

Bullis Road Solar
\$ 6,389,343
PRIVATE INVESTMENT INDUCEMENT RESOLUTION

ELIGIBILITY

- NAICS Section – 221114

COMPANY INCENTIVES

- Approximately \$174,674 in sales tax savings
- Approximately \$389,527 in real property tax savings
- Up to 3/4 of 1% of the final mortgage amount estimated at \$ 32,332
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JOBS & ANNUAL PAYROLL

- Current Jobs: 0
- Annual Payroll: \$0
- Projected new jobs:0
- Est. salary/yr. of jobs created: \$0
- Projected retained jobs:0
- Est. salary/yr. of jobs retained: \$0
- Total jobs after project completion: 0
- Construction Jobs: 40

PROJECTED COMMUNITY BENEFITS*

- Term: 25 YEARS
 - NET Community Benefits: \$ 3,612,000
 - Spillover Jobs: 15
- Total Payroll: \$ 2,838,000

INCENTIVE COST/COMMUNITY BENEFIT RATIO*

Incentives: \$ 596,533

Community Benefit: \$ 3,612,000

Cost: Benefit Ratio

- 1: 7

Project Title: Bullis Road Solar

Project Address 11061 Bullis Road, Marilla, NY 14037
(Iroquois Central School District)

Agency Request

A sales tax, mortgage recording tax and real property tax abatement in connection with a small scale community solar project.

Land and/or Building Acquisition	\$ 72,331
New Building Construction	\$ 5,480,942
Soft Costs/Other	\$ 836,070

Total Project Cost	\$ 6,389,343
85%	\$ 5,430,942

Company Description

Renewable Properties (RP) specializes in developing and investing in small-scale utility solar and battery energy projects throughout the U.S. Led by experienced renewable energy professionals, RP works closely with communities, developers, landowners, utilities and financial institutions looking to invest in utility solar and battery energy systems. Renewable Properties was founded in March 2017 and is located in San Francisco, CA. The company currently has over 250 MW development pipeline across 9 states. The applicant for this project is RPNY Solar 2, LLC.

Project Description

The Bullis Road Solar project is a small-scale community solar project located on 22 acres of a 45 acre parcel of land in Marilla, NY. Renewable Properties, LLC has entered into an option to lease agreement with the owner to facilitate the development of this project. The project will generate approx. 4.5 MW of clean reliable solar energy when complete. The project will interconnect to NYSEG’s existing electrical distribution system. The power generated from this facility will be sold directly to consumers via the state’s community Distributed Generation program allowing customers to directly offset their energy use with local solar power while saving money on their electric bills. Electricity generated from the project will power roughly 1,015 homes per year. The project will utilize approx. 10,800 solar modules and 36 string inverters which convert the sun’s energy into useable AC power.

* Inform Analytics/Center for Governmental Research

Economic Impact: Inform Analytics Cost-Benefit Analysis

The Erie County Industrial Development Agency uses Inform Analytics, a widely-recognized modeling tool from the Center for Governmental Research, to assess the economic impact of a project applying for incentives. This cost:benefit ratio is assessed via a Cost-Benefit Analysis, as is required by Section 859-a (5)(b) of General Municipal Law. For the complete Cost Benefit Analysis – please see the attached Inform Analytics Projected Community Benefits and Community Cost Benefit Analysis.

Cost: Incentives

COSTS	Tax Exemption	Amount
	Property	389,527
	Sales	174,674
	Mortgage Recording	32,332
	Total	596,533
	Discounted at 2%	527,000

Benefit: Projected Community Benefit*

BENEFITS	Region	Recipient	Revenue Type	\$ Amount (in Mil)**
	Erie County	Individuals	Payroll Construction	\$2,838,000
			Payroll Permanent	
		Public	Property Taxes	610,000
			Sales Taxes	46,000
	New York State	Public	Income Taxes	139,000
			Sales Taxes	40,000
			Total Benefits to EC + NYS***	3,672,000
			Discounted at 2%****	3,672,000

includes direct & indirect \$ over project period *may not sum to total due to rounding **** not discounted as only temporary jobs

Discounted Cost \$ 527,000
 Discounted Benefit \$ 3,672,000
 Ratio 1:7

Conclusion: The Cost Benefit for this project is: 1:7. For every \$1 in costs (incentives), this project provides \$7 in benefits (payroll & tax revenue). **Note: For Erie County, every \$1 in costs (incentives) provides \$8 in benefits to the community.**

New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over abatement period	Additional Local Revenue Over abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$0	\$ 720,000	\$ 151,597	\$ 497,016	\$ 41,033
Combined Tax Rate: \$56.99				

* Inform Analytics/Center for Governmental Research

Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$ 6,389,343 85% = \$ 5,430,942
Local Labor	Construction period	Adherence to policy including quarterly reporting
Unpaid Tax	Coincides with 25-year PILOT	Adherence to Policy
<u>Recapture Period</u>	Coincides with 25-year PILOT	Real Property Taxes State & Local Sales Taxes Mortgage Recording Taxes

Recapture applies to:

State and Local Sales Taxes
Real Property Tax
Mortgage Recording Tax

Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax policy for recapture term.

Project ECIDA History

- 09/20/2021 - Public hearing held.
- 09/22/2021 - Inducement Resolution presented to Board of Directors approving financial assistance and adopting/ratifying Town of Marilla Negative Declaration in accordance with SEQRA.
- 09/22/2021 - Lease/Leaseback Inducement Resolution presented to the Board of Directors