

## Purpose for the Public Hearing

This hearing is regarding the proposed financial assistance and Payment-in-Lieu-of-Tax (PILOT) structure for the NY Dansville I solar project.

A key factor in this transaction is the project's relationship with **New York Real Property Tax Law (RPTL) 487**. Under this state law, renewable energy systems are typically granted a 15-year exemption from property taxes. Without the specific intervention of the Livingston County Industrial Development Agency ("IDA") and the establishment of this Payment-In-Lieu-of-Tax ("PILOT") agreement, the taxing jurisdictions could be legally required to provide this exemption without receiving any direct financial compensation.

By choosing to enter into this PILOT, the community effectively "opts in" to a revenue stream that would otherwise not exist. The agreement proposes **\$5,500 per megawatt** in the first year, with a **2% annual increase** thereafter. This ensures that the Village, Town, County, and School District receive consistent funding to support local services, rather than allowing the project to remain 100% tax-exempt under RPTL 487.

Furthermore, this revenue carries a significant fiscal advantage: it requires virtually no municipal services. Because the project does not add students to the school district or increase the burden on local infrastructure, the funds generated are a net gain for the budget.

Regarding the tax incentives, the IDA's role in providing sales tax and mortgage recording tax exemptions is standard procedure. Since 80% of project costs are already exempt by the state, the IDA's assistance on the remaining 20% ensures the project's viability.

As the project is in full compliance with the Village of Dansville's solar law, this financial agreement represents a strategic effort to capture and maximize local revenue from a low-impact development.

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## Background on the Property

- **Ownership:** The Livingston County Industrial Development Agency (IDA), a public organization established in 1973, currently owns the Dansville Industrial Park.
- **Site Purpose:** The IDA bought the park in 1993 to prepare "shovel-ready" land to attract new businesses and help local ones grow.
- **Current Land Use:** The park spans about 120 acres on both sides of Route 63. Roughly 28 acres are designated for this solar project on the east side while ~60 useable acres remain available for additional development on the west side.
- **Location:** While often mistaken for Town of North Dansville land, the property was annexed into the Village of Dansville in the late 90s/early 2000s. The current solar project sits entirely within the Village limits.