

SCOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

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Ronald S. Filmer, Jr.
Chief Executive Officer

Chester Burton
Chairman

SCIDA BOARD OF DIRECTORS MEETING

February 19, 2021

SCIDA Draft Board Minutes

1. **Meeting** called to order at 9:30 a.m. by Chairman Chester Burton.
Members: Chairman/Chester Burton, V. Chair/Joseph Trapani, Treasurer/Wanda King, Member/Peter Johnson, Ben Oevering. **Staff:** Chief Exec. Officer/Ron Filmer Jr., Chief Financial Officer/ Jeff Haslun, Secretary/Sarah Nickle.
2. **Present:** IDA Board Members: Chester Burton, Joseph Trapani, Wanda King, Peter Johnson, Ben Oevering.
Staff: Ron Filmer Jr., Sarah Nickle, Jeff Haslun. **Guest:** Joe Scott, Don Airey, Patsy Nicosia
3. **Minutes** from the January 28, 2021 meeting were approved on motion by Wanda King and seconded by Peter Johnson, All in Favor.
4. **Committees of the Agency – Reports & Current Business -**
 - IDA Audit Committee** - (Chester Burton, Wanda King, Peter Johnson)
 - N/A
 - IDA Finance Committee** – (Joseph Trapani, Wanda King)
 - N/A
5. **Project Update and Review-**

Sharon Springs, Inc. – The current PILOT is still in effect, but in default due to the project not being finished and not producing jobs. SSI, through their local representative Sandy McKay is going to each jurisdiction to discuss PILOT requests and pursue approvals for the continued project throughout the next month. However, the Town and Village have attached conditions such as securement of SSI's other properties, timing of activities and updating their project description. This still has to go to the respective boards for a vote. The Village and County have passed and awaiting the School and Town decision.

For financing, SSI is asking for a two year extension to secure. However, SCIDA and the jurisdictions prefer the extension to be until 12/31/2021. This has already been put in writing to SSI and a motion was made by Joe Trapani and seconded by Peter Johnson to stay with the extension date of 12/31/2021. SSI is working with the Pursuit organization to assist with financing. SSI has a list of items to provide to move forward.

Once the jurisdictions finish voting on the proposed requests and pass the resolution, the SCIDA Board can then possibly vote at their next board meeting for final PILOT terms. Additional terms for the SCIDA Board to still address is a separate contract to ensure the proper clean up, maintenance and security for the properties based on code standards. This agreement if not followed by SSI can result in default of the extended PILOT agreement.

6. **SCIDA Solar Policy –**

Legal counsel and SCIDA staff presented two draft options for the deliberation and modification of SCIDA's Uniform Tax Exemption Policy for solar to the SCIDA Board.

Option A allows the individual jurisdiction to have local decision and control of the project terms and conditions. Option B provides the ability to set fixed terms as recommended by the Schoharie County Board of Supervisors.

Joe Scott, Legal Counsel, clarified that under the IDA statute (State mandated), PILOT payments must be disbursed pro rata. At the 1/28/2021 SCIDA Board meeting there was an additional provision added to the terms of the draft solar policy per the County Board, where payment allocation to the jurisdictions would be 1/3rd each to the Town, School and County. However, the IDA statute requires the PILOT payments to be allocated pro rata based on tax rates unless all taxing jurisdictions pass a resolution agreeing to a different allocation.

Regardless of what the SCIDA solar policy requires, if not using the pro rate calculation, every solar PILOT that is entered into would have to go to the individual jurisdictions for approval and a resolution passed by the 3 taxing entities approving the allocation. The jurisdictions could also be presented with other conditions associated with the PILOT agreement such as term, rate, and escalation to be agreed upon and approved at the same time as the allocation. All conditions would be decided and controlled by the individual jurisdiction and no amendment would be needed to the SCIDA policy.

Joe Scott explained that the 20K fixed rate the County Board is recommending is very different than other amounts he has seen executed in the state. Legal and IDA Board members are concerned about representing all stakeholders. The SCIDA has six stakeholders - the residents of Schoharie County and the taxing jurisdictions, local businesses and businesses that intend to relocate in Schoharie County, not-for-profit organizations, local workforce, County Board of Supervisors and the State of New York. A fixed rate could restrict the other stakeholders from having a voice and be interpreted as a deterrent for projects on a local, State and National level. A public hearing was recommended for local opinion.

Don Airey a member of the Schoharie County Board of Supervisors and the Schoharie County Energy Committee spoke on behalf of the County Board. Mr. Airey expressing that the County Board does not support individual jurisdiction decisions on solar projects nor does it support solar projects in general. A fixed minimum rate of 20k per megawatt approved by the County Board in Resolution 17 was to extract the local jurisdictions from individual negotiation and show solidarity between county entities. The Schoharie County Board of Supervisors urges the SCIDA to do the same.

The SCIDA Board discussed the issues and considered a resolution for the preliminary approval of amendments to the uniform tax exemption policy for solar projects. Peter Johnson made a motion to adopt the resolution with modifications and Ben Oevering provided a second. A roll call vote was made and the resolution was adopted (4 in favor, 1 against). The resolution with modifications will be sent to the jurisdictions for comment. A 30-day comment period will ensue. A public hearing may occur.

Steps for initiating the amendment to SCIDA's Uniform Tax Exemption Policy:

1) Legal and IDA staff to draft a policy based on 2/19/2021 discussion to include the County Board of Supervisors recommendation of a minimum of 20K per megawatt, term not to exceed 20 years, 3% escalator until year 11 and then step up to 50% of assessed value and then 5% increase each year thereafter, pro rata allocation, unless approval/resolution from the jurisdictions to do a different allocation.

- 2) SCIDA staff to distribute draft policy to jurisdictions.
- 3) Consider a public hearing including professionals from all aspects of solar.
- 4) Collect and review comments.
- 5) Present comments to the SCIDA Board.
- 6) Finalize the policy considering public comments.
7. **Other – N/A**
8. **Set date for next meeting – April 14, 2021 @ 9:30**
9. **Adjournment – On motion duly made and seconded, (Peter Johnson, seconded by Joe Trapani) meeting adjourned at 4:09 p.m.**