



DANIEL P. MCCOY
COUNTY EXECUTIVE

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DANIEL C. LYNCH, ESQ.
DEPUTY COUNTY EXECUTIVE

October 5, 2020

Honorable Andrew Joyce, Chairman
Albany County Legislature
112 State Street, Room 710
Albany, New York 12207

Dear Chairman Joyce:

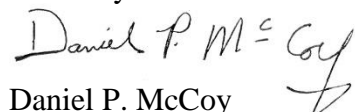
The Office of the Albany County Executive respectfully requests authorization to enter into a Payment in Lieu of Taxes (PILOT) agreement with BEAVER DAM SOLAR 1, LLC. The owner is proposing to develop a 5 Megawatt AC solar energy system on a parcel of land located within the Town of Bethlehem ("Town") at 275 Beaver Dam Rd.

Real Property Tax Law (RPTL) § 487 exempts the value of a solar panel system from local property taxes. Under the law, any increase in the property value attributable to the addition of the solar panel system is exempt from property tax for fifteen years. Pursuant to §487 a taxing jurisdiction can require a solar developer to pay an annual fee or "payment- in-lieu of taxes" as a replacement for the taxes it would have otherwise collected. Under the law, PILOT amounts cannot exceed what the tax amount would have been without the exemption.

The developer proposed an annual PILOT payment of \$5,000 per Megawatt AC of Capacity with a two percent annual escalator. This amount falls within the NYSEDA PILOT rate guidance for National Grid territory. Based on the size of this project the first year PILOT payment will be \$25,000. The 15-year term shall commence on the first taxable status date following commencement of construction, which will result in an initial PILOT payment in April of 2022.

If you should have any questions, please do not hesitate to contact me.

Sincerely


Daniel P. McCoy
Albany County Executive

cc: Hon. Dennis Feeney, Majority Leader
Hon. Frank Mauriello, Minority Leader
Rebekah Kennedy, Majority Counsel
Arnis Zilgme, Minority Counsel