

PROJECT SUMMARY SHEET

PROJECT NAME: LAPEER-CORTLAND SOLAR, LLC

TOTAL PROJECT INVESTMENT	\$27,185,245
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ESTIMATED VALUE OF EXEMPTIONS BEING SOUGHT BY THE PROJECT:

Sales Tax Exemption: **\$810,000**

Taxable items related to the construction, equipment and materials (NYS share of sales tax is exempt under RPTL 487 for Solar/Wind or Certain Energy Systems).

Mortgage Recording Tax Exemption: **\$247,500**

1 percent on an estimated \$24,750,000 in financing costs.

Real Property Taxes on the Improvements to the Property: **\$3,106,815**

The land taxes for the properties will continue to be paid by the property owner. However, the improvements to the property (the solar arrays) are subject to real property taxes for years 16-30 of the PILOT.

ESTIMATED VALUE OF TOTAL EXEMPTION: **\$4,164,315**

ESTIMATED VALUE OF REVENUE GENERATED BY THE PROJECT:

Payment in Lieu of Tax **\$1,350,000**

\$3,000 per megawatt = \$45,000 annual payment x 30 years
(pro rata share among the county, town and school)

Fire District tax on new improvements assessment: **\$ 243,824**

Estimated average assessment x 2019 rate (.90) x 30 years:

ESTIMATED VALUE OF NEW REVENUE GENERATED BY THE PROJECT: **\$1,593,824**

Please note: the underlying land taxes are not subject to this request and will remain on the tax rolls. Currently, the value of the county/town/school and fire district land tax is \$7,815.77 per year and estimated to total \$234,473+ over 30 years.

PROJECT COST BENEFIT ANALYSIS:

Value of exemptions sought by the project:	\$ 4,164,315
Less payments made by the project:	
PILOT payments (30 years)	1,350,000
Special District taxes (fire) (30 years)	<u>243,824</u>
Net Incentive to Project – 30-year period (61.73% abatement)	<u>\$ 2,570,491</u>

Note:

The new assessment on improvements to the property will be imposed by the Town Assessor at the time of completion of the project and will be adjusted annually throughout the term of the PILOT. Based on information provided with this application, a fair market value property valuation schedule was prepared for the 30-year period using the income capitalization approach to value. A copy of the Lapeer-Cortland LLC Property Valuation by Year is attached for your reference.

The market value estimate was averaged for the purposes of estimating values in this summary.