

**COUNTIES OF WARREN AND WASHINGTON
INDUSTRIAL DEVELOPMENT AGENCY**

5 Warren Street, Suite 210, Glens Falls, NY 12801

Tel. (518) 792-1312

Agenda for March 20, 2023 @ 4:00 PM

Warren County Municipal Center 1340 State Route 9, Lake George NY

1. Call to Order, Roll Call and Quorum Confirmation
2. Approval of Minutes of the February 21, 2023 IDA Board Meeting
3. Treasurer
 - Accounts Payable Approval
 - YTD Financial Report
4. Reports of Committees
 - Canalside Master Plan Update
 - Canalside Projects, Tenant Activity
5. Staff Report
6. Unfinished Business
 - UTEP Update
 - New Leaf Lease Update
 - Website Update - Logo & Messaging
 - CVE Application
 - Solar Policy
7. New Business
 - Morcon Status
 - Warren Washington Strategic Economic Alliance - Draft Housing Statement
 - Audit Update
 - Year End Reporting Update
 - Executive Committee Change
8. Other
9. Public Comments
10. Adjourn

Current Accounts Payable

<u>FitzGerald Morris Baker Firth, P.C.</u>	
General Services for February	\$ 960.00
Canalside Energy Park	\$ 2,054.00
<u>P. Hoffman Realty</u>	
Office Rent -April 2022	\$ 1,000.00
* <u>Spectrum</u>	
Monthly Phone and Internet Service	\$ 179.88
* <u>Payroll</u>	
Net Payroll - Feb Barton	\$ 6,909.74
Net Payroll - Feb Weaver	\$ 2,518.27
* <u>CDPHP</u>	
March Employee Health Insurance - Weaver	\$ 563.39
* <u>UMR COBRA Administration</u>	
March Employee Health Insurance - Barton	\$ 1,815.69
* <u>First National Bank of Omaha</u>	
credit card charges	\$ 685.41
* <u>National Grid</u>	
Traffic Light Electricity	\$ 35.63
Pumpstation substation	\$ 99.66
* <u>EFTPS</u>	
February federal payroll tax payment	\$ 3,046.56
<u>Behan Communications</u>	
Public Relations Services	\$ 937.50
<u>Hour Electric</u>	
Meter Installation	\$ 13,193.55
Power extension to railroad (WCC to pay half)	\$ 24,462.00
<u>Emminger Newton Pigeon Magyar, Inc</u>	
consulting svcs. - Reimbursable	\$ 1,975.00
* <u>New York State Insurance Fund</u>	
Audit Balance	\$ 60.33
<u>Jarrett Engineers</u>	
December 2022 and January 2023 services	\$ 7,279.44
<u>LaBella</u>	
January Canalside Engineering Services	\$ 9,000.00
February Canalside Engineering Services	\$ 24,700.00
<u>Lake Champlain Lake George Regional Planning Board</u>	
NBRC Contract	\$ 3,515.85
<u>New Growth Lawncare and Maintenance</u>	
Canalside Emergency Tree Removal Services	\$ 500.00
* <u>Associates of Glens Falls Insurance</u>	
23-24 Public Officials Liability Insurance	\$ 1,669.00
Total	\$ 107,160.90

* notates payment has already been made

Profit & Loss Prev Year Comparison January through February 2023

	Jan - Feb 23	Jan - Feb 22
Ordinary Income/Expense		
Income		
Non-Operating Revenue		
Donations - Land	0	10,500,000
Investment Earnings		
2401 · Interest Income		
2401.1 · Interest Income CDs	0	-0
2401 · Interest Income - Other	41	26
Total 2401 · Interest Income	<u>41</u>	<u>26</u>
Total Investment Earnings	41	26
10001 · Canalside Sale/Misc Income	0	2,094
Total Non-Operating Revenue	41	10,502,121
Operating Revenue		
Canalside Lease Income	22,250	0
Charges for Services		
2116.1 · Project Fees - Existing	20,096	0
2116.2 · Project Fees - New	0	46,285
Total Charges for Services	<u>20,096</u>	<u>46,285</u>
Grant Income - NBRC	9,453	0
Grant Revenue - National Grid	0	86,597
Total Operating Revenue	51,799	132,882
2770 · Project - Legal Reimbursable	3,926	0
Total Income	<u>55,766</u>	<u>10,635,002</u>
Gross Profit	55,766	10,635,002
Expense		
Nonoperating Expenses		
107 · Airport Industrial Park		
Property/Sewer/Water Taxes AIP	10,417	10,537
Total 107 · Airport Industrial Park	<u>10,417</u>	<u>10,537</u>
Total Nonoperating Expenses	10,417	10,537
Operating Expenses		
Other operating expenses		
Interest	68	0
Miscellaneous	0	-0
1910.4 · Insurance		
Liability/Commercial Insurance	4,705	0
Public Officials Liability	50	50
Workers' Comp Insurance	0	59
Total 1910.4 · Insurance	<u>4,755</u>	<u>109</u>
2675.1 · Sale of Lots		
Land conveyance	0	386
Total 2675.1 · Sale of Lots	0	386
6460.4 · Contractual Services		
Advertising/Marketing	6,695	0
Computer & Website Related	1,094	397
Dues	335	310
Rent	2,000	1,000
Subscriptions	0	544
Telephone and Internet	510	358

Profit & Loss Prev Year Comparison
January through February 2023

	Jan - Feb 23	Jan - Feb 22
6460.4 · Contractual Services - Other	0	803
Total 6460.4 · Contractual Services	10,634	3,412
Total Other operating expenses	15,457	3,907
Professional service contracts		
Accounting	400	800
Engineering-Phase II & Wetlids	4,006	0
Engineering - Phase I & General	0	6,150
Legal		
Fees for Project	5,071	4,424
Total Legal	5,071	4,424
Total Professional service contracts	9,477	11,374
Reimbursable Prof. Svc Contract	3,453	0
6460.45 · Staff Payroll - WWIDA	26,451	18,971
6460.5 · Supplies and Materials		
Misc Office Expenses		
Bank Fees	39	39
Misc Office Expenses - Other	0	0
Total Misc Office Expenses	39	39
Office Supplies	321	148
Postage	580	116
Total 6460.5 · Supplies and Materials	940	303
9000 · Employee Benefits		
Employee Benefit - Retirement	-30	0
Medicare - Company	450	279
Social Security - Company	1,926	1,194
Unemployment Insurance	0	0
VEHICLE ALLOWANCE	0	500
6460.47 · Staff Telephone Allowance	0	80
Total 9000 · Employee Benefits	2,346	2,054
Operating Expenses - Other	0	0
Total Operating Expenses	58,124	36,609
10000 · Canalside Energy Park		
10100 · Canalside Expenses		
10115 · Dewatering Insurance	2,974	4,558
10125 · Land & Building Maintenance	57,377	5,346
10130 · Dewatering Taxes	11,962	0
10135 · Dewatering Gas & Electric	7,273	73
Total 10100 · Canalside Expenses	79,586	9,977
Total 10000 · Canalside Energy Park	79,586	9,977
66900 · Reconciliation Discrepancies	0	-0
9010 · Employee Benefits/Health Ins.	4,915	0
Total Expense	153,044	57,124
Net Ordinary Income	-97,278	10,577,879
Net Income	-97,278	10,577,879

Profit & Loss Prev Year Comparison January through February 2023

	% Change
Ordinary Income/Expense	
Income	
Non-Operating Revenue	
Donations - Land	-100%
Investment Earnings	
2401 · Interest Income	100%
2401.1 · Interest Income CDs	53%
2401 · Interest Income - Other	
Total 2401 · Interest Income	53%
Total Investment Earnings	53%
10001 · Canalside Sale/Misc Income	-100%
Total Non-Operating Revenue	-100%
Operating Revenue	
Canalside Lease Income	100%
Charges for Services	
2116.1 · Project Fees - Existing	100%
2116.2 · Project Fees - New	-100%
Total Charges for Services	-57%
Grant Income - NBRC	100%
Grant Revenue - National Grid	-100%
Total Operating Revenue	-61%
2770 · Project - Legal Reimbursable	100%
Total Income	-100%
Gross Profit	-100%
Expense	
Nonoperating Expenses	
107 · Airport Industrial Park	
Property/Sewer/Water Taxes AIP	-1%
Total 107 · Airport Industrial Park	-1%
Total Nonoperating Expenses	-1%
Operating Expenses	
Other operating expenses	
Interest	100%
Miscellaneous	100%
1910.4 · Insurance	
Liability/Commercial Insurance	100%
Public Officials Liability	0%
Workers' Comp Insurance	-100%
Total 1910.4 · Insurance	4,280%
2675.1 · Sale of Lots	
Land conveyance	-100%
Total 2675.1 · Sale of Lots	-100%
6460.4 · Contractual Services	
Advertising/Marketing	100%
Computer & Website Related	176%
Dues	8%
Rent	100%
Subscriptions	-100%
Telephone and Internet	43%

Profit & Loss Prev Year Comparison January through February 2023

	% Change
6460.4 · Contractual Services - Other	-100%
Total 6460.4 · Contractual Services	212%
Total Other operating expenses	296%
Professional service contracts	
Accounting	-50%
Engineering-Phase II & Wetlds	100%
Engineering - Phase I & General	-100%
Legal	
Fees for Project	15%
Total Legal	15%
Total Professional service contracts	-17%
Reimbursable Prof. Svc Contract	100%
6460.45 · Staff Payroll - WWIDA	39%
6460.5 · Supplies and Materials	
Misc Office Expenses	
Bank Fees	0%
Misc Office Expenses - Other	0%
Total Misc Office Expenses	0%
Office Supplies	117%
Postage	400%
Total 6460.5 · Supplies and Materials	210%
9000 · Employee Benefits	
Employee Benefit - Retirement	-100%
Medicare - Company	61%
Social Security - Company	61%
Unemployment Insurance	0%
VEHICLE ALLOWANCE	-100%
6460.47 · Staff Telephone Allowance	-100%
Total 9000 · Employee Benefits	14%
Operating Expenses - Other	0%
Total Operating Expenses	59%
10000 · Canalside Energy Park	
10100 · Canalside Expenses	
10115 · Dewatering Insurance	-35%
10125 · Land & Building Maintenance	973%
10130 · Dewatering Taxes	100%
10135 · Dewatering Gas & Electric	9,812%
Total 10100 · Canalside Expenses	698%
Total 10000 · Canalside Energy Park	698%
66900 · Reconciliation Discrepancies	150%
9010 · Employee Benefits/Health Ins.	100%
Total Expense	168%
Net Ordinary Income	-101%
Net Income	-101%

03/13/23

Balance Sheet Prev Year Comparison

As of February 28, 2023

	Feb 28, 23	Feb 28, 22	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
GFNB debit card	0	0	0
200 · Cash			
- ICS Money Market Acct	1,300,000	0	1,300,000
Checking - NOW-10459405	140,443	589,862	-449,419
Escrow - PILOTs 3528097	5,340	28,243	-22,902
Total 200 · Cash	1,445,783	618,105	827,678
220 · Checking GFNB 0736	0	0	0
250 · Certificates of Deposit			
251 · CD - GFNB - #842819	0	101,837	-101,837
253 · CD - GFNB - #842821	0	255,184	-255,184
Total 250 · Certificates of Deposit	0	357,021	-357,021
Total Checking/Savings	1,445,784	975,126	470,658
Accounts Receivable			
380A · Accounts Receivable	26,645	-22,260	48,905
380B · Accounts Receivable - PILOTs	-6,364	6,352	-12,715
Total Accounts Receivable	20,281	-15,908	36,189
Other Current Assets			
200A · Undeposited Funds	0	-6,352	6,352
210 · Petty Cash	55	143	-88
381 · Insurance Receivable	0	1,060	-1,060
480 · Prepaid Insurance	4,265	4,265	0
Total Other Current Assets	4,320	-884	5,204
Total Current Assets	1,470,385	958,334	512,051
Fixed Assets			
101 · Land	1,126,948	1,126,948	0
102 · Land-Canalside Energy Park	10,500,000	10,500,000	0
104 · Machinery and Equipment			
Furniture and Equipment	357	357	0
Office Equipment	1,614	1,614	0
Signs & Mailboxes	7,584	7,584	0
104 · Machinery and Equipment - Other	-357	-357	0
Total 104 · Machinery and Equipment	9,198	9,198	0
114 · Accumulated Depreciation	-9,198	-9,198	0
Total Fixed Assets	11,626,948	11,626,948	0
TOTAL ASSETS	13,097,333	12,585,282	512,051
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
600 · Accounts Payable	49,436	-911	50,347
Total Accounts Payable	49,436	-911	50,347
Other Current Liabilities			
602 · Payroll Liabilities			
Federal W/H	1,678	661	1,017
Medicare - Employee	424	114	310
Social Security - Employee	1,121	478	643
State W/H	873	1,067	-195
602 · Payroll Liabilities - Other	576	576	0

Balance Sheet Prev Year Comparison As of February 28, 2023

	Feb 28, 23	Feb 28, 22	\$ Change
Total 602 · Payroll Liabilities	4,671	2,896	1,776
615 · Customers' Deposit	1,500	1,500	0
631 · Due to other governments	6,923	31,666	-24,743
Total Other Current Liabilities	13,094	36,061	-22,967
Total Current Liabilities	62,530	35,150	27,380
Total Liabilities	62,530	35,150	27,380
Equity			
924 · Net Assets - Unrestricted	13,132,081	1,972,253	11,159,827
Net Income	-97,278	10,577,879	-10,675,157
Total Equity	13,034,803	12,550,132	484,671
TOTAL LIABILITIES & EQUITY	13,097,333	12,585,282	512,051

03/13/23

Profit & Loss YTD Comparison
 January through February 2023

	<u>Jan - Feb 23</u>	<u>Jan - Feb 22</u>	<u>\$ Change</u>
Ordinary Income/Expense			
Income			
Non-Operating Revenue	41	10,502,121	-10,502,080
Operating Revenue	51,799	132,882	-81,082
2770 - Project - Legal Reimbursable	3,926	0	3,926
Total Income	<u>55,766</u>	<u>10,635,002</u>	<u>-10,579,237</u>
Gross Profit	55,766	10,635,002	-10,579,237
Expense			
Nonoperating Expenses	10,417	10,537	-120
Operating Expenses	58,124	36,609	21,515
10000 - Canalside Energy Park	79,586	9,977	69,609
66900 - Reconciliation Discrepancies	0	-0	0
9010 - Employee Benefits/Health Ins.	4,915	0	4,915
Total Expense	<u>153,044</u>	<u>57,124</u>	<u>95,920</u>
Net Ordinary Income	<u>-97,278</u>	<u>10,577,879</u>	<u>-10,675,157</u>
Net Income	<u><u>-97,278</u></u>	<u><u>10,577,879</u></u>	<u><u>-10,675,157</u></u>

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Revised 2/6/23

Opening our Hometowns for More Homes and More Young People

*Toward a community-based approach to Increasing
our regional housing capacity, across all income levels and housing types*

We live in one of the most beautiful places on Earth. Each year, we open our doors to family, friends, and visitors. Many are enthralled with the natural and community assets that make our area so appealing. Not surprisingly, when visitors experience what we enjoy here every day, many are interested in making this their home.

The problem is, it's difficult to find a home here.

Like many communities across our state and region, we have too few available homes. In Warren and Washington counties, there's a need for new housing of all types – single-family homes and apartments for working families, active seniors, professionals and recent college graduates. We need both upscale homes and affordable homes. We need starter homes that young couples can call their own and comfortable homes for seniors looking to consolidate.

When homes are in short supply, rents and prices rise, making housing less affordable for young families, working families and seniors to buy or rent. When there are too few homes, or too few affordable homes, we can't attract the young people we need to help local businesses grow, or to support critical services as physicians, nurses, teachers, contractors, firefighters, bus drivers, truck drivers and service professionals.

How did this housing shortage develop so quickly and quietly?

For about 20 years, too few new homes have been built in the United States to meet the demand. While multiple generations once lived under the same roof, and one household might hold four or five adults, today many seniors prefer the independence of living on their own, as do recent college graduates and single working men and women. A few people can afford multiple homes, but most just need one safe, comfortable place that's close to town, the bus, childcare, shopping, health care services and the grocery store.

Even if we agree more homes are needed, building projects often can be controversial. People worry about the loss of community character and open space, about more traffic and greater burdens on our schools.

These concerns merit respect, but the fact is, sound zoning and planning practices and rigorous environmental reviews are in place in our communities. These processes require project

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sponsors to share with the public the details of their plans. This helps ensure that public concerns will be heard and that the impacts can be measured and modest.

It's also the case that most of our communities have some room for and would benefit from growth. Most of our local schools are reporting enrollment declines. Our towns would benefit from an expanded tax base to help defray the increased cost of services.

In Warren and Washington Counties, our average age is 48. We're ten years older, on average, than other New York State communities and 11 years older than the national average. Fewer of us are enrolling kids in schools. Fewer are able to volunteer to answer midnight fire and ambulance calls. Fewer are interested in pursuing the more than 1,000 job openings in our area. Our employers want to expand their products and offerings but cannot grow without more employees – employees who need homes and often child-care services and transportation.

We, the undersigned community groups and agencies, see this challenge every day. We express our common commitment to support efforts to build more homes, attract more people, and expand transportation services and affordable, high-quality child-care choices. We commit to working with our local elected officials, community leaders and builders to find suitable places to build more homes; to support and encourage efforts to make our communities more sustainable and even more appealing to newcomers; to support and encourage responsible, high-quality projects; to support our businesses as they seek to recruit, hire and grow, and to support all efforts to welcome the next generation of young people.

WWIDA WEBSITE MESSAGING - 03/13/23

HOME PAGE

Promoting Local Investment for Community Growth and Prosperity

The Warren-Washington IDA provides incentive-based assistance programs to encourage and help businesses start, expand, or move into our region – creating jobs for local people and driving economic activity in local communities.

We also own and manage two shovel-ready industrial parks with parcels of varying sizes available to businesses for sale or lease.

Let us help you get your business going and growing.

HOW WE HELP PAGE

Programs and Properties to Help Your Business Grow

The Warren-Washington IDA provides incentive-based assistance programs to encourage and help businesses start, expand, or move into our region – creating jobs for local people and driving economic activity in local communities.

We also own and manage two prime-location, shovel-ready industrial parks with parcels of varying sizes available for sale or lease.

Our business incentive programs include:

Payment In Lieu Of Taxes Agreements

A Payment in Lieu of Taxes (PILOT) agreement for new construction projects is one of the key types of assistance the IDA can offer to encourage and incentivize businesses to start, expand or move into our region.

Under a PILOT, the property owner pays full taxes on the assessed value of the property without the new building improvements PLUS a reduced rate on the value of the new building for a set period of years once it is completed. This reduced rate on the new building gradually increases over the life of the PILOT agreement until 100% taxation is achieved on the entire property. Temporary property tax relief like this can be the deciding factor in whether a project is financially viable and/or whether a business chooses to locate in our region.

Sales Tax Exemptions for Building Projects

We can provide businesses with a sales tax exemption for purchases made in conjunction with building construction, including materials, machinery, and office equipment. This incentive also plays an important role in making new building and expansion projects viable.

Mortgage Tax Recording Exemptions

New York State and the counties assess a mortgage recording tax in the amount of 1.25% on mortgages filed in the county. We can provide businesses with exemptions from this tax, helping make building projects more affordable and allowing businesses to invest that money in other ways.

Tax-Exempt Bonds

We provide tax-exempt financing through the issuance of industrial revenue bonds for qualified businesses. This is an incredibly useful tool that allows businesses to borrow at a lower interest rate and perhaps a longer term in partnership with a qualified lender. Through this program, the IDA issues bonds, which are purchased by private investors, and the proceeds are loaned to the business.

If you would like to learn more about how the IDA can help your business grow and prosper in Warren or Washington counties, please contact us at (518) 792-1312 or info@warren-washingtonida.com

COMMUNITY BENEFITS PAGE

Helping Businesses Grow Helps Our Regional Community Thrive

By helping business grow and prosper in Warren and Washington counties, the IDA helps local people and communities thrive. Successful businesses provide jobs for local people, generate tax revenue for local communities, and spend money with other local businesses.

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People who are starting new businesses, and existing businesses seeking to expand and grow, sometimes need help with their initial investments to make their project financially viable for the long term. Our programs do just that and can also help incentivize businesses to locate in our region.

We can help businesses start, relocate, and grow by providing temporary property tax relief on new construction, as well as mortgage and sales tax exemptions, based on the long-term economic benefits they will bring to our communities.

Our region benefits not only in the long-term, but also while these incentives are in place:

- Businesses that qualify for mortgage tax exemptions and/or for sales tax exemptions on purchases made in conjunction with building projects have a positive economic impact on local communities by buying products from other local businesses, providing construction-related jobs, and creating their own jobs for local people.
- Businesses that receive temporary Payment in Lieu of Taxes (PILOT) agreements on new buildings continue to pay at least the same level of taxes that were being collected on the property prior to the new building being constructed. ***The local municipality and school do not suffer a decline in their current tax revenue.***

Under a PILOT, the property owner pays full taxes on the assessed value of the property as it stood before any improvements, such as a new building, were made, PLUS a reduced rate on the value of the new building for a set period of years. The reduced PILOT payment gradually increases over the life of the agreement until full taxation is achieved on the entire property.

For example, if a business buys a vacant property for \$50,000 and builds a \$1 million building. Under a PILOT, they will pay full taxes on the \$50,000 base value of the property PLUS a reduced amount on the value of the new building for a designated period of years.

As of the end of 2022, the IDA had:

- **25 active PILOT projects**, which supported more than \$159 million in local business investment. These projects created more than 500 local jobs in a variety of business sectors, including ***assisted living, brewery, cannabis, entertainment, retail food, hotel,***

resort, manufacturing, distribution, marina, mixed commercial, museum, winery, renewable energy, and workforce housing.

- **Structured a special PILOT for construction of a significant renewable energy transmission project through Washington County.** The Champlain Hudson Power Express project will carry hydroelectric power from Quebec to New York City, with 42 miles of underground transmission lines running through Washington County. The project will provide \$431 million in direct construction investment over three years, and \$269 million in revenue to local municipalities and school districts over 30 years through the PILOT and host community benefit payments.
- **4 bond projects, with total principal of \$42 million to support assisted living, college residents, health care, and tourism.** These investments have created more than 220 local jobs.

ABOUT THE IDA PAGE

About Our IDA

The Warren-Washington IDA is the only two-county industrial development agency in New York State. Like all IDAs, our organization is a State public benefit corporation.

Our IDA provides incentive-based assistance to encourage and help businesses start, expand, or move into our region – creating jobs for local people and driving economic activity in local communities.

We also own and manage two shovel-ready industrial parks with parcels of varying sizes available for sale or lease.

Although the IDA is not governed by the two counties, nor supported by taxpayer dollars, our volunteer board of directors is appointed by the boards of supervisors of the two counties, with five members from each county. Board members include local business leaders and elected officials. This diverse array of expertise and experience, coupled with our unique bi-county approach to economic development, allows us to look beyond municipal boundaries and focus on assisting projects that will benefit our entire region.

Businesses interested in possible IDA assistance typically begin their discussion with IDA staff who conduct an in-depth analysis of the proposed project and determine whether the project should move forward for board review and a final determination.

ADDITIONAL PAGES STILL TO COME

- Projects Page, with brief written and/or video profiles
- Industrial Park Pages
- Board of Directors and Staff Page, with brief biographies and photos of each
- Page(s) for regulatory compliance-required documents
- Meeting information (agendas, minutes)
- Our Partners (list of other economic development resources)
- Our Region (for further discussion)

Purpose

The Warren Washington Industrial Development Agency (WWIDA) is adopting commercial solar and wind guidelines for renewable energy development for the following purposes:

1. Support New York State's "Reforming the Energy Vision" Initiative, which is intended to encourage renewable energy development to spur new energy business models, economic growth, and consumer choice. The initiative sets statewide goals of cutting greenhouse gas emissions by 80% by 2050 and generating 50% of New York's electricity from renewables by 2030.
2. Enhance developers' prospects for financing community projects by offering a uniform PILOT structure that is simple, predictable, and more appealing to lenders. Also assist by offering a single tax exemption policy, eliminating the need to negotiate PILOTs with multiple taxing jurisdictions.
3. Administer a single uniform tax exemption policy across the two counties allowing municipalities to collect long-term predictable payments in lieu of taxes without the burden of developing and administering PILOT agreements at the municipal level.

Tax Incentive Guidelines

These guidelines provide incentives for commercial solar and wind projects that provide renewable energy benefits to residential, commercial, and industrial customers. Recognizing that each renewable energy project is unique, the guidelines are purposefully flexible.

Applications will be entertained by the WWIDA after the local municipality agrees in writing to work with the WWIDA on a PILOT. To respect variations in local municipal policy, each solar project WWIDA application will be noticed to the host municipality and school for their feedback.

Property Tax: Real estate taxes on the increased value resulting from improvements are partially abated over a 15 to 25-year period. The annual payment in lieu of taxes (PILOT) will be determined based on per megawatt basis from the facility's actual generation, with a 2% increase each year. Host Community Benefit and Educational Contribution Agreements are permitted and may occur. PILOT and special agreement payments are property taxes on local, county, and school district taxes only; special district taxes are not eligible under the PILOT.

Sales Tax: Exemption from State and local sales tax on project costs as may occur as outlined in the WWIDA Policies and Procedures. However, since solar and wind projects generally produce only construction jobs, it will be the general policy of the WWIDA will be to not grant local Sales Tax Exemptions (State tax is exempted). Exceptions to Sales and Use tax relief may be granted if there are convincing reasons with the primary reason being the establishment of 5 or more permanent jobs in Warren and/or Washington county or incentive to utilize otherwise unusable properties such as wetlands or landfills.

Mortgage Recording Tax: Exemption from State and local sales tax on project costs as may occur as outlined in the WWIDA Policies and Procedures. However, since solar and wind projects generally produce only construction jobs, it will be the general policy of the WWIDA will be to not grant Mortgage Tax Exemptions. Exceptions to Mortgage Tax relief may be granted if there are convincing reasons with the primary reasons being the creation of 5 or more permanent jobs in Warren and/or Washington county or incentive to utilize otherwise unusable properties such as wetlands or landfills.

Fees: The applicant is responsible for paying fees as outlined in the WWIDA policies and Procedures.

Other: Unless specifically outlined in these guidelines, the applicant will be responsible for complying with all other rules and regulations as set forth in the WWIDA's Policies and Procedures.