

PROJECT EVALUATION and COST/BENEFIT ANALYSIS

(As required by Section 869-A3 of New York General Municipal Law)

Project Applicant: **Renewable Properties, LLC, - RPNY Solar I, LLC,**

Project #4001-20-18

Project Types and Evaluation Criteria: The Agency, in its discretion, shall evaluate each project type below based on the totality of applicable factors, taking into account the total economic impact, and no one factor may be determinative. In any case where a project may be categorized by more than one type listed below, the evaluative criteria for each applicable project type should be applied to the applicable component of the project.

- 1) Manufacturing/Warehousing/Distribution Projects
- 2) Agricultural/Food Processing Projects
- 3) Adaptive Reuse/Community Development Projects
- 4) Tourism Projects
- 5) Other Retail Projects
- 6) Back Office/Data or Call Center Projects
- 7) **Energy Production Projects**
- 8) Affordable Housing Projects
- 9) Senior Housing Projects
- 10) Market Rate Housing Projects
- 11) Other Projects

Energy Production Projects

For Energy Production Projects, the Agency should consider the following criteria, as applicable:

- The information provided in the Cost Benefit Analysis;
- The capital investment being made by the applicant;
- The impact, if any, from local labor construction for the project;
- Wage rates (above median wage for area);
- In region purchases (percentage of overall purchases for project)
- Advances renewable energy production/transmission goals;
- How the project advances renewable energy production/transmission goals; and
- The need being met for the municipality and/or region.

Renewable Properties, LLC, a solar development company, is developing plans for a 3.50 MW-AC solar array to be installed on approximately 29 acres of agricultural field located on a tax parcel at 587 & 599 County Route 11, in the Town of Gouverneur. The total site acreage at the project location (tax parcel IDs: 159.002-1-22.111) is 89.4 acres. This property currently has a land assessed tax value of \$45,000.00, providing approximately \$1,235 in property tax payments.

Activities include the installation of a ground-mounted solar energy system comprised of Tier 1 modules in a fixed tilt setup, equipment pads for transformers, and a gravel access road. The system will be installed to maximize production and output, while minimizing the disturbance of any soils. The entirety of the solar system will be installed to grade, with minimal excavation for equipment pads and conductors. At the end of the project life, the solar system will be decommissioned, and the property will be restored to its existing condition.

Renewable Properties, LLC will participate in the NYSEDA NY-Sun Initiative to provide clean energy to local businesses and residences. The community solar credits generated by the project will be sold to local residents and small businesses at a discount to retail electricity prices, providing a long-term economic impact to subscribers.

Renewable Properties, LLC, is developing multiple community solar projects across upstate New York.

In addition to revenue provided to local landowners and taxing jurisdictions, there are a number of other benefits provided by community solar project development. Solar projects generate clean renewable energy that feeds the local utility grid. Through monetary crediting, that energy can be shared with customers in the same utility service area, providing direct savings on local utility bills in the form of dollar-value credits.

Projects such as this one support the goals of the New York State Climate Leadership and Community Protection Act (as summarized by the New York State Tug Hill Commission document, “***Planning for Offsite Solar Energy Projects***, February 2020):

The purpose of the Climate Act is to adopt measures to put New York on a path to reduce statewide greenhouse gas emissions by 85% percent by 2050 and net zero emissions in all sectors of the economy, through the development of a scoping plan. The goals of the Climate Act are (1) greenhouse gas emissions reduction, (2) renewable energy development, (3) improved energy efficiency, (4) a clean energy economy, and (5) resilient and distributed energy systems.¹

Specifically related to solar energy, the law states that New York will:

- Increase the Renewable Energy Standard to 70% by 2030
- Double the target for distributed solar power to 6 gigawatts by 2025
- Install 3 gigawatts of statewide energy storage capacity by 2030

The above targets do not include utility-scale solar, which is estimated to increase by 5 gigawatts by 2025. For reference, one megawatt (MW) of energy can power approximately 150 homes, conservatively. To produce 1 MW of solar energy, approximately five to seven acres of solar panels are needed. Theoretically, a 4 MW project (i.e. 24 acres of solar panels) could power all the homes in the village of Adams. To meet Climate Act goals, it is estimated that between 34,000 to 68,000 acres of land is needed for solar panels in New York State, or at least 1.7 square miles of solar panels per county if equally distributed among the 62 counties.

Further background information on community-scale solar projects from the same report includes:

For purposes of this paper, community-scale solar includes projects that take advantage of NYSEDA’s NY-Sun community solar incentives. To qualify, individual projects must be 5 MW or less but may be grouped together in a series of ≤ 5 MW projects. These projects sell energy to local subscribers, and provide taxing jurisdictions with payments in lieu of taxes (PILOT) agreements in the \$2,000-\$5,500 per MW range. The electricity generated from community solar projects does not count toward meeting the goals of the state’s Renewable Energy Standard (RES). A 2 MW community solar project would typically include approximately 10 acres of panels. Local examples of community solar projects would be the proposed Nexamp projects in the towns of Adams (4.6 MW) and LeRay (4.9 MW), where 600-700 National Grid subscribers would be able to subscribe to each array.

Evidence for regional alignment of projects such as this proposed solar project is found within the ***North Country 2019 Progress Report*** created by the North Country Regional Economic Development Council, which specifically highlights clean energy development in the Implementation of Key Regional Priorities section of the Report:

CLEAN ENERGY

Strategy:

Increase renewable energy generation, distribution, storage capacity and clean energy jobs, and reduce community and business costs through energy efficiency improvements.

Forty-four percent of New York State's existing renewable generation capacity is coming from the North Country, supporting about 2,000 direct and indirect jobs. The North Country continues to support the development of various forms of renewable energy to support jobs, advance the clean energy goals of New York, and to reduce energy costs for the region's businesses and residents.

COST/BENEFIT ANALYSIS

(As required by Section 869-A3 of New York General Municipal Law)

Project Applicant: Project Applicant: **Renewable Properties, LLC, - RPNY Solar I, LLC,****Project #4001-20-18****Estimated COST of Agency Assistance****1. Sales and Use Tax Exemption**

a. Amount of Project Cost Subject to Tax:		\$ 649,350
	Sales and Use Tax Rate	8%
b. Estimated Exemption:		\$ N/A

2. Mortgage Recording Tax Exemption

a. Projected Amount of Mortgage:		\$ 6,336,167
	Mortgage Recording Tax Rate	0.75%
b. Estimated Exemption:		\$ 47,522

3. Real Property Tax Exemption

	Property Location	Town of Gouverneur
a. Investment in Real Property		6,273,433
b. Pre-project Assessment		45,000
c. Projected Post-project Assessment		2,625,000*
d. Equalization Rate (for reference only)		95%
e. Increase in Assessed Value of Property		2,580,000*
f. Total Applicable Tax Rates per \$1,000		\$27.45
g. Estimated Taxes over PILOT Period	(RPTL 581-a)	\$2,164,873
h. PILOT Payments over PILOT Period		\$653,719
i. Net Exemption Amount	(g – h)	\$1,511,154

4. Interest Exemption [Bond Only]

a. Total Estimated Interest Expense	(Assuming Taxable interest)	
b. Total Estimated Interest Expense	(Assuming Tax Exempt Interest)	
c. Interest Exemption	(a – b)	\$N/A

TOTAL ESTIMATED EXEMPTIONS**\$ 1,558,676**

The property has a current assessed value of approximately \$45,000. The base value of the property would not be impacted by the PILOT.

* Post-project value of \$750,000 per MW based on discussions with local assessor as well as comparisons to other projects using a discounted cash flow method. The project would be subject to NYS RPTL 487 without the proposed IDA PILOT, which would result in no added value to the assessment for 15 years. Proposed PILOT Payments of \$5,000 per MW for the 3.5 MW system would result in payments of \$17,500 to the Town, School, and County in year 1 with 2% escalator for years 1-20 and decrease of 2% for years 21-30 for a total 30-year PILOT payment of \$653,719.

Due to the unique nature of the proposed project, the proposed PILOT represents a deviation from the standard IDA PILOT as outlined in the St. Lawrence County Industrial Development Agency's Uniform Tax Exemption Policy. Per that Policy, the IDA has sought, and received the consent of the local affected taxing jurisdictions for the proposed PILOT.

COST/BENEFIT ANALYSIS

(As required by Section 869-A3 of New York General Municipal Law)

Project Applicant: **Renewable Properties, LLC, - RPNY Solar I, LLC,**

Project #4001-20-18

Estimated BENEFIT of Agency Assistance

EMPLOYMENT COMPARISON:

Do not include construction jobs relating to the Project.

- Full Time: Permanent employee who works 30 or more hours each week, and does so on a regularly-scheduled basis.
- Part Time Temporary/Seasonal: Any employee who works fewer than 30 hours each week, and does so on an occasional, temporary or as-needed basis.

Jobs	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Current Jobs	Average Annual Wage	Average Annual Benefit Cost	Number of Jobs Created Year 1	Number of Jobs Created Year 2	Number of Jobs Created Year 3	Total New Jobs Created
Full Time							
Management		\$	\$				
Professional		\$	\$				
Administrative		\$	\$				
Production		\$	\$				
Independent Contractor		\$	\$				
Other:		\$	\$				
Total		\$	\$				
Part Time							
Management		\$	\$				
Professional		\$	\$				
Administrative		\$	\$				
Production		\$	\$				
Independent Contractor		\$	\$				
Other:		\$	\$				
Total		\$	\$				

ESTIMATED OTHER BENEFITS:

<input type="checkbox"/>	Sales Tax Revenue (New Product)	This project will result in the manufacturing or selling of a new product, and the estimated amount of annual sales taxes that will be generated on retail sales of the new project is \$.
<input type="checkbox"/>	Sales Tax Revenue (Existing Product)	This project will result in increased production or sales of an existing product, and the estimated amount of annual sales tax that will be generated on the retail sales of the increased production is \$.
<input checked="" type="checkbox"/>	Real Property Taxes	The amount of annual real property taxes that will be payable on the project at the end of the PILOT Agreement will be determined based on the assessed value assigned to the project at that time. The base value of the underlying property is expected to have no significant change in value.
<input checked="" type="checkbox"/>	Construction Jobs	This project will help generate approximately 20 construction jobs.
<input checked="" type="checkbox"/>	Community and Regional Benefit	<ul style="list-style-type: none">• <i>Additional revenue to taxing jurisdictions</i>• <i>Renewable energy development in support of NYS CLCPA</i>• <i>Community Solar Project offering local electric bill savings</i>• <i>Aligns with Implementation of Key Regional Priority items highlighted in NCREDC 2019 Progress Report</i>• <i>Local purchases of building supplies, concrete, aggregate</i>

PROJECT AGREEMENT

Project #4001-21-18

THIS PROJECT AGREEMENT (hereinafter, the "Agreement"), made as of August 1, 2021, by and between the **ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a New York public benefit corporation, with offices at 19 Commerce Lane, Suite 1, Canton, New York 13617 (the "Agency"), and **RPNY SOLAR 1, LLC**, a limited liability company duly organized and validly existing under the laws of the State of New York, having its office at 879 Sanchez Street, San Francisco, California 94114 (the "Company").

WITNESSETH:

WHEREAS, the Agency was created by Chapter 132 of the Laws of 1971 of the State of New York (the "State"), as amended, codified as Section 914 of the General Municipal Law of the State ("GML"), pursuant to Title 1 of Article 18-A of the GML, as amended (collectively, the "Act"); and

WHEREAS, the Company has submitted an application (the "Application") to the Agency requesting the Agency's assistance with respect to a certain project (the "Project") (A) the acquisition of a sub-leased interest in approximately 29 acre parcel of land, being a portion of a 89.4 acres of land located at 609 County Route 11, Town of Gouverneur, St. Lawrence County, State of New York 13642 (the "Land"); (B) the installation on the Land of a 3.5 MW-AC solar array comprised of a ground-mounted solar energy system consisting of approximately 9,932 modules/panels, 28 string inverters, new electrical equipment, accessories, including underground aboveground electrical lines, gravel access road and fence and related improvements (collectively, the "Improvements") (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property (collectively, the "Equipment", and together with the Land and the Improvements, the "Facility"); and (D) the lease of the Issuer's interest in the Facility back to the Company pursuant to a project/leaseback agreement, and

WHEREAS, by Resolution No. IDA-21-04-18, adopted on April 27, 2021 (the "Resolution"), the Agency has conferred on the Company in connection with the Project certain benefits, exemptions and other financial assistance (collectively, as applicable, based upon the Resolution, which may include a sales and use tax exemption benefit, a mortgage recording tax exemption, and a partial abatement from real property taxes benefit, are hereinafter collectively referred to as the "Financial Assistance"); and

WHEREAS, the Agency requires, as a condition of and as an inducement for it to enter into the transactions contemplated by the Resolution and as more particularly described in the project documents (collectively, as applicable, the Company Lease Agreement, the Leaseback Agreement, Payment in Lieu of Tax ("PILOT") Agreement, the Agency Compliance Agreement and related documents (collectively, the "Project Documents")) that the Company provide assurances with respect to the terms and conditions herein set forth; and

WHEREAS, this Agreement sets forth the terms and conditions under which Financial Assistance shall be provided to the Company; and

WHEREAS, no Financial Assistance shall be provided to the Company prior to the effective date of this Agreement.

NOW THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed by the parties hereof as follows:

ARTICLE I – REPRESENTATIONS AND WARRANTIES

Section 1.1 Agency. The Agency does hereby restate and incorporate herein by reference its representations, warranties and covenants contained in the Project Documents as if the same were fully set forth herein.

Section 1.2 Company. The Company does hereby restate and incorporate herein by reference its representations, warranties and covenants contained in the Project Documents as if the same were fully set forth herein.

ARTICLE II – FINANCIAL ASSISTANCE COVENANTS

Section 2.1 Financial Assistance. The Resolutions approved by the Agency authorized the Financial Assistance to the Company and determined employment retention and/or creation minimum levels based, in part, on the Company-certified information regarding employment and general operations of the Company that the Company provided in the Application. In reliance on the certifications provided by the Company in the Application, the Agency agrees to provide the Company with the following Financial Assistance related to the Project:

(1) Sales and Use Tax Exemptions:	N/A
(2) Mortgage Recording Tax Exemption:	\$47,522
(3) Real Property Tax Exemption:	\$1,511,154

Section 2.2 Purpose of Project. It is understood and agreed by the parties hereto that the purpose of the Agency’s provision of Financial Assistance with respect to the Project is to, and that the Agency is entering into the Project Documents in order to, promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of the Project facility to advance job opportunities, health, general prosperity and economic welfare of the people of St. Lawrence County and to otherwise accomplish the public purpose of the Act.

Section 2.3 Application. The Company represents and warrants that the information contained in the Application regarding (a) the number of Full Time Equivalent jobs (“FTEs”), by category, to retain no fewer than N/A full time and create no few than N/A full time equivalent jobs over the next three years, as a result of the Financial Assistance authorized in the **PROJECT APPROVING RESOLUTION** and (b) the salary and fringe benefit averages and/or ranges for the categories of FTEs to be retained and created is accurate.

Section 2.4 Certification and Documentation. The Company shall provide to the Agency the following certified statements and documentations:

- (a) on an annual basis (i) enumerating the FTEs retained and created as a result of the Financial Assistance, by category, including full time equivalent independent contractors or employees of independent contractors that work at the Project location, and (ii) indicating that the salary and fringe benefit averages or ranges for categories of jobs retained and created that was provided in the Application for Financial Assistance is still accurate and if it is not still accurate, providing a revised list of salary and fringe benefit averages or ranges for categories of jobs retained and jobs created. Exhibit A contains the form of annual certification as so required as discussed above as well as additional Project assessment information that the

Agency requires, on an annual basis no later than January 31 of each year, to be submitted to the Agency by the Company; and

- (b) on a quarterly basis, a form NYS-45 as of the last payroll for each fiscal quarter, and, for all contract employees, a report containing the number of contract employees delivered at the same time as the form NYS-45.

Section 2.5 Recapture Agreement. The parties hereto understand and agree that Exhibit B to this Agreement contains a copy of the Recapture Agreement entered into, by and between the Company and the Agency, which provides for the suspension or discontinuance of Financial Assistance, or for the modification of the PILOT Agreement, if any, to require increased payments, in accordance with policies developed by the Agency. Additionally, the Recapture Agreement provides for the return of all or part of the Financial Assistance provided for the Project, including all or part of the amount of any tax exemptions, which shall be redistributed to the appropriate affected tax jurisdiction, as provided for in policies developed by the Agency, unless agreed to otherwise by any local taxing jurisdiction or jurisdictions.

Section 2.6 PILOT Agreement. If applicable, the parties hereto understand and agree that Exhibit C to this Agreement contains a copy of the PILOT Agreement entered into by and between the Company and the Agency.

Section 2.7 Employment Listing. To list new employment opportunities created as a result of the Project with the following entities (hereinafter, the "OET Entities"): (1) the New York State Department of Labor Community Services Division and (2) the St. Lawrence County One Stop Career Center, the administrative entity of the service delivery area created by the Federal Job Training Partnership Act (P.L. No. 97-300) in which the Project is located (while currently cited in Section 858-b of the Act, the Federal Job Training Partnership Act was repealed effective June 1, 2000, and has been supplanted by the Workplace Investment Act of 1998 (P.L. No. 105-220)).

Section 2.8 Employment Consideration. Except as otherwise provided by collective bargaining agreement, the Company agrees, where practicable, to first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the OET Entities.

Section 2.9 Contingent Nature. Notwithstanding the provisions of this Agreement, the Agency and the Company agree that the amount of Financial Assistance to be received by the Company with respect to the Project shall be contingent upon, and shall bear a direct relationship to, the success or lack of success of the Project in delivering the promised public benefits, as outlined in the Application.

Section 2.10 Compliance. Under penalty of perjury, the Company certifies that it is in substantial compliance with all local, state, and federal tax, worker protection and environmental laws, rules and regulations.

ARTICLE III – MISCELLANEOUS

Section 3.1 Term. This Agreement shall become effective and the obligations of the Company shall arise absolutely and unconditionally upon the execution and delivery of this Agreement by the Company and the Agency. Unless otherwise provided by amendment hereof, this Agreement shall continue to remain in effect until the termination or expiration of all Financial Assistance, as provided for in the Project Documents.

Section 3.2 Survival. All warranties, representations, and covenants made by the Company herein shall be deemed to have been relied upon by the Agency and shall survive the delivery of this Agreement to the Agency regardless of any investigation made by the Agency.

Section 3.3 Notices. All notices, certificates and other communications under this Agreement shall be in writing and shall be deemed given when delivered pursuant to the terms of the Project Documents.

Section 3.4 Amendments. No amendment, change, modification, alteration or termination of this Agreement shall be made except in writing upon the written consent of the Company and the Agency.

Section 3.4 Severability. The invalidity or unenforceability of any one or more phrases, sentences, clauses or sections in this Agreement or the application thereof shall not affect the validity or enforceability of the remaining portions of this Agreement or any part thereof.

Section 3.5 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State, without regard or reference to its conflict of laws principles.

Section 3.6 Section Headings. The headings of the several Sections in this Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of or be taken as an interpretation of any provision of this Agreement.

[Signature Page to Follow]

[Signature Page to Project Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Project Agreement as of the day and year first above written.

**ST. LAWRENCE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

Name: Patrick J. Kelly
Title: Chief Executive Officer

RPNY SOLAR 1, LLC

By: _____

Name: Aaron Halimi
Title: President

[Signature Page to Project Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Project Agreement as of the day and year first above written.

**ST. LAWRENCE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____

Name: Patrick J. Kelly
Title: Chief Executive Officer

RPNY SOLAR 1, LLC

By: _____

Name: Aaron Halimi
Title: President

EXHIBIT A

FORM OF: ANNUAL EMPLOYMENT AND SALARY AND FRINGE BENEFITS AND RELATED
PROJECT INFORMATION CERTIFICATION LETTER

January __, 2022

Re: New Project Verification

Dear:

The St. Lawrence County Industrial Development Agency (the "Agency") is currently providing assistance in connection with your project in St. Lawrence County.

The Agency is required to file an annual report with the New York State Comptroller providing information on its activities, and the activities of projects that are assisted by the Agency. In order for the Agency to compile that report, it is necessary that we obtain information relating to assistance provided and benefits derived from all entities that receive such assistance. Failure by the Agency to file the report information required by New York State could result in the Agency losing its ability to provide future assistance or the entity suffering claw-back provisions and forfeiting benefits previously received. Therefore, it is important that this information be provided in an accurate and timely manner.

Attached please find a questionnaire to be completed and returned to the Agency by January 15, 2022. If you have any questions regarding the required information, please do not hesitate to call our office.

We appreciate your assistance in this matter. Please scan and email to [REDACTED] or Fax to 315-386-2573.

Very truly yours,

Patrick Kelly
Chief Executive Officer
St. Lawrence County
Industrial Development Agency

ANNUAL CERTIFIED STATEMENT AND REPORT

Insert Company Name
PROJECT NAME:
Name & Brief Description of project
COMPANY CONTACT INFORMATION:
Name
Phone
Email
<i>Please correct any of the above-listed information.</i>

Financing Information

Has the St. Lawrence County Industrial Development Agency provided project financing assistance through issuance of a bond or note?

Sales Tax Abatement Information

Has the St. Lawrence County Industrial Development Agency provided project financing assistance through the conveyance of a Sales and Use Tax Exemption on your project during 20__?	Yes	No	N/A
If yes, please provide the amount of sales tax savings received on your project during 20__.	\$		

(A copy of the ST-340 sales tax report submitted to New York State for the reporting period is required to be attached with this report)

Mortgage Recording Tax Abatement Information

Has the St. Lawrence County Industrial Development Agency provided project financing assistance through the conveyance of a Mortgage Recording Tax Abatement on your project during 20__?	Yes	No	N/A
If yes, please provide the amount of mortgage recording tax savings received on your project during 20__.	\$		

(Mortgage Recording Tax Abatement Information should only be reported in the year that the mortgage was placed upon the project.)

Jobs Information

Please complete the following chart for the permanent jobs created by the Project. Enter data as follows:

For purposes of this application, we are providing the following guidelines to help you calculate employment levels:

- Full Time: Any permanent employee who works 30 or more hours each week and does so on a regularly-scheduled basis.
- Part Time Temporary/Seasonal: Any employee who works fewer than 30 hours each week, and does so on an occasional, temporary or as-needed basis.

A: Insert the number of full time jobs that currently exist within your company at the time of application.

B: Insert the number of part time jobs that currently exist within your company at the time of application.

	(A)		(B)
Jobs	Current Jobs		Current Jobs
Full Time			Part Time
Management			Management
Professional			Professional
Administrative			Administrative
Production			Production
Independent Contractor			Independent Contractor
Other:			Other:
Total			Total

A copy of Form NYS-45 for the project location is required to be submitted with this report. If the Form NYS-45 is not available for the specific project location or the form does not accurately reflect the full-time equivalent jobs created, then an internal report verifying the total jobs by employment category as outlined above at the location is required with this submission.

Salary and Fringe Benefits

Are the salary and fringe benefit averages or ranges for categories of jobs retained and jobs created described in the Application still complete, true, and accurate: Yes No

If not, please provide the revised amounts:		
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Number of FTE construction jobs during reporting year: _____

Officer's Certification

I certify that to the best of my knowledge and belief all of the information with this form is correct. I also understand that failure to report completely and accurately may result in enforcement of provisions of the Project Agreement, including but not limited to voidance of the agreement and potential claw back of benefits.

Signed: _____

(Authorized Company Representative)

Date: _____

EXHIBIT B

Recapture Agreement

RECAPTURE AGREEMENT

Project # 4001-21-18

THIS RECAPTURE AGREEMENT, made and entered into as of August 1, 2021, (this "Recapture Agreement"), is from **RPNY SOLAR 1, LLC**, a limited liability company duly organized and validly existing under the laws of the State of New York, having its office at 879 Sanchez Street, San Francisco, California 94114 (the "Company"), to **ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a New York public benefit corporation having its principal office at 19 Commerce Lane, Suite 1, Canton, New York 13617 (the "Agency").

WITNESSETH:

WHEREAS, the Agency was created by Chapter 132 of the Laws of 1971 of the State of New York (the "State"), as amended, codified as Section 914 of the General Municipal Law of the State ("GML"), pursuant to Title 1 of Article 18-A of the GML, as amended (collectively, the "Act"); and

WHEREAS, the Company has submitted an application (the "Application") to the Agency requesting the Agency's assistance with respect to a certain project (the "Project") as described in the Project Documents (as hereinafter defined); and

WHEREAS, by Resolution No. IDA-21-04-18, adopted on April 27, 2021 (the "Resolution"), the Agency has conferred on the Company in connection with the Project certain benefits, exemptions and other financial assistance, which may include a sales and use tax exemption benefit, mortgage recording tax benefit, and partial abatement from real property taxes benefit, (collectively, as applicable, hereinafter referred to as the "Financial Assistance"); and

WHEREAS, the Agency requires, as a condition and as an inducement for it to enter into the transactions contemplated by the Resolution and as more particularly described in the project documents (collectively, as applicable, the Company Lease, the Leaseback Agreement, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement and related documents (collectively, the "Project Documents"), that the Company provide assurances with respect to the recapture of certain benefits granted under the Project Documents on the terms herein set forth.

ARTICLE I –RECAPTURE EVENTS

Section 1.1 Recapture Events. The term "Recapture Event" shall mean any of the following events:

(a) A default by the Company under the Project Documents (other than as described in Section 1.2) which remains uncured beyond any applicable notice and/or grace period, if any, provided thereunder; or

(b) The Facility shall cease to be a "project" within the meaning of the Act, as in effect on the Closing Date through the act or omission of the Company; or

(c) The sale of the Facility (excluding any sale provided for in Project Documents) or closure of the Facility and/or departure of the Company from St. Lawrence County, except as due to casualty, condemnation or force majeure as provided below; or

(d) To the extent jobs are required as part of the Resolution, failure of the Company to create or cause to be maintained the number of full time equivalent ("FTE") jobs at the Facility as provided for in the Resolution (other than as described in Section 1.2 below); or

(e) Any significant deviations from the information and data provided to the Agency in the Application which would constitute a significant diminution of the Company's activities in, or commitment to, St. Lawrence County, New York; or

(f) The Company receives Sales Tax Savings in connection with the acquisition, construction and equipping of the Facility in excess of the Maximum Sales Tax Savings Amount; provided, however, that the foregoing shall constitute a Recapture Event with respect to the Sales Tax Savings in excess of the Maximum Sales Tax Savings Amount only. It is further provided that failure to repay the Sales Tax Savings within thirty (30) days shall constitute a Recapture Event with respect to all Recapture Benefits.

Section 1.2 Events Not Constituting Recapture Events. The following events shall not be deemed Recapture Events hereunder:

(a) a "force majeure" event (as more particularly defined in the Project Documents);

(b) a taking or condemnation by governmental authority of all or part of the Facility; or

(c) the inability or failure of the Company after the Facility shall have been destroyed or damaged in whole or in part (such occurrence a "Loss Event") to rebuild, repair, restore or replace the Facility to substantially its condition prior to such Loss Event, which inability or failure shall have arisen in good faith on the part of the Company or any of its affiliates so long as the Company or any of its affiliates have diligently and in good faith using commercially reasonable efforts pursued the rebuilding, repair, restoration or replacement of the Facility or part thereof;

(d) at the sole discretion of the Agency, the failure of the Company to maintain the number of FTE jobs as provided for in the Resolution, which failure is the result of:

(i) loss of major sales, revenues, distribution or other adverse business developments resulting from local, national or international economic conditions, trade issues or industry wide conditions, or such similar events, excluding events relating to management of the Company or the subtenants of the Company; or

(ii) subleasing of the Facility, wherein the Company may not actually provide the FTEs at the Facility, but rather shall sublease the Facility to various tenants, and that the Company's obligation with regard to creating or causing to be maintained FTEs includes (a) using all reasonable efforts to lease up the Facility, and (b) including provisions in all subleases requiring any tenants to comply with the provisions of the Project Documents applicable to them; or

(iii) expiration or termination of a sublease agreement and the Company is able to find a new tenant for the Facility (a "Replacement Tenant") that provides the FTE jobs at the Facility before the expiration of the next full Tax Year after the termination of the Sublease Agreement;

provided, however, any Replacement Tenant shall be required to comply with the terms of the Project Documents.

Section 1.3 Limited Recapture Event with Limited Recapture. If a Recapture Event has occurred due solely to the failure of the Company to create or cause to be maintained the number of FTEs at the Facility as provided in the Resolution in any Tax Year but the Company has created or caused to be maintained at least 90% of FTEs for such Tax Year. In such event, in lieu of recovering the Recaptured Benefits provided herein, the Agency may, in its sole discretion, adjust the payments due under the PILOT Agreement, if any, on a pro rata basis so that the amount payable under the PILOT Agreement, if any, will be adjusted upward retroactively for such Tax Year by the same percentage as the percentage of FTEs that are below the required FTE level for such Tax Year. Such adjustments to the payments due under the PILOT Agreement may be made each Tax Year until such time as the Company has complied with the required number of FTEs pursuant to the Resolution.

Section 1.4 Notice Periods. The Company covenants and agrees to furnish the Agency with written notification (i) within sixty (60) days of the end of each Tax Year of the number of FTEs located at the Facility for such Tax Year, and (ii) within thirty (30) days of actual notice of any facts or circumstances which would likely lead to a Recapture Event or constitute a Recapture Event hereunder. The Agency shall notify the Company of the occurrence of a Recapture Event hereunder, which notification shall set forth the terms of such Recapture Event.

ARTICLE II –RECAPTURE OF AGENCY BENEFITS

Section 2.1 Recaptured Benefits. The term “Recaptured Benefits” shall mean all direct monetary benefits, tax exemptions and abatement and other financial assistance, if any, derived solely from the Agency’s participation in the transaction contemplated by the Project Documents including, but not limited to, the amount equal to:

(a) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Company (the “Mortgage Recording Tax Exemption”); and

(b) Sales Tax Exemption savings realized by or for the benefit of the Company, including savings realized by any Agent pursuant to the Project Documents and each Sales Tax Agent Authorization Letter issued in connection with the Facility (the “Sales Tax Savings”); and

(c) real property tax abatements granted under the Project Documents (the “Real Property Tax Abatements”).

Section 2.2 Receipt of Recaptured Benefits. Upon the occurrence of a Recapture Event hereunder and the declaration of a Recapture Event by notice from the Agency to the Company, then the Recaptured Benefits shall be payable directly to the Agency or the State of New York if so directed by the Agency; provided, however that, for purposes of clarity, the amount of the Recaptured Benefits payable upon a Recapture Event shall be as set forth in Section 2.3 below. Upon the receipt by the Agency of any amount of Recaptured Benefits due to a Recapture Event, the Agency shall redistribute such amount within thirty (30) days of such receipt to the Taxing Entity that would have received such amount but for the granting by the Agency of the Financial Assistance.

Section 2.3 Calculation of Recaptured Benefits. It is understood and agreed by the parties hereto that the Agency is entering into the Project Documents in order to provide Financial Assistance to the Company for the Facility and to accomplish the public purposes of the Act. In consideration therefor, the Company hereby agrees as follows:

<u>Occurrence of Recapture Event</u>	<u>Percentage of the Recaptured Benefits</u>
Year 1 to Year 2	100%
Year 3 to Year 5	75%
Year 6 to Year 7	50%
Year 8 to Year 10	25%
Year 11 and thereafter	0%

Section 2.4 Late Payments. In the event any payment owing by the Company under this Section shall not be paid on demand by the Agency, such payment shall bear interest from the date of such demand at a rate equal to one percent (1%) plus the Prime Rate, but in no event at a rate higher than the maximum lawful prevailing rate, until the Company shall have made such payment in full, together with such accrued interest to the date of payment, to the Agency (except as otherwise specified above).

Section 2.5 Expenses. The Agency shall be entitled to deduct all reasonable out of pocket expenses of the Agency, including without limitation, reasonable legal fees, incurred with the recovery of all amounts due under this Recapture Agreement, from amounts received by the Agency pursuant to this Recapture Agreement.

ARTICLE III – MISCELLANEOUS

Section 3.1 Obligations Unconditional. The obligations and liabilities of the Company under this Recapture Agreement shall be absolute and unconditional obligations and liabilities of the Company and shall remain in full force and effect until the Project Documents have expired or been terminated, except the obligations under Article II hereof shall survive the conveyance of the Facility to the Company and the termination of the Project Documents. Additionally, such obligations shall not be affected, modified or impaired by any state of facts or the happening from time to time of any event, whether or not with notice to or the consent of the Company.

Section 3.2 Condition to Reconveyance of Facility. The parties hereto agree that the Agency shall have no obligation to surrender its leasehold interest in the Facility to the Company pursuant to the Project Documents until all payments to the Agency and St. Lawrence County under the Project Documents and hereunder have been paid in full. If such payments are not paid in full by the Company within sixty (60) days of the date when due and owing, then the Agency shall offer its interest in the Facility for sale pursuant to the Agency's Real Property Disposition Policy adopted pursuant to the Public Authorities Accountability Act, as amended.

Section 3.3 Reserved.

Section 3.4 Terms Defined. All of the capitalized terms used in this Recapture Agreement and not otherwise defined herein shall have the meanings assigned thereto in the Project Documents.

Section 3.5 Directly or Indirectly. Where any provision in this Recapture Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

Section 3.6 Survival. All warranties, representations, and covenants made by the Company herein shall be deemed to have been relied upon by the Agency and shall survive the delivery of this Recapture Agreement to the Agency regardless of any investigation made by the Agency.

Section 3.7 Binding Effect. This Recapture Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties.

Section 3.8 Notices. All notices, certificates and other communications under this Agreement shall be in writing and shall be deemed given when delivered pursuant to terms of the Project Documents.

Section 3.9 Entire Understanding; Counterparts. This Recapture Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof and may be executed simultaneously in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 3.10 Amendments. No amendment, change, modification, alteration or termination of this Recapture Agreement shall be made except in writing upon the written consent of the Company and the Agency.

Section 3.11 Severability. The invalidity or unenforceability of any one or more phrases, sentences, clauses or sections in this Recapture Agreement or the application thereof shall not affect the validity or enforceability of the remaining portions of this Recapture Agreement or any part thereof.

Section 3.12 Governing Law. This Recapture Agreement shall be governed by, and construed in accordance with, the laws of the State, without regard or reference to its conflict of laws principles.

Section 3.13 Section Headings. The headings of the several Sections in this Recapture Agreement have been prepared for convenience of reference only and shall not control or affect the meaning of or be taken as an interpretation of any provision of this Recapture Agreement.

Section 3.14 Waiver of Trial by Jury. The parties do hereby expressly waive all rights to trial by jury on any cause of action directly or indirectly involving the terms, covenants or conditions of the Recapture Agreement or any matters whatsoever arising out of or in any way connected with the Recapture Agreement.

[Signature Page to Follow]

[Signature Page to Recapture Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Recapture Agreement as of the day and year first above written.

**ST. LAWRENCE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**



By: _____

Name: Patrick J. Kelly
Title: Chief Executive Officer

RPNY SOLAR 1, LLC

By: _____

Name: Aaron Halimi
Title: President

[Signature Page to Recapture Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Recapture Agreement as of the day and year first above written.

**ST. LAWRENCE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____

Name: Patrick J. Kelly

Title: Chief Executive Officer

RPNY SOLAR 1, LLC

By: _____

Name: Aaron Halimi

Title: President

EXHIBIT C

PILOT Agreement

Project: 4001-21-18

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

RPNY SOLAR 1, LLC

PAYMENT IN LIEU OF TAX AGREEMENT

RPNY SOLAR 1, LLC PROJECT NUMBER 4001-21-18
TAX ID# 159.002-1-22.111/1

Dated as of August 1, 2021

Affected Tax Jurisdictions:
St. Lawrence County
Town of Gouverneur
Gouverneur Central School District

PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT (the "Agreement"), dated as of August 1, 2021, by and between **ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with its offices located at 19 Commerce Lane, Suite 1, Canton, St. Lawrence County, New York 13617 (the "SLCIDA") and **RPNY SOLAR 1, LLC**, a limited liability company duly organized and validly existing under the laws of the State of New York, having its office at 879 Sanchez Street, San Francisco, California 94114 (the "Company").

WITNESSETH:

WHEREAS, the SLCIDA was created by Chapter 358 of the Laws of 1971 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has submitted an application (the "Application") to the SLCIDA requesting the SLCIDA's assistance with respect to a certain project (the "Project") consisting of (A) the acquisition of a sub-leased interest in approximately 29 acre parcel of land, being a portion of a 89.4 acres of land located at 609 County Route 11, Town of Gouverneur, St. Lawrence County, State of New York 13642 (the "Land"); (B) the installation on the Land of a 3.5 MW-AC solar array comprised of a ground-mounted solar energy system consisting of approximately 9,932 modules/panels, 28 string inverters, new electrical equipment, accessories, including underground aboveground electrical lines, gravel access road and fence and related improvements (collectively, the "Improvements") (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property (collectively, the "Equipment", and together with the Land and the Improvements, the "Facility"); and (D) the lease of the Issuer's interest in the Facility back to the Company pursuant to a project/leaseback agreement; and

WHEREAS, in order to induce the Company to acquire, renovate, construct and equip the Facility, the SLCIDA is willing to take a leasehold interest in the land, improvements and personal property constituting the Facility pursuant to a Company Lease, dated the date hereof, and lease said land, improvements and personal property back to the Company pursuant to the terms and conditions of a certain Leaseback Agreement, dated on or about the date hereof (the "Lease Agreement" or "Lease" or "Leaseback"); and

WHEREAS, pursuant to Section 874(1) of the Act, the SLCIDA is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

WHEREAS, the SLCIDA and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the SLCIDA for the benefit of the County of St. Lawrence (the "County"), the Town of Gouverneur (the "Town"), and the Gouverneur Central School District (hereinafter the "School District" or "School" and, collectively with the County, the Town, the "Affected Tax Jurisdictions").

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section I - Payment in lieu of Ad Valorem Taxes:

1.1 (A.) Subject to the completion and filing by the taxable status date (March 1, 2022) (the "Taxable Status Date") of New York State Form RP-412-a Application For Real Property Tax Exemption (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act, the Facility shall be exempt from Real Estate Taxes commencing with the 2022 Final Roll which will be effective for the tax year 2023. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the Affected Tax Jurisdictions. The Company shall provide the SLCIDA with the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the SLCIDA, the Company may in good faith contest the denial of the Exemption Application, provided that (i) the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the SLCIDA, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the SLCIDA and releases the SLCIDA from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the SLCIDA to file the Exemption Application with the appropriate assessors by the Taxable Status Date.

(B.) Payee. As long as the Facility is owned or leased by the SLCIDA and leased by the Company from the SLCIDA, or under the SLCIDA's jurisdiction, control or supervision, the Company agrees to pay, no later than January 31 of each year, to the SLCIDA as a payment in lieu of taxes as each becomes due for the applicable Affected Taxing Jurisdictions' taxes (collectively, the "Payment Dates"), commencing on January 31, 2023, and continuing through January 31, 2052. The SLCIDA shall send a bill to the Company each year in an amount equal to the Total PILOT Payment, which is outlined in Schedule A attached hereto. Failure of the SLCIDA to bill the Total PILOT Payment, or any other payment, shall not, under any circumstances, alleviate the Company's requirement to make such payment under this Agreement when due.

The parties agree and acknowledge that payments made hereunder are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are not on the tax rolls.

1.2 Allocation. The SLCIDA shall remit to the Affected Tax Jurisdictions amounts received hereunder, if any, within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes would have been allocated but for the SLCIDA's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

1.3 Tax Rates. For purposes of determining the allocation of the Total PILOT Payment among the Affected Tax Jurisdictions, the SLCIDA shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For County, Town, and special district purposes, the tax rates used to determine the allocation of the Total PILOT Payment shall be the tax rates relating to the calendar year which includes the PILOT payment due date. For School District purposes, the tax rates used to determine the PILOT payment shall be the rate relating to the school year which includes the PILOT payment due date.

1.4 Valuation of Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this Agreement, the Company shall notify the SLCIDA of such future addition ("Future Addition"). The notice to the SLCIDA shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the SLCIDA may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Total PILOT Payment. The SLCIDA shall notify the Company of any proposed increase in the Total PILOT Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the SLCIDA, then and in that event that valuation shall be fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the SLCIDA, the Company shall pay the increased PILOT payment until a different Total PILOT Payment shall be established. If a lesser Total Annual Payment is determined in any proceeding or by subsequent agreement of the parties, the Total PILOT Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the SLCIDA's sole discretion, such excess payment shall be applied as a credit against the next succeeding PILOT payment(s).

1.5 Period of Benefits. The tax benefits provided for herein should be deemed to commence with the 2022 Final Roll as detailed in Schedule A attached hereto. This PILOT Agreement shall expire at the end of business on January 31, 2052. This PILOT Agreement shall also expire on the termination of either the Lease and/or the Lease/Back agreement for the Facility between the parties. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility while this Agreement is in effect which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the

number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b, 485-e and 487 of the New York Real Property Tax Law ("RPTL"). It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

Section II - Special District Charges, Special Assessments and other charges.

2.1 Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to any fire district charges or "curb charges"), and pure water charges and sewer charges are to be paid in full in accordance with normal billing practices.

Section III - Transfer of Facility.

3.1 In the event that the Facility is transferred from the SLCIDA to the Company (the lease/leaseback agreements are terminated), and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption results in a payment to the Affected Tax Jurisdictions in excess of the payment described in Section I herein, or this Agreement terminates and the Facility is not timely transferred back to the Company, the Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

Section IV - Assessment Challenges.

4.1 The Company shall have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility, with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Affected Tax Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

4.2 The Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this Agreement, as if and to the same extent as if the Company were the owner of the Facility.

4.3 The Company shall (i) cause the appropriate real estate tax assessment office and tax levy officers to assess the Facility and apply tax rates to the respective assessments as if the Facility were owned by the Company, (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

Section V - Changes in Law.

5.1 To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

Section VI - Events of Default.

6.1 The following shall constitute "Events of Default" hereunder. The failure by the Company to: (i) make the payments described in Section I within thirty (30) days of the Payment Date (the "Delinquency Date"); (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; (iii) the occurrence and continuance of any events of default under the Leaseback Agreement after the expiration of any applicable cure periods; or (iv) the failure to comply with any terms or conditions in this Agreement, including, but not limited to, Section 8.5. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the SLCIDA and/or the Affected Tax Jurisdictions may have at law or in equity, the SLCIDA and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the SLCIDA with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The SLCIDA and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to Section 874(6) of the General Municipal Law and the Company shall immediately notify the SLCIDA of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2 If payments pursuant to Section I herein are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section I herein, if said payment is not received by the Delinquency Date defined in Section 6.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month. With respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

Section VII - Assignment.

7.1 No portion of any interest in this Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the SLCIDA, which shall not be unreasonably withheld or delayed.

Section VIII - Miscellaneous.

8.1 This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

- 8.2 All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

<u>To the SLCIDA:</u>	St. Lawrence County Industrial Development Agency 19 Commerce Lane, Suite 1 Canton, New York 13617 Attention: Chief Executive Officer
<u>To SLCIDA Counsel:</u>	Underberg & Kessler LLP 300 Bausch & Lomb Place Rochester, New York 14604 Attention: Edmund J. Russell III, Esq.
<u>To the COMPANY:</u>	RPNY Solar 1, LLC 879 Sanchez Street San Francisco, California 94114 Attention: Aaron Halimi, President
<u>To COMPANY Counsel:</u>	Young/Sommer, LLC Executive Woods Five Palisades Drive Albany, New York 12205 Attention: Rob Panasci, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

8.3 This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in St. Lawrence County, New York.

8.4 Notwithstanding any other term or condition contained herein, all obligations of the SLCIDA hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the SLCIDA by the Company. Neither member of the SLCIDA nor any person executing this Agreement on its behalf shall be liable personally under this Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the SLCIDA, or of any successor or political subdivision, either directly or through the SLCIDA or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Agreement.

Project: 4001-21-18

8.5 For all Projects related to solar development, the Company agrees to comply with the Town's decommissioning requirements, including entering into a decommissioning plan. If the Town does not have any decommissioning plan, either at the time of executing this Agreement or at any time while this Agreement is in effect, for example due to revisions to the Town's zoning laws, then the Company agrees to comply with the decommissioning plan attached hereto as Schedule B.

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[Signature Page to PILOT Agreement]

IN WITNESS WHEREOF, the SLCIDA and the Company have caused this Agreement to be executed in their respective names, all as of the date first above written.

RPNY SOLAR 1, LLC

**ST. LAWRENCE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By:

BY: _____
Aaron Halimi
President

BY: _____
Patrick J. Kelly
Chief Executive Officer

STATE OF _____)
)SS.:
COUNTY OF _____)

On August ____, 2021, before me, personally appeared **AARON HALIMI** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument in the City of _____, County of _____ and State of _____.

Notary Public
Commission Expires:

STATE OF NEW YORK)
)SS.:
COUNTY OF ST. LAWRENCE)

On August 24th, 2021, before me, personally appeared **PATRICK J. KELLY**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

Lori A. Sibley
Notary Public, State of New York
No. _____
Qualified in St. Lawrence County
Commission Expires September 30, 2025

[Signature Page to PILOT Agreement]

IN WITNESS WHEREOF, the SLCIDA and the Company have caused this Agreement to be executed in their respective names, all as of the date first above written.

RPNY SOLAR 1, LLC

**ST. LAWRENCE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By:

BY:

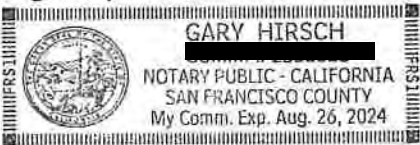
Aaron Halimi
President

BY:

Patrick J. Kelly
Chief Executive Officer

STATE OF Calif)
)SS.:
COUNTY OF San Francisco

On August 11, 2021, before me, personally appeared **AARON HALIMI** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument in the City of San Francisco, County of San Francisco and State of Calif.



Notary Public
Commission Expires: Aug 26, 2024

STATE OF NEW YORK)
)SS.:
COUNTY OF ST. LAWRENCE)

On August ____, 2021, before me, personally appeared **PATRICK J. KELLY**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

SCHEDULE A

Table for In-Lieu-of-Taxes Payment:
St. Lawrence County, Town of
Gouverneur and Gouverneur Central
School District

The St. Lawrence County Industrial Development Agency will bill the amounts listed on the table below to the respective taxing authority based upon the pro rata share for the current tax year.

Taxable Status Date: March 1, 2022

Tax Year Beginning: School District 2022/2023

Town and County 2023

\$5,000 per MW for the first year, resulting in \$17,500 to the School District, Town and County, on a pro rata basis.

The amount would increase by 2% each year for the first 20 years and then decrease by 2% for years 21-30.

PILOT term would be 30 years

YEAR	SCHOOL	TOWN/COUNTY	PAYMENT
1	2022/2023	2023	\$17,500.00
2	2023/2024	2024	\$17,850.00
3	2024/2025	2025	\$18,207.00
4	2025/2026	2026	\$18,571.14
5	2026/2027	2027	\$18,942.56
6	2027/2028	2028	\$19,321.41
7	2028/2029	2029	\$19,707.84
8	2029/2030	2030	\$20,102.00
9	2030/2031	2031	\$20,504.04
10	2031/2032	2032	\$20,914.12
11	2032/2033	2033	\$21,332.40
12	2033/2034	2034	\$21,759.05
13	2034/2035	2035	\$22,194.23
14	2035/2036	2036	\$22,638.12
15	2036/2037	2037	\$23,090.88
16	2037/2038	2038	\$23,552.70
17	2038/2039	2039	\$24,023.75
18	2039/2040	2040	\$24,504.22
19	2040/2041	2041	\$24,994.31
20	2041/2042	2042	\$25,494.20
21	2042/2043	2043	\$24,984.31
22	2043/2044	2044	\$24,484.63
23	2044/2045	2045	\$23,994.93

24	2045/2046	2046	\$23,515.03
25	2046/2047	2047	\$23,044.73
26	2047/2048	2048	\$22,583.84
27	2048/2049	2049	\$22,132.16
28	2049/2050	2050	\$21,689.52
29	2050/2051	2051	\$21,255.73
30	2051/2052	2052	\$20,830.61

SCHEDULE B

Decommissioning Plan

Rock Island Road Solar Project

RPNY Solar 1, LLC

Project Decommissioning Plan

Introduction

RPNY Solar 1, LLC ("RPNY 1") proposes to build a ground-mounted photovoltaic (PV) solar facility ("Solar Facility") in the Town of Gouverneur, referred to as the "Rock Island Road Solar Project." The Solar Facility is planned to connect to the local electrical grid and have a nameplate capacity of approximately 3.5 megawatts (MW) alternating current (AC). The Solar Facility is proposed to occupy approximately 29 acres at 587 and 599 County Route 11 (Tax Parcel: 159.002-1-22.111), Town of Gouverneur, St. Lawrence County, NY (the "Facility Site").

This Plan assumes that the Solar Facility will have a useful life and a maturity date of thirty-five (35) years. Upon decommissioning, the Solar Facility will be dismantled and the Facility Site restored to a state similar to its pre-construction condition. The Plan also covers the case of the abandonment of a Solar Facility, for any reason, prior to the project's 35-year maturity date. It is designed to provide a level of financial protection for the Town of Gouverneur.

This Decommissioning Plan ("Plan") provides an overview of activities that will occur during the decommissioning phase of the Solar Facility, including: activities related to the restoration of land, the management of materials and waste, projected costs, and a decommissioning cost and surety bond.

Decommissioning of the Solar Facility will include the disconnection of the Solar Facility from the electrical grid and the removal of all Solar Facility components including:

- Photovoltaic (PV) modules, panel racking and supports;
- Inverter units, transformers, and other electrical equipment;
- Access roads*, wiring cables, perimeter fence; and,
- Concrete foundations.

*Note that access roads may be left in place as described later in this document.

This Decommissioning Plan is based on current best management practices and procedures and has been prepared in compliance with the most recent guidance from New York State Department Of Agriculture And Markets (NYSDAM) "Guidelines for Solar Energy Projects - Construction Mitigation for Agricultural Lands" [Revision 10/18/2019]. This Decommissioning Plan may be subject to revision based on new standards and emergent best management practices at the time of decommissioning. Permits will be obtained as required and notification will be given to stakeholders prior to decommissioning.

Decommissioning of the Solar Facility

The project may be decommissioned under the following conditions:

1. RPNY 1 or any entity that may own or operate the facility in the future (the “future owner-operator”) decides to retire the Solar Facility;
2. Commercial operation of the Solar Facility has not commenced within eighteen (18) months of the project’s construction completion; or
3. The Solar Facility ceases to be operational for more than twelve (12) months outside of routine repairs or causes beyond the reasonable control of RPNY 1 or the future owner-operator.

RPNY 1 will provide a financial guarantee to the Town of Gouverneur prior to undertaking construction in the form of a surety bond to guarantee that monies are available to perform the Solar Facility decommissioning. Although RPNY 1 intends to perform the decommissioning, unforeseen circumstances such as RPNY 1 selling the project to another entity or RPNY 1 going out of business are possible. The surety bond will be renewed annually and will remain available to any party performing the decommissioning, such as a municipality or a landowner.

At the time of decommissioning, the installed components will be removed, reused, disposed of, and recycled, where possible. The Facility Site will be restored to a state similar to its pre-construction condition, as further described in the Site Restoration sub-section below. All removal of equipment will be done in accordance with any applicable regulations and manufacturer recommendations. All applicable permits will be acquired, and compliance with the State Environmental Quality Review (SEQR) requirements will be achieved.

In the unlikely scenario that RPNY 1 or the future owner-operator cannot execute the decommissioning, the Town of Gouverneur may commence the decommissioning through the surety bond established to cover the expenses.

Equipment Dismantling and Removal

During the decommissioning phase, all project components (Exhibit 1) will be removed. Generally, the sequence of decommissioning of the Solar Facility proceeds in the reverse order of the installation.

- The Solar Facility shall be disconnected from the utility power grid.
- PV modules shall be disconnected, collected, and disposed at an approved solar module recycler or reused / resold on the market. Although the PV modules will not be cutting edge technology at the time of decommissioning, they are estimated to still produce 80% of the original electricity output at year 25 and add value for many years.
- All aboveground electrical interconnection and distribution cables and poles shall be removed and disposed off-site at an approved facility.
- In accordance with NYSDAM guidelines, all underground direct buried electrical conduits and conductors with less than 48-inches of cover shall be removed by means causing the least amount of disturbance possible.

- Underground electric conduits and direct buried conductors with 48-inches or more of soil cover shall be abandoned in place. In accordance with NYSDAM guidelines, applicable conduit risers shall be removed, and abandoned conduit must be sealed or capped to avoid the potential to direct subsurface drainage onto neighboring land uses.
- Underground electric conduits and direct buried conductors shall be abandoned in place. These will be sealed or capped in accordance with best practices at the time of decommissioning.
- Galvanized steel PV module support and racking system support posts shall be removed and disposed off-site at an approved facility.
- Electrical and electronic devices, including transformers, inverters, switchgear, and support structures shall be removed and disposed off-site at an approved facility. Transformers and inverters will be returned to the power authority. Other components not required for return to the power authority will be disposed off-site at an approved facility.
- Concrete foundations shall be removed and disposed off-site at an approved facility. In accordance with NYSDAM guidelines, access roads in agricultural areas shall be removed, unless otherwise specified by the landowner. If access is to be removed, access areas should be regraded with topsoil from recorded excess native topsoil disposal areas. If suitable topsoil from these areas is unavailable, imported topsoil may be used as long as it is free of invasive species and consistent with top soil quality on the affected site.
- Fencing and gates shall be removed and will be disposed off-site at an approved facility.

Environmental Effects

Decommissioning activities, particularly the removal of project components, could result in environmental effects like those of the construction phase. As with any construction activity, there is the potential for ground disturbance, erosion/sedimentation, soil compaction, spills, and related impacts to adjacent watercourses or significant natural features. Construction best management practices and mitigation measures, similar to those employed during the construction phase of the Solar Facility, will be implemented. These will remain in place until the site is stabilized and the ground cover has been reestablished.

Road traffic will temporarily increase due to the movement of decommissioning crews and equipment. There may be an increase in particulate matter (dust) in adjacent areas during the decommissioning phase. Decommissioning activities may lead to temporary elevated noise levels from heavy machinery and an increase in vehicle trips to the project location. Work will be undertaken during daylight hours and will conform to applicable restrictions. Recycling of structural components will be maximized to the extent possible to reduce solid waste disposal.

Site Restoration

During the decommissioning phase, all project components (Exhibit 1) will be removed, and the Facility Site will be restored to a state similar to its pre-construction condition. The site

currently contains a hayfield and is considered active agricultural land. As such, the ultimate goal of site restoration for this Facility Site is as a hayfield. The pre-construction condition has been documented in the photos in Exhibit 2

If at the time of decommissioning, the site or portions of the site are intended to be restored for agricultural production, RPNY 1 or the future owner-operator will coordinate with the landowner, the Soil and Water Conservation District, and the Department of Agriculture and Markets, and will follow the environmental monitoring and restoration requirements of the NYSDAM guidelines (see Exhibit 4).

Additionally, if access roads in agricultural areas are removed in accordance with landowner wishes, topsoil shall be returned from recorded excess native topsoil disposal areas, if present, or topsoil free of invasive species shall be imported consistent with the quality of the topsoil on the affected site.

Rehabilitated lands shall be re-seeded, potentially with a low-growing species such as clover, to help stabilize soil conditions, enhance soil structure, and increase soil fertility.

Managing Materials and Waste

Through the decommissioning phase, a variety of excess materials and wastes will be generated (Exhibit 1). Most of the materials used in a Solar Facility are reusable or recyclable and some equipment may have manufacturer take-back and recycling requirements. Any remaining materials will be removed and disposed of off-site at an appropriate facility. RPNY 1 or the future owner-operator will establish policies and procedures to maximize recycling and reuse and will work with manufacturers, local subcontractors, and waste firms to segregate material to be disposed of, recycled, or reused.

RPNY 1 or the future owner-operator will be responsible for the logistics of collecting and recycling the PV modules and to minimize the potential for modules to be discarded in the municipal waste stream. Currently, some manufacturers and new companies are looking for ways to recycle and/or reuse solar modules when they have reached the end of their lifespan. It is anticipated there will be more recycling options available for solar modules at the end of the project lifespan. RPNY 1 or the future owner-operator will determine the best way of disposing of the solar modules using best management practices at the time of decommissioning. RPNY 1 or the future owner-operator will coordinate with the municipality if the disposal of any project component at the municipal waste facility is necessary.

Decommissioning Notification

Decommissioning activities generally require the notification of stakeholders given the nature of the work at the Facility Site. The Town of Gouverneur will be notified prior to commencement of any decommissioning activities. In accordance with NYSDAM guidelines, RPNY 1 or the future owner-operator will also notify NYSDAM prior to decommissioning. Notification activities will be initiated six months prior to decommissioning. At this time, RPNY 1 or the future owner-operator will update their list of stakeholders and notify appropriate jurisdictions and overseeing agencies of decommissioning activities. Federal, county, and

local authorities, including the utility company, will be notified as needed to discuss the potential approvals required to engage in decommissioning activities.

Approvals

Well-planned and well-managed renewable energy facilities are not expected to pose environmental risks at the time of decommissioning. Decommissioning of a Solar Facility will follow the regulatory standards of the day. RPNY 1 or the future owner-operator will ensure that any required permits are obtained prior to decommissioning.

This Decommissioning Report will be updated as necessary in the future, but not less than every five years, to ensure that changes in technology and site restoration methods are taken into consideration.

Estimated Timeline

RPNY 1 has prepared a timeline for the major actions to be undertaken during decommissioning. As it is difficult to know what specific approvals and protocols will be in place when decommissioning begins, the timing of these actions is estimated based on best available information.

- Notifications to Stakeholders: Months 0 to 6 (Town notified 6 months prior to decommissioning activities)
- Permitting and environmental review: Months 2 to 6
- Physical Decommissioning and Removal of Equipment: Months 6 to 9
- Restoration: Months 6 to 15 (depending on timing of growing season)

Decommissioning During Construction or Abandonment Before Maturity

In case of abandonment of the Solar Facility during construction or before its maturity, the same decommissioning procedures as for decommissioning after ceasing operation will be undertaken and the same decommissioning and restoration program will be honored, in as far as construction proceeded before abandonment. The Solar Facility will be dismantled, materials removed and recycled/disposed, the soil that was removed will be replenished and the site restored to a state similar to its preconstruction condition.

Costs of Decommissioning & Decommissioning Bond

The current cost to decommission the 3.5 MW Solar Facility has been estimated on behalf of RPNY 1 by their engineering consultants, following industry standards and using guidance from NYSEDA, at \$200,000. The estimate takes into account the location of the site within a NYS Agricultural District, including compliance with the NYS Department of Agriculture & Markets Guidelines dated 10/18/19 (Exhibit 4). It is important to acknowledge that decommissioning of solar arrays has not been undertaken to any significant extent in New York State (or other States), and therefore, actual data and cost estimating models are not available. Moreover, there is great uncertainty in many factors that will come into play at the time of future decommissioning, such as the regulatory climate, changes in technology,

repowering opportunities etc. The cost estimate, as a result, is based upon the best available information and engineering and demolition experience with other types of construction projects. In addition, the salvage values of valuable recyclable materials (aluminum, steel, copper, etc.) have *not* been factored into the decommissioning cost estimate, and the scrap value will be determined on current market rates at the time of salvage.

At the start of construction, RPNY 1 will post a surety bond in the amount of approximately \$200,000. After every year of operation, RPNY 1 or the future-owner operator will increase the surety bond amount 2% of the previous balance to keep up with inflation and expected decommissioning costs – for a total amount of approximately \$392,135 at the project's 35-year maturity (see Exhibit 3).

Exhibit 1
Schedule of Materials

Material/Waste	Means of Managing Excess Materials and Waste
PV Modules	If there is no possibility for reuse, the panels will either be returned to the manufacturer for appropriate disposal or will be transported to a recycling facility where the glass, metal, and semiconductor materials will be separated and recycled.
Metal Racking	These materials will be disposed off-site at an approved facility.
Transformer components	The small amount of oil from the transformers will be removed on-site to reduce the potential for spills and will be transported to an approved facility for disposal. The substation transformer, step-up transformers and the inverter units will be transported off-site to be sent back to the manufacturer, recycled, reused, or safely disposed off-site in accordance with current standards and best practices.
Inverters, fans, switchgear, and fixtures	The metal components of the inverters, fans, and fixtures will be disposed of or recycled, where possible. Remaining components will be disposed of in accordance with the standards of the day.
Gravel (or other granular)	It is possible that the municipality may accept uncontaminated material without processing for use on local roads; however, for the purpose of this report it is assumed that the material will be removed from the project location by truck to a location where the aggregate can be processed for salvage. It will then be reused as fill for construction. It is not expected that any such material will be contaminated.
Geotextile Fabric	It is assumed that during excavation of the aggregate, a large portion of the geotextile will be "picked up" and sorted out at the aggregate reprocessing site. Geotextile fabric that is remaining or large pieces that can be readily removed from the excavated aggregate will be disposed of off-site at an approved disposal facility.
Concrete inverter/BESS/transformer foundations	Concrete foundations will be broken down and transported by certified and licensed contractor to a recycling or approved disposal facility.
Cables and Wiring	<p>The aboveground electrical line that connects the substation to the point of common coupling will be disconnected and disposed of at an approved facility. Support poles, if made of untreated wood, will be chipped for reuse. Associated electronic equipment (isolation switches, fuses, metering) will be transported off-site to be sent back to the manufacturer, recycled, reused, or safely disposed off-site in accordance with current standards and best practices.</p> <p>Underground conduits, conductors, and other facilities originally installed at less than 48" in depth will be removed and recycled or safely disposed of in accordance with current standards and best practices.</p>
Fencing	Fencing will be removed and recycled at a metal recycling facility.
Utility Poles	Customer-owned utility poles will be dismantled and transported to a licensed treated wood recycling facility to be assessed for reuse for operational use or for secondary use in construction projects.
Debris	Any remaining debris on the site will be separated into recyclables/residual wastes and will be transported from the site and managed as appropriate.

Exhibit 2

Photo Documentation of Pre-Construction Conditions



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300 STATE STREET
ROCHESTER, NY 14614

Engineering
Architecture
Environmental
Planning

DRAWING NAME

EXISTING SITE - FACING EAST

PROJECT NAME

RPNY SOLAR 1, LLC - ROCK ISLAND ROAD SOLAR
587 & 589 COUNTY ROUTE 11
GOLVERHEUR, NY 13642

DRAWN BY

BER

DATE

8/28/2020

PROJECT NO.

2202186

ISSUED FOR

REPORT

SHEET NO.



300 STATE STREET
ROCHESTER, NY 14614

Engineering
Architecture
Environmental
Planning

DRAWING NAME

EXISTING SITE

DRAWN BY

BER

DATE

8/28/2020

PROJECT NO.

2202186

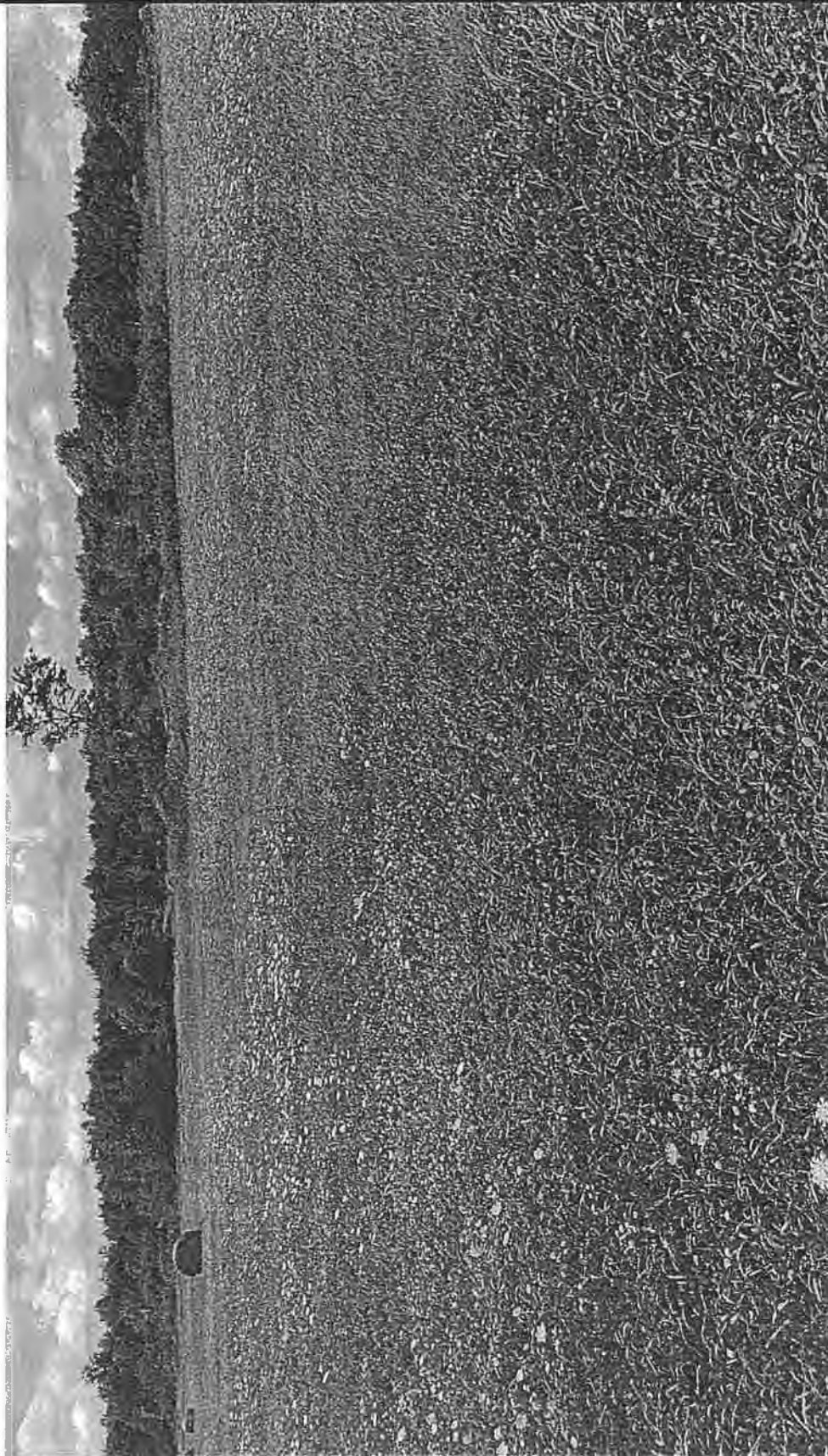
PROJECT NAME

RPNY SOLAR 1, LLC - ROCK ISLAND ROAD SOLAR
587 & 589 COUNTY ROUTE 11
GOUVERNEUR, NY 13642

ISSUED FOR

REPORT

SHEET NO.



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300 STATE STREET
ROCHESTER, NY 14614

Engineering
Architecture
Environmental
Planning

DRAWING NAME

EXISTING SITE

DRAWN BY

BER

DATE

8/28/2020

PROJECT NO:

2202186

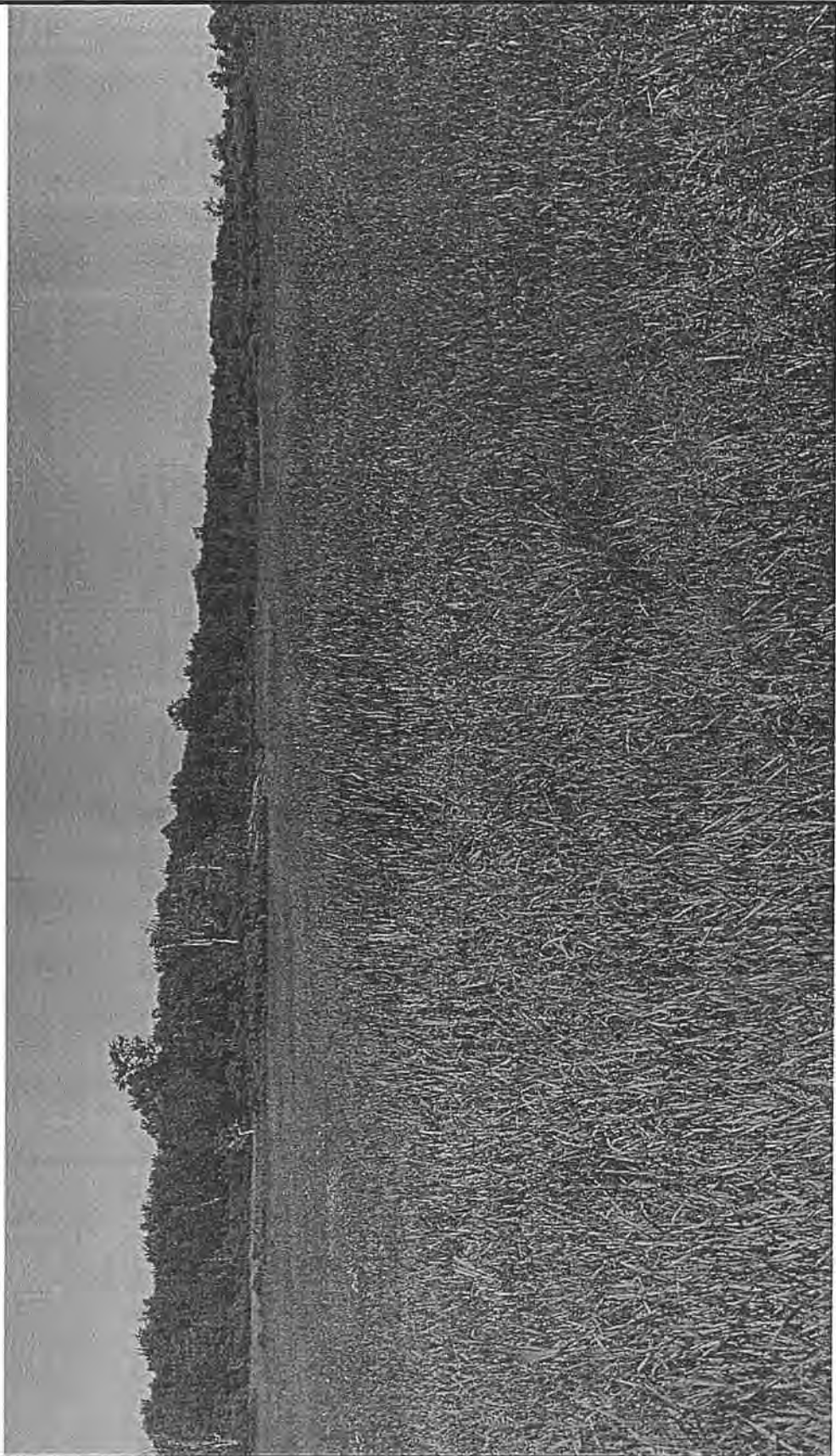
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300 STATE STREET
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Engineering
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Environmental
Planning

DRAWING NAME

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DATE:

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PROJECT NO:

2202186

PROJECT NAME:

RPNY SOLAR 1, LLC - ROCK ISLAND ROAD SOLAR
587 & 599 COUNTY ROUTE 11
GOUVERNEUR, NY 13642

ISSUED FOR

REPORT

SHEET NO

1

Exhibit 3

Decommissioning Estimate and Bond Value

Exhibit 3 - Bond Value

Decommissioning Bond Value with Escalation Rate of 2%	
Year	Amount
1	\$200,000
2	\$204,000
3	\$208,080
4	\$212,242
5	\$216,486
6	\$220,816
7	\$225,232
8	\$229,737
9	\$234,332
10	\$239,019
11	\$243,799
12	\$248,675
13	\$253,648
14	\$258,721
15	\$263,896
16	\$269,174
17	\$274,557
18	\$280,048
19	\$285,649
20	\$291,362
21	\$297,189
22	\$303,133
23	\$309,196
24	\$315,380
25	\$321,687
26	\$328,121
27	\$334,684
28	\$341,377
29	\$348,205
30	\$355,169
31	\$362,272
32	\$369,518
33	\$376,908
34	\$384,446
35	\$392,135

Exhibit 4

NYS Department of Agriculture & Markets Guidelines

NEW YORK STATE DEPARTMENT OF AGRICULTURE AND MARKETS

Guidelines for Solar Energy Projects - Construction Mitigation for Agricultural Lands (Revision 10/18/2019)

The following are guidelines for mitigating construction impacts on agricultural land during the following stages of a solar energy project: Construction, Post-Construction Restoration, Monitoring and Remediation, and Decommissioning. These guidelines apply to project areas subject to ground disturbance¹ within agricultural lands including:

- Lands where agriculture use will continue or resume following the completion of construction (typically those lands outside of the developed project's security fence);
- Lands where the proposed solar development will be returning to agricultural use upon decommissioning, (typically those lands inside of the developed project's security fence);
- Applicable Area under review pursuant to Public Service Law Article 10 Siting of Major Electric Facilities.

The Project Company will incorporate these Guidelines into the development plans and applications for permitting and approval for solar projects that impact agricultural lands. If the Environmental Monitor, hereafter referred to as EM, determines that there is any conflict between these Guidelines and the requirements for project construction that arise out of the project permitting process, the Project Company and its EM, will notify the New York State Department of Agriculture and Markets (NYSDAM), Division of Land and Water Resources, and seek a reasonable alternative.

Environmental Monitor (EM)

The Project Company (or its contractor) shall hire or designate an EM to oversee the construction, restoration and follow-up monitoring in agricultural areas. The EM shall be an individual with a confident understanding of normal agriculture practices² (such as cultivation, crop rotation, nutrient management, drainage (subsurface and/or surface), chemical application, agricultural equipment operation, fencing, soils, plant identification, etc.) and able to identify how the project may affect the site and the applicable agricultural practices. The EM should also have experience with or understanding of the use of a soil penetrometer for compaction testing and record keeping. The EM may serve dual inspection roles associated with other Project permits and/or construction duties, if the agricultural workload allows. The EM should be available to provide site-specific agricultural information as necessary for project development through field review and direct contact with both the affected farm operators and NYSDAM. The EM should maintain regular contact with appropriate onsite project construction supervision and inspectors throughout the construction phase. The EM should maintain regular contact with the affected farm operator(s) concerning agricultural land impacted, management matters pertinent to the agricultural operations and the site-specific implementation of agricultural resource mitigation measures. The EM will serve as the agricultural point of contact.

¹Ground Disturbance is defined as an activity that contributes to measurable soil compaction, alters the soil profile or removes vegetative cover. Construction activities that utilize low ground pressure vehicles that do not result in a visible rut that alters soil compaction, is not considered a Ground Disturbance. Soil compaction should be tested using an appropriate soil penetrometer or other soil compaction measuring device. The soil compaction test results within the affected area will be compared with those of the adjacent unaffected portion of the agricultural area.

² An EM is not expected to have knowledge regarding all of the listed agricultural practices, but rather a general understanding such that the EM is able to perform the EM function.

1. For projects involving less than 50 acres of agricultural land within the limits of disturbance (LOD),³ the EM shall be available for consultation and/or on-site whenever construction or restoration work that causes Ground Disturbance is occurring on agricultural land.
2. For projects involving 50 acres or more of agricultural land within the (LOD) (including projects involving the same parent company whether phased or contiguous projects), the EM shall be on site whenever construction or restoration work requiring or involving Ground Disturbance is occurring on agricultural land and shall notify NYSDAM of Project activity. The purpose of the agency coordination would be to assure that the mitigation measures of these guidelines are being met to the fullest extent practicable. The Project Company and the NYSDAM will agree to schedule inspections in a manner that avoids delay in the work. NYSDAM requires the opportunity to review and will approve the proposed EM based on qualifications or capacities.

Construction Requirements

- Before any topsoil is stripped, representative soil samples should be obtained from the areas to be disturbed. The soil sampling should be consistent with Cornell University's soil testing guidelines, and samples should be submitted to a laboratory for testing PH, percent organic material, cation exchange capacity, Phosphorus/Phosphate (P), and Potassium/Potash (K). The results are to establish a benchmark that the soil's PH, Nitrogen (N), Phosphorus/Phosphate (P), and Potassium/Potash (K) are to be measured against upon restoration. If soil sampling is not performed, fertilizer and lime application recommendations for disturbed areas can be found at https://www.agriculture.ny.gov/ap/agsservices/Fertilizer_Lime_and_Seeding_Recommendations.pdf.
- Stripped topsoil should be stockpiled from work areas (e.g. parking areas, electric conductor trenches, along access roads, equipment pads) and kept separate from other excavated material (rock and/or sub-soil) until the completion of the facility for final restoration. For proper topsoil segregation, at least 25 feet of additional temporary workspace (ATWS) may be needed along "open-cut" underground utility trenches. All topsoil will be stockpiled as close as is reasonably practical to the area where stripped/removed and shall be used for restoration on that particular area. Any topsoil removed from permanently converted agricultural areas (e.g. permanent roads, etc.) should be temporarily stockpiled and eventually spread evenly in adjacent agricultural areas within the project Limits of Disturbance (LOD); however not to significantly alter the hydrology of the area. Clearly designate topsoil stockpile areas and topsoil disposal areas in the field and on construction drawings; changes or additions to the designated stockpile areas may be needed based on field conditions in consultation with the EM. Sufficient LOD (as designated on the site plan or by the EM) area should be allotted to allow adequate access to the stockpile for topsoil replacement during restoration.
 - Topsoil stockpiles on agricultural areas left in place prior to October 31st should be seeded with Aroostook Winter Rye or equivalent at an application rate of three bushels (168 lbs.) per acre and mulched with straw mulch at rate of two to three bales per 1000 Sq. Ft.
 - Topsoil stockpiles left in place between October 31st and May 31st should be mulched with straw at a rate of two to three bales per 1000 Sq. Ft. to prevent soil loss.
- The surface of access roads located outside of the generation facility's security fence and constructed through agricultural fields shall be level with the adjacent field surface. If a level road design is not

³ The Limits of Disturbance (LOD) includes all project related ground disturbances and all areas within the project's security fencing.

feasible, all access roads should be constructed to allow a farm crossing (for specific equipment and livestock) and to restore/ maintain original surface drainage patterns.

- Install culverts and/or waterbars to maintain or improve site specific natural drainage patterns.
- Do not allow vehicles or equipment outside the planned LOD without the EM seeking prior approval from the landowner (and/or agricultural producer), and associated permit amendments as necessary. Limit all vehicle and equipment traffic, parking, and material storage to the access road and/or designated work areas, such as laydown areas, with exception the use of low ground pressure equipment.⁴ Where repeated temporary access is necessary across portions of agricultural areas outside of the security fence, preparation for such access should consist of either stripping / stockpiling all topsoil linearly along the access road, or the use of timber matting.
- Proposed permanent access should be established as soon as possible by removing topsoil according to the depth of topsoil as directed by the EM. Any extra topsoil removed from permanently converted areas (e.g. permanent roads, equipment pads, etc.) should be temporarily stockpiled and eventually spread evenly in adjacent agricultural areas within the project Limits of Disturbance (LOD); however not to significantly alter the hydrology of the area.
- When open-cut trenching is proposed, topsoil stripping is required from the work area adjacent to the trench (including segregated stockpile areas and equipment access). Trencher or road saw like equipment are not allowed for trench excavation in agricultural areas, as the equipment does not segregate topsoil from subsoil. Horizontal Directional Drilling (HDD) or equivalent installation that does not disrupt the soil profile, may limit agricultural ground disturbances. Any HDD drilling fluid inadvertently discharged must be removed from agricultural areas. Narrow open trenches less than 25 feet long involving a single directly buried conductor or conduit (as required) to connect short rows within the array, are exempt from topsoil segregation.
- Electric collection, communication and transmission lines installed above ground can create long term interference with mechanized farming on agricultural land. Thus, interconnect conductors outside of the security fence must be buried in agricultural fields wherever practicable. Where overhead utility lines are required, (including Point(s) of Interconnection) installation must be located outside field boundaries or along permanent access road(s) wherever possible. When overhead utilities must cross farmland, minimize agricultural impacts by using taller structures that provide longer spanning distances and locate poles on field edges to the greatest extent practicable.
- All buried utilities located **within** the generation facility's security fence must have a minimum depth of 18-inches of cover if buried in a conduit and a minimum depth of twenty-four inches of cover if directly buried (e.g. not routed in conduit).⁵
- The following requirements apply to all buried utilities located **outside** of the generation facility security fence:
 - In cropland, hayland, and improved pasture buried electric conductors must have a minimum depth of 48-inches of cover. In areas where the depth of soil over bedrock is less than 48-inches, the

⁴ low ground pressure vehicles that do not result in a visible rut that alters soil compaction.

⁵ Burial of electrical conductors located within the energy generation facility may be superseded by more stringent updated electrical code or applicable governing code.

electric conductors must be buried below the surface of the bedrock if friable/rippable, or as near as possible to the surface of the bedrock.

- In unimproved grazing areas or on land permanently devoted to pasture the minimum depth of cover must be 36-inches.
- Where electrical conductors are buried directly below the generation facility's access road or immediately adjacent (at road edge) to the access road, the minimum depth of cover must be 24-inches. Conductors must be close enough to the road edge as to be not subject to agricultural cultivation / sub-soiling.
- When buried utilities alter the natural stratification of soil horizons and natural soil drainage patterns, rectify the effects with measures such as subsurface intercept drain lines. Consult the local Soil and Water Conservation District concerning the type of intercept drain lines to install to prevent surface seeps and the seasonally prolonged saturation of the conductor installation zone and adjacent areas. Install and/or repair all drain lines according to Natural Resources Conservation Service conservation practice standards and specifications. Drain tile must meet or exceed the AASHTO M-252 specifications. Repair of subsurface drains tiles should be consistent with the NYSDAM's details for "*Repair of Severed Tile Line*" found in the pipeline drawing A-5 (<http://www.agriculture.ny.gov/ap/agsservices/Pipeline-Drawings.pdf>).
- In pasture areas, it may be necessary to construct temporary fencing (in addition to the Project's permanent security fences) around work areas to prevent livestock access to active construction areas and areas undergoing restoration. For areas returning to pasture, temporary fencing will be required to delay the pasturing of livestock within the restored portion of the LOD until pasture areas are appropriately revegetated. Temporary fencing including the project's required temporary access for the associated fence installations should be included within the LOD as well as noted on the construction drawings. The Project Company will be responsible for maintaining the temporary fencing until the EM determines that the vegetation in the restored area is established and able to accommodate grazing. At such time, the Project Company should be responsible for removal of the temporary fences.

Post-Construction restoration requirements applicable to continued use agricultural areas that suffered ground disturbance due to construction activities (typically lands outside of the developed project's security fence).

- All construction debris in active agriculture areas including pieces of wire, bolts, and other unused metal objects will need to be removed and properly disposed of as soon as practical to prevent mixing with any topsoil.
- Excess concrete will not be buried or left on the surface in active agricultural areas. Concrete trucks will be washed outside of active agricultural areas. Remove all excess subsoil and rock unearthed from construction related activities occurring in areas intended to return to agricultural use. On-site disposal of such material is not permissible in active agricultural lands. Designated spoil disposal locations should be specified in the associated construction plans. If landowner agreements, LOD boundary, or Project's land use approvals do not allow for on-site disposal, material must be removed from the site.⁶

⁶ Any permits necessary for disposal under local, State and/or federal laws and regulations must be obtained by the facility operator, with the cooperation of the landowner when required.

- Excess stripped topsoil shall not be utilized for fill within the project area. Any extra topsoil removed from permanently impacted areas (e.g. roads, equipment pads, etc.) should be evenly spread in adjacent agricultural project areas, however not to significantly alter the hydrology of the area.
- Regrade all access roads outside of the security fencing (as determined necessary by the EM), to allow for farm equipment crossing and restore original surface drainage patterns, or other drainage pattern incorporated into the design.
- Repair all surface or subsurface drainage structures damaged during construction as close to preconstruction conditions as possible, unless said structures are to be removed as part of the project design. Correct any surface or subsurface drainage problems resulting from construction of the solar energy project with the appropriate mitigation as determined by the Environmental Monitor, Soil and Water Conservation District and the Landowner.
- On agricultural land needing restoration because of ground disturbance, postpone any restoration practices until favorable (workable, relatively dry) topsoil/subsoil conditions exist. Restoration must not be conducted while soils are in a wet or plastic state of consistency. Stockpiled topsoil must not be regraded, and subsoil must not be decompacted until plasticity, as determined by the Atterberg field test, is adequately reduced. No permanent project restoration activities shall occur in agricultural areas between the months of October through May unless favorable soil moisture conditions exist.
- In all continued use agricultural land where the topsoil was stripped, subsoil decompaction shall be conducted prior to topsoil replacement. Following construction, all such areas will be decompacted to a depth of 18 inches with a tractor mounted deep ripper or heavy-duty chisel plow. Soil compaction results shall be no more than 250 pounds per square inch (PSI) throughout the decompacted 18 inches as measured with a soil penetrometer. Following decompaction, all rocks 4 inches and larger in size unearthed from decompaction will be removed from the surface of the subsoil prior to replacement of the topsoil. The topsoil will be replaced to original depth and the original contours will be reestablished where possible. All rocks 4 inches and larger from topsoil shall be removed from the surface of the topsoil. Subsoil decompaction and topsoil replacement must be avoided after October 1, unless approved on a site-specific basis by the landowner in consultation with NYSDAM. All parties involved must be cognizant that areas restored after October 1st may not obtain sufficient growth for stabilization⁷ to prevent erosion over the winter months. If areas are to be restored after October 1st, necessary provisions must be made to prevent potential springtime erosion, as well as restore any eroded areas in the springtime, to establish proper growth. Excess stripped topsoil shall be evenly spread in the adjacent project areas, or adjacent agricultural areas (within the LOD), however, not to significantly alter the hydrology of the area.
- In all continued use agricultural areas where the topsoil was not stripped, including timber matted areas, the EM shall determine appropriate activities to return the area to agricultural use. These activities may include decompaction, rock removal, and revegetation. Soil compaction should be tested in the affected areas and the affected area's adjacent undisturbed areas using an appropriate soil penetrometer or other soil compaction measuring device as soon as soils achieve moisture equilibrium with adjacent unaffected areas. Compaction tests will be made at regular intervals of distance throughout the affected areas, including each soil type identified within the affected areas. Soil compaction results shall be measured with a soil penetrometer not exceeding more than 250 pounds per square inch (PSI), by

⁷ Sufficient growth for stabilization should be determined by comparison with unaffected crop production. Annual crops restored after normal planting window (as determined by the landowner or associated producer) should be stabilized with Aroostook Winter Rye at the rate of 150/100 lbs. per acre (broad cast/drill seeder).

comparing probing depths of both the affected and unaffected areas. Where representative soil density of the affected area's collective depth measurements present compaction restrictions exceeding an acceptable deviation of no more than 20% from the adjacent undisturbed area's mean soil density, additional decompaction may be required to a depth of 18-inches with a tractor mounted deep ripper or heavy-duty chisel plow. Following decompaction, remove all rocks unearthed from decompaction activities 4 inches and larger in size from the surface. Revegetation shall be performed in accordance with the instructions below.

- Seed all agricultural areas from which the vegetation was removed or destroyed with the seed mix specified by the landowner/agriculture producer or as otherwise recommended in the Department's fertilizer, lime and seeding guideline:
[\[https://www.agriculture.ny.gov/ap/agsservices/Fertilizer_Lime_and_Seeding_Recommendations.pdf\]](https://www.agriculture.ny.gov/ap/agsservices/Fertilizer_Lime_and_Seeding_Recommendations.pdf). Soil amendments should be applied as necessary so that restored agricultural areas' soil properties, at minimum, reasonably reflect the pre-construction soil test results or as otherwise agreed to by the involved parties to ensure continued agricultural use. All parties must be cognizant that areas restored after October 1st may not obtain sufficient growth to prevent erosion over the winter months. If areas are to be restored after October 1st, necessary provisions must be made to restore and/or re-seed any eroded or poorly germinated areas in the springtime, to establish proper growth.

Monitoring and Remediation

Project Companies shall provide a monitoring and remediation period of one complete growing season following the date upon which the desired crop is planted. All projects subject to NYS Public Service Law Article 10 will provide a monitoring period of two complete growing seasons following the date upon which the project achieves the establishment of the desired crop.

On site monitoring shall be conducted seasonally at least three times during the growing season (Spring, Summer, Fall). Monitoring is required to identify any remaining impacts directly associated with the construction of the project on agricultural lands proposed to remain or resume agriculture production, including the effects of climatic cycles such as frost action, precipitation and growing seasons to occur, from which various monitoring observations can be made. NYSDAM expects the Project Company (or its contractor) to retain the EM for follow-up monitoring and remediation (as needed) in agricultural areas. Monitoring is limited to the restored agricultural area. Non-project related impacts affecting the restored project area will be discussed with NYSDAM staff and considered for omission from future monitoring and remediation. The EM is expected to record the following observations from onsite inspections:⁸

- **Topsoil Thickness and Trench Settling** – The EM observations may require small hand dug holes to observe the percentage of settled topsoil in areas where the topsoil was stripped, or trenching was performed without stripping topsoil. Observations concerning depth of topsoil deficiencies shall require further remediation by re-appropriating additional topsoil. Acceptable materials for remediation are: known areas of native excess topsoil (according to records of project specific excess topsoil disposal spread within the original LOD) or imported topsoil free of invasive species that is consistent with the quality of topsoil on the affected site.

⁸ The activities that follow are not necessary for restored agricultural lands on which the farmer or landowner has commenced activities, including agricultural activities or other use that tend to reverse restoration or create conditions that would otherwise trigger restoration. Should NYSDAM contend upon inspection that conditions indicate that post-construction restoration activities were improperly performed or insufficient, NYSDAM may inform the project company and NYSERDA for further investigation and remediation.

- **Excessive Rock (>4-inches)** - Determined by a visual inspection of disturbed areas as compared to unaffected portions of the same field located outside the construction area. Observations concerning excess stone material in comparison to off-site conditions shall require further remediation including removal and disposal of all excess rocks and large stones.
- **Soil Compaction** - Project affected agricultural soils should be tested using an appropriate soil penetrometer or other soil compaction measuring device. Compaction tests will be made at regular intervals of distance throughout the access or work areas, including each soil type identified on the affected agricultural areas. Where representative soil density of the affected area exceeds the representative soil density of the unaffected areas, additional decompaction may be required. Consultation with NYSDAM staff and the agricultural producer(s) should be conducted prior to scheduling additional decompaction. If warranted, decompaction to a depth of 18-inches with a tractor mounted deep ripper or heavy-duty chisel plow. Restoration of displaced topsoil to original depth and re-establish original contours where possible. Decompaction deep shattering will be applied during periods of relatively low soil moisture to ensure the desired mitigation and to prevent additional soil compaction. Oversized stone/rock (Four-inches) material that is uplifted/unearthed to the surface as a result of the deep shattering will be removed.
- **Drainage** – The EM shall visually inspect the restored agricultural areas in search of pervasive stunted crop growth due to seasonal saturation, not previously experienced at the site and not resulting from the agricultural producer's irrigation management or due to excessive rainfall. Identified areas of stunted crop growth shall be compared to the nearest undisturbed adjacent areas under a substantially equivalent terrain and crop management plan. Drainage observations should be evaluated to determine if the project affected surface or sub-surface drainage during construction or restoration. Project caused drainage issues affecting or likely to reduce crop productivity of the adjacent areas will have to be remediated via a positive surface drainage, sub-surface drainage repair or an equivalent.
- **Agriculture Fencing and Gates** – The EM shall inspect Project associated fencing and gates (installed, altered or repaired) within the Project's LOD associated with agricultural activities for function and longevity. The Project Company is responsible during the Monitoring and Remediation Phase for maintaining the integrity of Project associated fencing and gates.

The Project Company (or its contractor) shall consolidate each applicable growing season's observations into an annual report during the monitoring period and shall be provided upon request to NYSDAM. Annual reports should include date stamped photographs illustrating crop growth in comparison with unaffected portions the agricultural areas.

The EM shall record observations of the establishment of the desired crop and subsequent crop productivity within restored agricultural areas and shall be evaluated by comparing its productivity to that of the nearest adjacent undisturbed agricultural land of similar crop type within the same field. If a decline in crop productivity is apparent the Project Company as well as other appropriate parties must determine whether the decline is due to project activities. If project activities are determined to be the primary detrimental factor, the project EM will notify NYSDAM concerning unsuccessful restoration and to potentially schedule a NYSDAM staff field visit. If project restoration is determined to be insufficient, the Project Company will develop a plan for appropriate rehabilitation measures to be implemented. NYSDAM staff will review and approve said plan prior to implementation. Additional monitoring may be required depending on additional restoration activities needed.

The Project Company is not responsible for site conditions and/or potential damages attributable to the agricultural producer's land use management or others' land use management.

Decommissioning

If the operation of the generation facility is permanently discontinued, remove all above ground structures (including panels, racking, signage, equipment pad, security fencing) and underground utilities if less than 48-inches deep. All concrete piers, footers, or other supports must be removed to a minimum depth of 48-inches below the soil surface. The following requirements apply to electric conductors located at the respective range of depth below the surface:

- 48-inches plus: All underground electric conduits and direct buried conductors may be abandoned in place. Applicable conduit risers must be removed, and abandoned conduit must be sealed or capped to avoid a potential to direct subsurface drainage onto neighboring land uses.
- Less than 48-inches: All underground direct buried electric conductors and conductors in conduit and associated conduit with less than 48-inches of cover must be removed, by means of causing the least amount of disturbance as possible.

Access roads in agricultural areas must be removed, unless otherwise specified by the landowner. If access is to be removed, topsoil will have to be returned from recorded project excess native topsoil disposal areas, if present, or imported topsoil free of invasive species that is consistent with the quality of topsoil on the affected site. Restore all areas intended for agricultural production, according to recommendations by the current landowner or leasing agricultural producer, and as required by any applicable permit, the Soil and Water Conservation District, and NYSDAM.

Monitoring and restoration requirements in accordance to the prior sections of these guidelines, will be required for the decommissioning restoration. NYSDAM requires notice before the Project Company undertakes decommissioning.

_____(Project Company) hereby agrees to use best efforts to adopt and employ the provisions of the NYSDAM Guidelines for Agricultural Mitigation for Solar Energy Projects in all material aspects of the construction, post construction and decommissioning of this project. Where Project Company determines that it cannot perform an activity in a manner that meets the material terms of any provision of the Guidelines, the Project Company or its Environmental Monitor will notify NYSDAM and make good faith efforts to devise an alternative solution that will mitigate adverse agricultural impacts.

Signature

Date

EXHIBIT A

Legal Description - Leased Parcel

All that tract or parcel of land, situate on the westerly side of County Route 11 (Rock Island Road) in the Town of Gouverneur, County of St. Lawrence and State of New York bounded and described as follows:

Beginning at a point near the westerly edge of the paved surface of County Route 11, said point being a direct tie of N 69° 34' 11" W (N.Y.S. East Grid) a distance of 12.14 feet from a point in the apparent centerline of said road where the same is intersected by the northerly boundary of lands now or formerly of Thomas H. Stowell and Sandra B. Stowell (Inst. No. 2000-380) and running:

- 1) thence S 20° 57' 59" W a distance of 34.55 feet through the lands of said Stowell parcel and generally along the westerly edge of the paved surface of County Route 11 to a point;
- 2) thence N 70° 12' 42" W a distance of 109.70 feet to a point;
- 3) thence N 20° 57' 59" E a distance of 7.49 feet to a point;
- 4) thence N 68° 40' 41" W a distance of 439.40 feet continuing through the said lands of Stowell and to and through the lands now or formerly of Thomas H. Stowell and Sandra B. Stowell (Liber 1052 Page 958) to a point;
- 5) thence generally westerly along a curve concave to the south with a radius of 27.30 feet an arc distance of 36.14 feet, said curve having a chord bearing of S 73° 22' 25" W and a chord distance of 33.56 feet to a point and end of said curve;
- 6) thence S 35° 26' 45" W a distance of 266.53 feet to a point;
- 7) thence generally southwesterly along a curve concave to the northwest with a radius of 65.00 feet an arc distance of 52.99 feet, said curve having a chord bearing of S 58° 48' 05" W and a chord distance of 51.54 feet to a point and end of said curve;
- 8) thence S 82° 09' 25" W a distance of 32.94 feet to a point;
- 9) thence generally southwesterly along a curve concave to the southeast with a radius of 25.00 feet an arc distance of 23.05 feet, said curve having a chord bearing of S 55° 44' 32" W and a chord distance of 22.24 feet to a point and end of said curve;
- 10) thence S 60° 40' 21" E a distance of 9.42 feet to a point;
- 11) thence S 20° 40' 04" W a distance of 354.26 feet to a point;
- 12) thence S 13° 16' 46" W a distance of 103.30 feet to a point;

- 13) thence $60^{\circ} 18' 59''$ E a distance of 14.76 feet to a point;
- 14) thence $S 01^{\circ} 25' 59''$ W a distance of 316.09 feet to a point;
- 15) thence $S 66^{\circ} 20' 29''$ W a distance of 17.94 feet to a point;
- 16) thence $N 90^{\circ} 00' 00''$ W a distance of 136.14 feet to a point;
- 17) thence $S 51^{\circ} 21' 06''$ W a distance of 461.11 feet to a point;
- 18) thence $N 90^{\circ} 00' 00''$ W a distance of 162.90 feet to a point;
- 19) thence $N 67^{\circ} 31' 10''$ W a distance of 317.77 feet to a point;
- 20) thence $N 67^{\circ} 07' 28''$ W a distance of 240.82 feet to a point;
- 21) thence $N 00^{\circ} 00' 00''$ W a distance of 259.27 feet to a point;
- 22) thence $N 25^{\circ} 11' 13''$ E a distance of 287.50 feet to a point;
- 23) thence $N 79^{\circ} 08' 55''$ E a distance of 192.74 feet to a point;
- 24) thence $N 55^{\circ} 37' 15''$ E a distance of 183.86 feet to a point;
- 25) thence $N 90^{\circ} 00' 00''$ E a distance of 74.95 feet to a point;
- 26) thence $S 21^{\circ} 59' 51''$ E a distance of 66.46 feet to a point;
- 27) thence $N 90^{\circ} 00' 00''$ E a distance of 148.70 feet to a point;
- 28) thence $N 21^{\circ} 08' 38''$ E a distance of 257.85 feet to a point;
- 29) thence $N 89^{\circ} 55' 09''$ E a distance of 177.96 feet to a point;
- 30) thence $N 00^{\circ} 00' 00''$ W a distance of 312.37 feet to a point;
- 31) thence $N 90^{\circ} 00' 00''$ E a distance of 102.66 feet to a point;
- 32) thence $N 34^{\circ} 31' 35''$ E a distance of 117.47 feet to a point;
- 33) thence $N 89^{\circ} 58' 41''$ E a distance of 126.67 feet to a point;
- 34) thence $S 46^{\circ} 16' 35''$ E a distance of 15.89 feet to a point;
- 35) thence $S 01^{\circ} 32' 23''$ E a distance of 382.37 feet to a point;

- 36) thence generally northeasterly along a curve concave to the southeast with a radius of 55.00 feet an arc distance of 50.71 feet, said curve having a chord bearing of N 55°44' 32" E and a chord distance of 48.94 feet to a point and end of said curve;
- 37) thence N 82° 09' 25" E a distance of 32.94 feet to a point;
- 38) thence generally northeasterly along a curve concave to the northwest with a radius of 35.00 feet an arc distance of 28.53 feet, said curve having a chord bearing of N 58° 48' 05" E and a chord distance of 27.75 feet;
- 39) thence N 35° 26' 45" E a distance of 266.53 feet to a point;
- 40) thence generally easterly along a curve concave to the south with a radius of 57.30 feet an arc distance of 75.86 feet, said curve having a chord bearing of N 73° 22' 25" E and a chord distance of 70.44 feet to a point and end of said curve;
- 41) thence S 68° 40' 41" E a distance of 548.90 feet continuing through the last mentioned Stowell parcel and to and through the first above mentioned Stowell parcel to the point of beginning.

Containing 24.47 acres of land more or less.

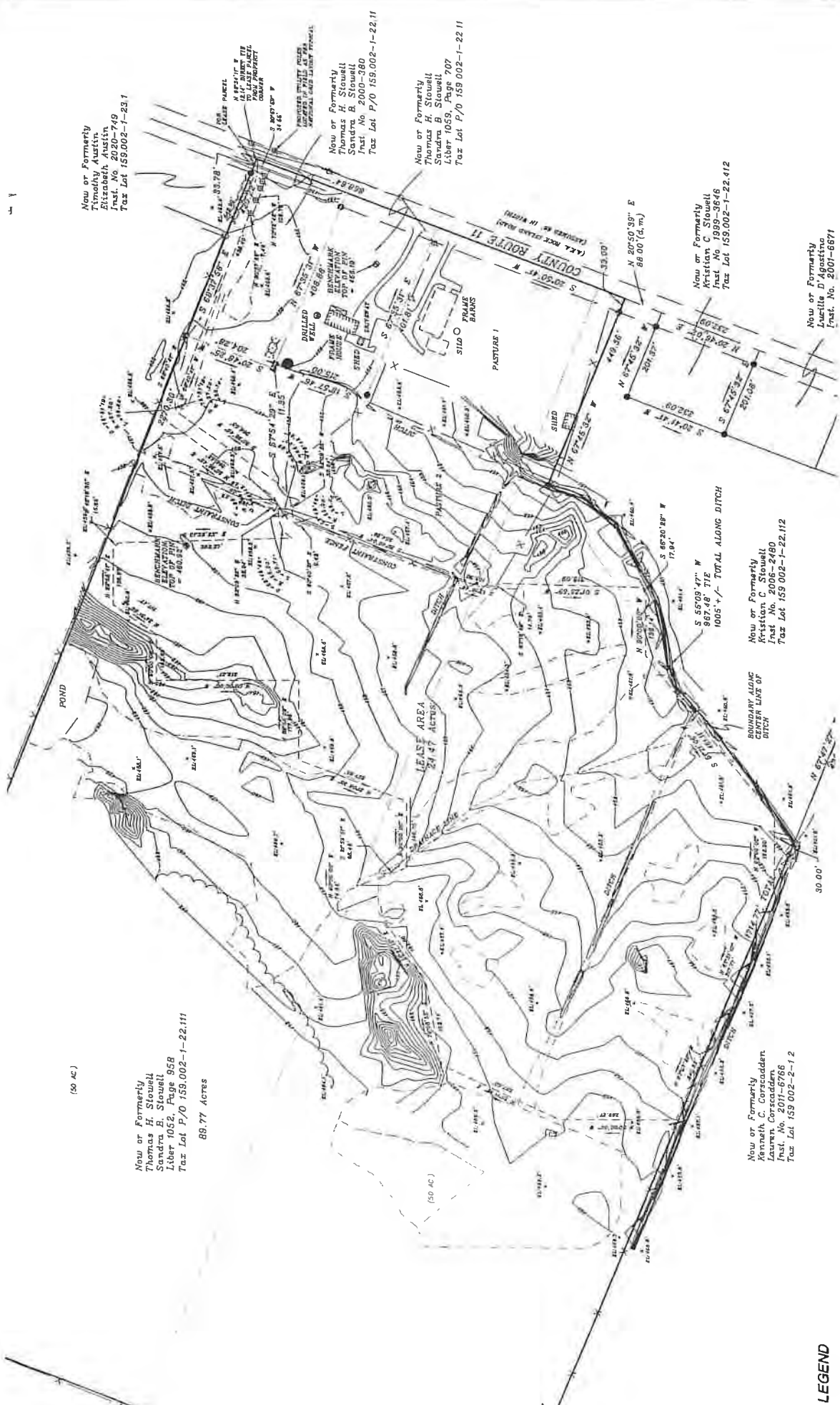
Being and intending to describe a portion of the premises conveyed to Thomas H. Stowell and Sandra B. Stowell by a deed dated September 9, 1991 and recorded in the office of the St. Lawrence County Clerk in Liber 1052 Page 958, also being and intending to describe a portion of the premises conveyed to Thomas H. Stowell and Sandra B. Stowell by a deed dated January 5, 2000 and recorded in the office of the St. Lawrence County Clerk in Instrument No. 2000-380.

Subject to any rights of the public in any portion of County Route 11 as used for highway purposes.

TOGETHER WITH AND SUBJECT TO ANY EASEMENTS, EXCEPTIONS, RIGHTS, PRIVILEGES, OBLIGATIONS, COVENANTS, AND CONDITIONS OF RECORD.

EXHIBIT B

Site Plan highlighting Leased Parcel



Now or Formerly
Timothy Austin
Elizabeth Austin
Inst. No. 2020-749
Tax Lot 159.002-1-23.1

Now or Formerly
Thomas H. Stowell
Sandra B. Stowell
Inst. No. 2009-280
Tax Lot P/O 159.002-1-22.11

Now or Formerly
Thomas H. Stowell
Sandra B. Stowell
Liber 1059, Page 707
Tax Lot P/O 159.002-1-22.11

Now or Formerly
Thomas H. Stowell
Sandra B. Stowell
Inst. No. 1990-3846
Tax Lot 159.002-1-22.412

Now or Formerly
Laurie D. Stowell
Inst. No. 2001-6871

Now or Formerly
Kristian C. Stowell
Inst. No. 2008-2480
Tax Lot 159.002-1-22.112

Now or Formerly
Lauren Corcoran
Inst. No. 2011-6766
Tax Lot 159.002-2-1.2

Now or Formerly
Thomas H. Stowell
Sandra B. Stowell
Liber 1052, Page 958
Tax Lot P/O 159.002-1-22.111
88.77 Acres

(50 AC.)

(50 AC.)

LEGEND



St. Lawrence County Industrial Development Agency

Application for Assistance (revised 12/2018)

This is an Equal Opportunity Program. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with the USDA, Director, Office of Civil Rights, Washington, D.C. 20250.

INSTRUCTIONS

1. The Agency will not take action on any application unless, in the judgment of the Agency, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Please answer all questions using "None" or "Not Applicable" where the question is not appropriate to the project which is the subject of this application ("the Project"). If more space is needed to answer a question, please attach a separate sheet.
3. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of Public Officers Law.
4. The applicant will be required to pay the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency's bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. If applicable, the costs incurred by the Agency, including the Agency's general counsel and bond counsel, may be considered a part of the project and included as a part of the resultant bond issue.
5. The Agency has established a project fee for each type of project in which the Agency participates. Unless the Agency agrees in writing to the contrary, this project fee is required to be paid by the applicant at or prior to the granting of any financing assistance by the Agency.

FEE SCHEDULE

The forms of assistance listed below have a fee of 1% of the total bond series or project cost benefited by the Agency assistance, as applicable. A non-refundable fee of \$2,000 is payable to the SLCIDA at the time the application is submitted which will be credited toward the total fee at closing. If you are applying for multiple types of assistance only one fee of \$2,000 is due.

- ☐ Tax Exempt Industrial Revenue Bonds – Complete Appendix A & B
☒ Payment in Lieu of Taxes (PILOT) – Complete Appendix B
☒ Mortgage Recording Tax Exemption – Complete Appendix B
☐ Sales and Use Tax Exemption – Complete Appendix B

Applicant/Company Information

Applicant Name:	RPNY Solar 1, LLC	Federal ID#:	[REDACTED]
Address:	879 Sanchez Street	Contact Name:	Stephanie Loucas
		Contact Title:	Vice President, Development
City/State/Zip:	San Francisco/CA/94114	Contact Email:	[REDACTED]
Telephone:	[REDACTED]	Cell:	[REDACTED]
Alternate Phone:		Fax:	

Will the proposed project be located within the municipality of the applicant's current operations? ☐ Yes ☒ No ☐ N/A

FORM OF ENTITY:

- ☐ Privately Held Corporation
☐ Public Corporation (Listed as _____ on _____ Exchange)
☒ Limited Liability Company
☐ Partnership: ☐ General ☐ Limited Number of Partners: _____ General _____ Limited
☐ Other: _____

For assistance please contact St. Lawrence County Industrial Development Agency at (315) 379 9806/TDD Number: 711

If the entity is a Corporation, Limited Liability Company or Partnership:

Date Established: 8/20/2020 Place of Organization: New York SIC Code: 221114

If the entity is currently located outside New York State, is it authorized to do business in New York State? ☒ Yes ☐ No
☐ N/A

Principal Officers:

Name	Title
<u>Aaron Halimi</u>	<u>President</u>
<u></u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>

Principal Owners with 10% or more in equity holdings with a percentage ownership:

Name	Percentage
<u>Aaron Halimi</u>	<u></u>
<u>CarVal Investors, LP</u>	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>

Is the Company, or are the owners of the Company, involved in any lawsuits which could have a financial impact on the Company? ☐ Yes ☒ No

Has the Company, or any of its owners, ever been involved in bankruptcy? ☐ Yes ☒ No

Are the owners of the Company citizens of the United States? ☒ Yes ☐ No

Has the Applicant (or any related company) been involved in any prior financing, whether by this Agency, or by a financial institution, in the county in which this project is located? ☐ Yes ☒ No

If yes, please explain:

Bank References:

Major Trade References:

Crestmark
J Barret, Vice President

Borrego Solar Systems
Aaron Hall

Legal Counsel: Young / Sommer, LLC
Contact: Rob Panasci
Address: Executive Woods, Five Palisades Drive
City/State/Zip: Albany, NY 12205
Telephone:
Contact Email:

Are there any concerns that may be regarded as parent companies, subsidiaries, or affiliates of the Company, including concerns in which the Company or any of its principals holds an interest greater than 5%? ☐ Yes ☒ No

If yes, please provide a list of names and addresses of all concerns. Attach additional pages as needed.

Name:	<u></u>
Address:	<u></u>
City/State/Zip:	<u></u>
Nature of Relationship:	<u>% Ownership</u>

☒ For assistance please contact St. Lawrence County Industrial Development Agency at (315) 379 9806/TDD Number: 711

Business History

Provide a brief history of the Company including changes in ownership operations, overview of operating performance, location and size of current operations, products and/or services, major accounts, principal competitors, and major events affecting sales and/or expenses:

Renewable Properties (RP) is a national developer, financier, and owner/operator of utility solar energy and storage projects. Led by experienced renewable energy professionals, RP works closely with communities, developers, landowners, utilities, and financial institutions looking to invest in solar energy. Renewable Properties sets itself apart with the following attributes:

- * Low Risk - our strong development experience results in high certainty of project success
- * Low Cost - low overhead and efficient financing structure allows RP to provide great pricing to customers
- * Maximum Value - we specialize in strategic siting to maximize locational and system value for our clients

In September of 2019 RP closed its first project finance fund and it currently owns and operates five utility PV projects in CA and MN. RP is currently working on its second, third and fourth fund with the same investment partners and anticipates bringing online 32MW's of new solar projects in 2020 and 45MW's in 2021.

Renewable Properties is one of the most experienced developers of small utility solar projects in the country.

Company Highlights

- * Founded in March 2017
- * Raised \$12.5M with New Energy Capital in January 2018
- * Developed 17 qualified facilities in South Carolina
- * Signed 8 PPAs with industry leading California CCAs in 2018
- * Over 40 years and 1GW of combined team experience
- * Currently over 250MW development pipeline across 9 states

Recent Article in Yahoo Finance

<https://finance.yahoo.com/news/renewable-properties-raises-30-million-151300596.html>

Site Information

Project Address: 587 & 599 County Road 11
 City/State/Zip: Gouverneur, NY 13642
 Town: Gouverneur
 Village/City: N/A
 School District: Gouverneur
 Tax Map Parcel: 159.002-1-22.111

Note utilities currently on site:

- | | |
|--|--|
| <input type="checkbox"/> Municipal Water | <input type="checkbox"/> Municipal Sewer |
| <input checked="" type="checkbox"/> Electric | <input type="checkbox"/> Telecom |
| <input type="checkbox"/> Gas | |
| <input checked="" type="checkbox"/> Other: Private Water and Sewer | |
| <input type="checkbox"/> Other: | |

Who is the current legal owner of the proposed site? Thomas and Sandra Stowell	
What is the size of the existing facility and site, if applicable? No Facility, parcel is 78 Acres	
What is the size of the proposed facility and site? Solar Array site area is 29 Acres	
What is the current zoning of the project site? Intensive Development	
Does the project require local planning or permitting approvals? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If yes, please explain: Site Plan Approval, Special Use Permit, Building Permit, Decommissioning plan and Town Board approvals	
Will the project meet zoning regulations after completion? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If no, explain what zoning changes will be needed:	
Identify any Federal, State or local regulatory agencies or boards that will need to approve your project, or will oversee your operations:	Town of Gouverneur Planning Board, Town of Gouverneur, County DOT, County Site Plan; State Historic Preservation Office & NYS DEC - SPDES approval.
Will a site plan application need to be filed? If yes, please include a copy, if prepared. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Has the company completed the required SEQR application? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
If yes, what is the date of the application? 8/28/2020	

For assistance please contact St. Lawrence County Industrial Development Agency at (315) 379 9806/TDD Number: 711

Project Description

Description of the project: (check all that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> New construction | <input type="checkbox"/> Purchase of new machinery and equipment |
| <input type="checkbox"/> Addition to an existing facility | <input type="checkbox"/> Refinancing of an existing project |
| <input type="checkbox"/> Renovation and modernization of an existing facility | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Acquisition of an existing facility | <input type="checkbox"/> Other: |

Project Type for all end users at project site: (check all that apply)

- | | |
|--|--|
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Facility For Aging |
| <input type="checkbox"/> Back Office | <input type="checkbox"/> Multi-Tenant |
| <input type="checkbox"/> Retail | <input type="checkbox"/> Equipment Purchase |
| <input type="checkbox"/> Acquisition of an existing facility | <input type="checkbox"/> Civic Facility (not for profit) |
| <input type="checkbox"/> Mixed Use | <input type="checkbox"/> Commercial |
| <input type="checkbox"/> Housing | <input checked="" type="checkbox"/> Other: Solar Array |

What is the proposed commencement date of construction or acquisition of the project?

What is the timetable for the project including when the project will be in full use?

Provide a brief description of the Project. Please identify specific uses and activities occurring within the project location. List proposed products to be manufactured and/or services to be rendered and the markets for those goods and services. Include impact on Company in terms of its operations, profitability, marketing, and other significant operating financial factors. Attach additional pages as needed.

Please see attached document "RPNY Solar 1 LLC Letter to IDA"

Involves a 3.5MW solar array and 30 year PILOT.

Years 2-20 increasing 2% and years 21 through 30 decreasing 2% as the panels

Does the Applicant intend to lease or sublease more than 10% (by area or fair market value) of the Project?

☐ Yes ☒ No

Does the Project include facilities or property that is primarily used in making retail sales of goods or services to customers who personally visit such facilities? ☐ Yes (*complete shaded box below*) ☒ No

If the answer to the previous question is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? _____

If more than 33.33%, indicate whether any of the following apply to the Project:

Will the Project be operated by a not-for-profit corporation? ☐ Yes ☐ No

Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? ☐ Yes ☐ No

If yes, please explain: _____

Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the Project and related jobs outside of New York State? ☐ Yes ☐ No

Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City, Town or Village within which the Project will be located because of a lack of reasonably accessible retail trade facilities offering such goods or services? ☐ Yes ☐ No

If yes, please explain: _____

Is the proposed project a Franchise? ☐ Yes ☐ No

If Yes, please provide a Franchise Agreement.

Will the Project be located in a census tract or block numbering area (or census tract or block number area contiguous thereto) which, according to the most recent census data, has 1) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of household receiving public assistance, and 2) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year in which the data relates? ☐ Yes ☐ No

If yes, please explain: _____

Does the applicant have other facilities or related companies located in New York State, outside of the jurisdiction in which the project will take place? ☐ Yes ☒ No

If yes, will this other facility or company be closed or have operations reduced as a result of this proposed project?

☐ Yes ☐ No

If yes, please explain: _____

Are there any current occupants of this proposed site that will have their operations affected (including reduced or discontinued) as a result of this proposed project? ☐ Yes ☒ No

If yes, please explain: _____

If the answer to either of the previous two questions is yes, indicate whether any of the following apply to the Project:

Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry? ☐ Yes ☐ No

If yes, please explain: _____

Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? ☐ Yes ☐ No

If yes, please explain: _____

Has the applicant actively sought sites and/or facilities in another state? ☒ Yes ☐ No

If yes, please explain: Renewable Properties works across the country seeking

great solar sites, we are excited to find this site in NY

Does the project involve pollution control or processing primarily for solid waste disposal? ☐ Yes ☒ No

If yes, please describe the type of pollution to be abated, existing methods of abatement, or the proposed method of abatement, construction and equipment to be financed: _____

Is there a likelihood that the Project would not be undertaken but for the financial assistance provided by the Agency?

☒ Yes ☐ No

If the Project could be undertaken without financial assistance provided by the agency, then provide a statement below indicating why the Project should be undertaken by the Agency: _____

ADDITIONAL REQUIREMENTS: Include the following items as attachments as necessary.

COMPANY INFORMATION: (Prior to Closing)

<input checked="" type="checkbox"/>	<input type="checkbox"/> N/A	Entity formation documents as appropriate (DBA Certificate, Articles of Incorporation, Bylaws, Certificate of Formation, Operating Agreement, Partnership Agreement)
<input checked="" type="checkbox"/>	<input type="checkbox"/> N/A	Copy of Environmental Assessment Forms (Agency will provide assistance as needed)

FINANCIAL INFORMATION:

<input type="checkbox"/>	<input checked="" type="checkbox"/> N/A	Company profit and loss statements, balance sheets, and capital statements for the last 2 years. If the business is a sole proprietorship, provide copies of the IRS 1040 and Schedule C. If accountant prepared financial statements are available, they should also be provided.
<input type="checkbox"/>	<input checked="" type="checkbox"/> N/A	Company Annual Reports (form 10-k) for the two most recent fiscal years
<input type="checkbox"/>	<input checked="" type="checkbox"/> N/A	Quarterly reports and current reports since most recent Annual Report, if any

Project Costs, Sources and Uses of Funding

Estimate the costs necessary for the construction, acquisition, rehabilitation, improvements and equipping of the project.

Project Costs:

Item/Use of Funds	Amount		
Land Acquisition	\$639,000	20 year lease	29 Acres
Building Purchase			Square Feet
Construction or Renovation (Materials)	\$5,512,328.65		
Construction or Renovation (Labor)	\$662,990.39		
Site Work	\$98,113.60		
Machinery & Equipment			
Furniture & Fixtures			
Working Capital/Inventory			
Other:			
Subtotal Project	\$ 6,273,432.64		
Legal Fees (Other than Company's Attorney)			
Agency's Fee (1% of Bond or Benefited Project Amount)	\$62,734.33		
Subtotal Project	\$ \$6,336,166.97		

Sources of Funding:

Source	Amount	Rate	Term	Percentage
Company Equity	\$995,248.44			15.85%
Bank Loan	\$3,488,973.03			54.66%
SLCIDA-LDC Loan				
Other: Tax Credit Investor	\$1,851,945.50			29.49%
Other:				
Other:				
Other:				
Total	\$ \$6,336,166.97	%		100%

Please provide a list of all New York State incentives that have been approved, or are pending approval, as part of this project (example: Grants, Tax Credits, etc...)

MW Block Incentive

New York State Solar Equipment Tax Credit

Please identify participating lenders:

Lender: Crestmark
 Contact Name: J Barret
 Contact Title: Vice President
 Contact Email: [REDACTED]
 Telephone: [REDACTED]

Lender: WestTown
 Contact Name: Felicia Norton
 Contact Title: SVP - Underwriting Manager
 Contact Email: [REDACTED]
 Telephone: [REDACTED]

For assistance please contact St. Lawrence County Industrial Development Agency at (315) 379 9806/TDD Number: 711

Job Creation

Please complete the following chart for the permanent jobs created by the Project. Enter data as follows:

For purposes of this application, we are providing the following guidelines to help you calculate employment levels:

- Full Time: Any permanent employee who works 30 or more hours each week, and does so on a regularly-scheduled basis.
- Part Time Temporary/Seasonal: Any employee who works fewer than 30 hours each week, and does so on an occasional, temporary or as-needed basis.

- A:** Insert the number of full time and part time jobs that currently exist within your company at the time of application.
B: Indicate the average annual wage for each job type listed in A (full time, part time, or other).
C: Indicate the average annual Benefit for each job type listed in A (full time, part time, or other).
D: Insert the number of jobs to be created during year 1 of the project for each job type (full time, part time, or other).
E: Insert the number of jobs to be created during year 2 of the project for each job type (full time, part time, or other).
F: Insert the number of jobs to be created during year 3 of the project for each job type (full time, part time, or other).
G: The total number of jobs to be created for each job type (full time, part time, or other) will automatically calculate.

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Jobs	Current Jobs	Average Annual Wage	Average Annual Benefit Cost	Number of Jobs Created Year 1	Number of Jobs Created Year 2	Number of Jobs Created Year 3	Total New Jobs Created
Full Time							
Management		\$	\$				
Professional		\$	\$				
Administrative		\$	\$				
Production		\$	\$				
Independent Contractor		\$	\$				
Other:		\$	\$				
Total	0	\$	\$				
Part Time							
Management		\$	\$				
Professional		\$	\$				
Administrative		\$	\$				
Production		\$	\$				
Independent Contractor		\$	\$				
Other:		\$	\$				
Total	0	\$	\$				

If you classified any of the above jobs as "Other", please clarify job type, benefits offered, etc.: _____

Of the new jobs to be created, how many of those vacancies do you expect to fill with St. Lawrence County residents? _____

The applicant will attempt to use local labor when possible
Please list any benefits currently provided to your full/part time employees (e.g. medical, dental, vision or life insurance; retirement program; etc.) _____

Indicate the number of construction jobs that will be created as a direct result of this project: _____

Information regarding the job creation impacts of the project are discussed in the cover letter included with this application.

RECAPTURE POLICY

APPROVED JUNE 29, 2016

Policy:

It is the policy of the St. Lawrence County Industrial Development Agency (the "SLCIDA") to ensure responsible provision of public benefits to companies for job creation/retention projects. In furtherance of this, SLCIDA wishes to set forth criteria which will assist the SLCIDA in evaluating project performance and determine the appropriateness of recapturing, limiting or terminating a contract with a recipient of IDA benefits.

Applicability:

This policy shall apply to all projects which the SLCIDA has authorized.

Procedure:

All SLCIDA project applicants are required to submit, on a quarterly basis, a copy of the form NYS-45. The NYS-45 will act as a general indicator of the status of the project's employment performance.

All SLCIDA project applicants are required to submit, on an annual basis and no more than 45 days after the end of the calendar year, a "St. Lawrence County IDA Project Report" documenting the position of the project at the end of the calendar year. The report shall include such information as: jobs projected to be created/retained; estimated salary of jobs to be created/retained; current number of Full Time and Part Time and/or Seasonal jobs; number of construction jobs created through the year; exemptions from taxes and Payment in Lieu of Tax made; and status of bond financing related to the project.

SLCIDA will utilize both of the aforementioned reports, in addition to information compiled throughout the project (site visits; follow-ups; phone/email and general correspondence) to gauge the status of the project in relation to the original commitment of the company as stated in the project application. The project will undergo further review should significant deficiencies be found in any area. SLCIDA will request from project applicants justification for deficiencies/shortfalls, and will compare justifications against industry standards, current market conditions and current economic conditions. Said information will be used by SLCIDA to determine whether the project applicant/project operator did all that it could to meet the obligations outlined in the application and project agreements.

SLCIDA, in its sole discretion and on a case-by-case basis, may determine with respect to a particular project to require the project applicant to agree to the recapture by SLCIDA of the value of any or all exemptions from taxation granted with respect to the project by virtue of the SLCIDA's involvement. Events that SLCIDA may determine will trigger recapture may include, but shall not be limited to, the following:

1. sale or closure of a facility;
2. significant reduction in employment levels;
3. significant change in use of facility;
4. significant change in business activities or project applicant or operator, including a shift of production activity or relocation of operations to a facility outside of SLCIDA's jurisdiction;
5. material non-compliance with or breach of terms of the SLCIDA transaction documents, or of zoning or land use laws or regulations or federal, state, or local environmental laws or regulations;
6. failure to respond to SLCIDA inquiries and/or requests regarding non-compliance with provision of quarterly and/or annual follow-up reporting documents; or
7. failure to respond to SLCIDA inquiries and/or requests concerning any information regarding the project or the project applicant or any project operator.

Upon the occurrence of any of the event triggers listed above, the SLCIDA will send written notice to the project applicant, demanding provision of, or requesting an explanation for failure to provide, information requested by SLCIDA.

Should SLCIDA find that (a) significant deficiencies in the achievement of the economic benefits promised as described in the application and the project agreements have occurred and (2) there appears to be no justification satisfactory to the SLCIDA to explain the deficiencies, the SLCIDA may determine to undertake any enforcement action available to the SLCIDA under the SLCIDA's agreements to seek redress for the deficiencies.

Enforcement action taken by SLCIDA may include, but shall not be limited to:

1. Requesting cure of the deficiency by a final notice letter.
2. Forwarding an event of default notice as described in the project agreements.
3. Notifying the appropriate New York State agencies of the project operator's failure to comply.
4. Terminating any or all of the project agreements.
5. Reducing the value of financial assistance moving forward.
6. Terminating any future financial assistance.
7. Requiring that the value of the all of the financial assistance utilized to date to be repaid in full or in part, with interest.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdictions, unless agreed to otherwise by such affected taxing jurisdictions.

APPENDIX A – Bond Financing

Please complete this section if you are applying for Bond Financing.

Bond Counsel:

Name of Firm: _____

Address: _____

Telephone: _____

Bond Counsel Contact: _____

Bond Counsel Contact Email: _____

If the Company is asking the Agency to issue its qualified small issue private activity bonds (colloquially known as “small issue IDBs”), what is the dollar value of “capital expenditures” (as determined in accordance with the provisions of the Internal Revenue Code) that the Company or any related company or person, has expended/will expend within this County?

Over the last three years _____

During the present year (20) _____

First year after project completion _____

Second year after project completion _____

Third year after project completion _____

Has the company made any arrangements for the marketing or purchasing of the bonds? ☐ Yes ☐ No

If yes, please provide information:

What is your total estimated interest expense (assuming taxable interest)? _____

What is your total estimated interest expense (assuming tax exempt interest rate)? _____

APPENDIX B

Please complete this section if you are applying for any of the following:
 Lease Transaction, Bond Financing ▪ Payment in Lieu of Taxes
 Mortgage Recording Tax Exemption ▪ or ▪ Sales and Use Tax Exemption.

MORTGAGE RECORDING TAX EXEMPTION BENEFIT: Amount of mortgage that would be subject to mortgage recording tax:

Mortgage Amount (Include sum total of construction/permanent/bridge financing): \$ 6,336,166.97

Estimated Mortgage Recording Tax Exemption benefit
 (product of mortgage amount as indicated above multiplied by .0075%): \$ 40,000

SALES AND USE TAX: Gross amount of costs for goods and services that are subject to the 8% State and Local Sales and Use Tax in St. Lawrence County – said amount to benefit from the Agency's Sales and Use Tax exemption benefit.

ESTIMATED COSTS ELIGIBLE FOR SALES TAX EXEMPTION BENEFIT:

Construction/Renovation: Materials	
Site Work	
Non-Manufacturing Equipment	
Furniture & Fixtures	
Machinery & Equipment	
Construction/Renovation: Labor	
Other:	
Other:	
Total	\$

Estimated State and Local Sales and Use Tax Benefit (product of .08 multiplied by the total figure above): **\$** _____

INFORMATION FOR ESTIMATED REAL PROPERTY TAX EXEMPTION BENEFIT:

What is the pre-project assessment of the property? Land Only \$45,000
 What is the estimated post-project assessment? _____
 What is the property tax ID# 159,002-1-22.111

ESTIMATED OTHER BENEFITS:

Sales Tax Revenue

If the project will result in the manufacturing or selling of a new product, estimate the amount of annual sales taxes that will be generated on retail sales of the new product. Otherwise, enter "N/A" NA

If the project will result in increased production or sales of an existing product, estimate the amount of annual sales tax that will be generated on the retail sales of the increased production. Otherwise, enter "N/A". NA

Real Property Taxes

Estimate the amount of annual real property taxes that will be payable on the Project (at the end of the PILOT Agreement, if any). Otherwise, enter "N/A". NA

REAL PROPERTY TAX BENEFIT: Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit: None

IDA PILOT Benefit: Agency staff will indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT depicted on **Cost/Benefit Analysis** attached.

What other benefits will the Project bring to the community and region?

- ☐ This project will result in the building of a new plant or the expansion of an existing facility.
- ☐ This project will result in the reoccupation of a formerly-vacant building.
- ☒ This project directly contributes to "green" or "environmentally friendly" technology.
- ☐ This project will result in bringing new inventions, licenses or products to market.

For assistance please contact the St. Lawrence County Industrial Development Agency at (315) 379 9806 / TDD Number: 711.

☒ This project will result in expansion of infrastructure capacity.

Other: _____

REPRESENTATIONS BY THE APPLICANT:

The Applicant understands and agrees with the Agency as follows:

- A. Job Listings. In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the project receives any financial assistance from the Agency, except as otherwise provided by collective bargaining agreement, new employment opportunities created as a result of the project will be listed with the NYS Department of Labor, Department of Employment Services and with the administrative entity of the local workforce investment area created by the Federal Workforce Investment and Opportunity Act (WIOA) in which the project is located.
- B. First Consideration for Employment. In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the project receives any financial assistance from the Agency, except as otherwise provided by collective bargaining agreement, where practicable, the Applicant will first consider persons eligible to participate in WIOA programs who shall be referred by those WIA entities for new employment opportunities created as a result of said project.
- C. Annual Sales Tax Filings. In accordance with Section 874(8) of New York General Municipal Law, the Applicant understands and agrees that, if the project receives any financial assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant, and to provide a copy of such filing to the Agency.
- D. Quarterly Employment Reports. The Applicant understands and agrees that, if the project receives any financial assistance from the Agency, the Applicant agrees to file, or cause to be filed with the Agency on a quarterly basis, reports regarding the number of people employed at the project site.
- E. Absence of Conflicts of Interest. The Applicant has received from the Agency a list of all members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this application, except as hereinafter described:
- F. Hold Harmless. The Applicant hereby releases the Agency and its members, directors, officers, servants, agents and employees thereof from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (a) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project, including without limitation the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing.
- G. Recapture. The Applicant understands and agrees that the Agency can impose on the Company penalties or sanctions for projects that do not meet performance standards or project goals as outlined on the Agency's Recapture Policy on Page 9 of this Application. Said penalties/sanctions may include the return by the Company of all or part of the benefits received.
- H. Affirmation. The Applicant understands and agrees that the provisions of Section 862(1) of the New York State General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed project:

862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax worker protection and environmental laws, rules and regulations.

The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement with the Project.

The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as the information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said Corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that the applicant shall be and is responsible for all costs incurred by the St. Lawrence County Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the attached whether or not the application, the project it describes, the attendant negotiations and ultimately the necessary issue of bonds are ever carried to a successful conclusion. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels, or neglects the application or if the Agency or Applicant are unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not necessarily limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue, the Applicant shall pay to the Agency an administrative fee set by the Agency and not to exceed an amount equal to **1% of the total project cost benefited by the Agency's assistance**. The cost incurred by the Agency and paid by the applicant, including bond counsel and Agency general counsel fees, and the administrative fee, may be considered as a cost of the project and included as part of the resultant bond issue. The \$2,000.00 application fee shall be credited toward this amount.

CERTIFICATION:

STATE OF ~~NEW YORK~~ California
COUNTY OF SAN FRANCISCO ss.:

Arnon Halimi

, being first duly sworn, deposes and says:

1. That I am the President (Corporate Officer Title) of RPNY Solar 1, LLC (Officer of Company Submitting Application) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State: CA County: San Francisco

Subscribed and affirmed to
me under penalties of perjury

This 30 day of sept, 2020

(Notary Public)

(Signature of Officer)

