

**Jefferson County Industrial Development Agency
Alternative Energy Ad hoc Committee Meeting Minutes
November 10, 2021**

Present: William Johnson, Chair; Paul Warneck, Christine Powers

Excused: John Jennings

Also Present: David Zembiec, Marshall Weir, Lyle Eaton, Peggy Sampson, Jay Matteson
Zoom: Justin Miller, Esq., Rob Aliasso

- I. Call to Order:** Chair Johnson called the meeting to order at 8:03 a.m.
- II. Fees –** Mr. Zembiec said that he looked into fees of other IDAs around that state, but did not find any that charge a 2% fee like we do. He said that most charge between 1% and 1.25% and some also charge an annual administrative fee; but noted that the annual fee varies. Ms. Powers suggested averaging out a lower PILOT fee with an annual administrative fee and compare that against our current fee structure without the annual admin fee. Attorney Miller noted that there may be a balancing act if we impose the fee on all active projects rather than just going forward with new projects. He did note that it would be a revenue stream for the Agency.
- III. IDA UTEP and procedural issues in light of the state’s new valuation method –** Attorney Miller said the industry will want certainty and pointed out that it may not be beneficial to community solar projects to come to the IDA for their project. He said the abatement will be lower because the assessment will be lower, and the project developer will want certainty of a fixed dollar amount. He noted that they should be paying full value on land values as well as special districts.

Mr. Warneck thinks there may be a shock to the Towns on what they may lose. Attorney Miller said that he is not sure if the assessors will be required to look back or forward for new projects. Mr. Warneck noted that the first OYA project was assessed at \$6.8 million in 2021. Under the new state calculator, it would assess at \$2.1 million. He said it should be mandatory for assessors to use on existing projects as well. Mr. Warneck indicated that the state’s model will be re-established every year. Mr. Johnson said that we should leave our UTEP as is for now.

Mr. Zembiec said that we will use the new model on the next application that comes in. Mr. Warneck said that we will need to ask for additional information from the developer. He said that we will need to know if they get a community credit. Attorney Miller said that we ask for a copy of the ground lease as part of the closing process. He said that the assessor identifies land value, and the developer pays the full land value and special district charges. He said that we are working on instituting a uniform standard and have been talking with the Jefferson County Real Property to accomplish this. Attorney Miller noted that they send out the RP-412as with land descriptions and surveys.

**Jefferson County Industrial Development Agency
Alternative Energy Ad hoc Committee Meeting Minutes
November 10, 2021**

- IV. Discuss potential legal and administrative issues as they relate to our earlier PILOTs** – Attorney Miller mentioned the OYA projects for which the first four are owned by Nextera and the last two that closed in April that are still owned by OYA (Toronto). He said that the two new projects have requested an amendment to their original PILOT documents since they are now leasing only 35 acres rather than 100+ acres. He said the request will appear at the upcoming board meeting. Attorney Miller noted that we will be requiring a PILOT Mortgage going forward.

Ms. Sampson left the meeting at 8:47 a.m.

Executive Session

At 8:50 a.m., a motion was made by Mr. Warneck to enter into executive session to seek the advice of legal counsel, seconded by Ms. Powers. All in favor. Committee Members, Staff, and Counsel remained.

At 9:34 a.m., Mr. Warneck motioned to leave executive session, seconded by Ms. Powers. All in favor. No action was taken.

V. Other/Unfinished Business:

- 1. Chaumont Solar Project (Convergent):** Mr. Zembiec noted the project is seeking a PILOT directly with the taxing jurisdictions, as it is too late for the IDA to incentivize a project that is nearly completed. It was suggested that the JCIDA may be able to provide technical assistance to assist the affected taxing jurisdictions with the 487 process. Mr. Aliasso said we should include Attorney Miller. Attorney Miller suggested the school may not need to opt in to 487; but could adopt a resolution to honor a 487 structure. When PILOTs are deployed through an IDA, the legal costs are born by the developer, whereas in a 487 negotiation, ATJs have to pay their legal counsel out of the general fund. Mr. Aliasso propose that we offer Attorney Miller's expertise to help develop an agreement and that the ATJs could share the cost of reimbursing us which could save legal costs for them. Mr. Johnson will reach out to the taxing jurisdictions to see if they are interested in the JCIDA's assistance.
- 2. Decommissioning agreements:** Mr. Matteson shared a draft resolution he helped prepare for the Jefferson County Farm Bureau regarding the decommissioning of solar projects and restoration of farm land. The County Farm Bureau will propose these resolutions to the New York Farm Bureau at their upcoming state convention. If adopted, the resolutions will become New York Farm Bureau Policy, which they would share with state and local officials, agency representatives, and as a guide to local municipalities. He will be meeting with the Jefferson County Farm Bureau, their CEO, and legal counsel to discuss these further.

**Jefferson County Industrial Development Agency
Alternative Energy Ad hoc Committee Meeting Minutes
November 10, 2021**

- VI. Adjournment:** With no further business before the committee, Ms. Powers made a motion to adjourn the meeting, seconded by Mr. Warneck. The meeting adjourned at 9:58 a.m.

Respectfully submitted,
Peggy Sampson