneck asked if there is a host community agreement in place. Ms. Stokes said no.

Mr. Walldroff asked where the interconnect will take place. Mr. Schlesinger said that he didn't know off the top of his head; however, he said that they have an interconnect agreement with National Grid.

A motion was made by Mr. Jennings to move the proposed project to the full board for consideration, seconded by Mr. Aliasso. All in favor.

IV. Other/Unfinished Business:

- 1. Prime Farmland** – Mr. Matteson reviewed his PowerPoint presentation slides which reviewed the incentive model developed by another county to help developers stay away from prime soils and the disincentive model that we created. He said there are 240,000 acres in the ag district which doesn't necessary include hobby farms. He said that 77,000 or 30% is classified as prime and prime if drained.

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Mr. Matteson asked committee members if they wanted to schedule another meeting that will include Elizabeth Wolters from the Albany Farm Bureau office.

Mr. Matteson recapped and said the incentive model reduces the PILOT base payment per megawatt rate and applies the discount for the number of acres that are not prime farmland. He said that the disincentive model example is also based on the \$5,500 PILOT based payment per megawatt. He said this model discourages solar developers from building a solar array on prime and prime if drained active agricultural soils by increasing the PILOT payment per megawatt. He noted that he uses a three-year window as the definition for active farmland. Attorney Miller pointed out that developers identify land and have leases which may occur for years before the IDA gets involved with a project. He said that he would use a different tool.

Mr. Warneck noted that the County won't consider bigger projects and indicated that a lot of work needs to be done to show them why they should consider them.

It was asked if the model is just for utility projects or community projects as well. Mr. Matteson said that community solar should be evaluated the same as utility projects for the protection of farmland since there is impact around the footprint of these projects as well.

Mr. Walldroff said that he is not sure how much impact the disincentive model will have. Mr. Matteson said that there are three options to consider: 1) use the disincentive model, 2) don't offer PILOT, and 3) do nothing. Mr. Warneck said that developers already identify and have land leases before we ever know about it and noted that it may be hard to shift them to another site. Mr. Walldroff said that there should be full taxation on any project that is on prime farmland. He said developers could then go to the Governor indicating that local officials are being excessive, and the government could then formulate the PILOT for us.

Mr. Aliasso pointed out that utility scale projects don't fall under the UTEP. He said that we could consider hiring experts to do a financial analysis that will help determine taxation. Attorney Miller said that he is starting to work with Mr. Eaton on a new CBA program for solar projects. He said the NY 18144 Game Farm, LLC project will be the first one through the system. He said the project will be analyzed and we will be able to look at added value.

Mr. Jennings left the meeting at 9:20 a.m.

Mr. Warneck said we should put a moratorium on utility scale projects until the state creates their methodology. Mr. Aliasso said the public needs factual information.

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2. **Other** – Mr. Aliasso said he attended a meeting last night of the Lake Ontario Marine Sanctuary Council and announced that Lake Ontario is being considered as a marine sanctuary. He said that this would be the second with this status and could have an impact on tourism. Mr. Aliasso said that Katie Malinowski is Vice Chair of the Council and has more information available. Mr. Zembiec pointed out that Mr. Matteson is part of that council as well.
3. **Draft UTEP** – Mr. Zembiec said the most recent draft includes comments from board members and a slight change to the renewable energy section by Attorney Miller.

The following comments were made:

Mr. Aliasso said the current UTEP is 25MW but suggested it match ORES for 20MW.

Mr. Walldroff said that we should push ourselves for 100% taxation for prime farmland. Mr. Warneck said that we are waiting on the state's methodology.

Mr. Aliasso said that we should not be an obstacle. Mr. Warneck said that we are doing our role.

Mr. Warneck said that 50% taxation should be a goal and not be mandatory and that we should limit the term to 15 years for alternative energy projects.

Mr. Zembiec asked Attorney Miller if the renewable energy section is tied to the 50% taxation as mentioned earlier in the UTEP. Attorney Miller said "No." That applies to standard projects of industrial, manufacturing, commercial as defined.

Mr. Aliasso said that we should collect data and set up meetings just for the UTEP. He said that he would like to see the new CBA that Attorney Miller and Mr. Eaton are working on. He said that we also need to decide whether to change the threshold of the per megawatt and whether to incentivize or disincentivize. Mr. Warneck thinks that we should continue with the disincentive model and use the project agreement and other legal documents to request and track the local jobs. Attorney Miller said the project evaluation and criteria policies will address that. Mr. Zembiec said that we can invite local labor organizations to an upcoming meeting.

Mr. Zembiec confirmed that a special meeting will be scheduled to meet with Elizabeth Wolters of the Albany Farm Bureau office and a representative from Ag and Markets. Mr. Matteson will set that up.

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Other ó

Meeting Date ó Mr. Warneck asked if the day of the monthly meeting can be changed since there is an on-going conflict with the Watertown Industrial Center LDC board meeting. Members agreed that the last Wednesday of each month would work.

Updates ó

Mr. Zembiec said that we received a letter from the Village of Adams indicating that they will be lead agency for the SEQRA review for a proposed solar project by AES Clean Energy, Inc.

Mr. Zembiec said that the OYA Robinson Road and OYA Wayside Drive solar projects closed last Friday.

V. Adjournment: Mr. Aliasso adjourned the joint meeting at 10:01 a.m.

Respectfully submitted,

Peggy Sampson