

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 Mortgages 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.