

Allegany County Industrial Development Agency
MONTHLY MEETING
November 14, 2019
Crossroads Conference Center, Belmont, New York

OPENING REMARKS

- Vice-Chairman Hopkins called the board meeting to order at 9:00 AM.
- Present: Judith Hopkins, Mike Johnsen, Randy Shayler, Doug Frank
- Others Present: Dr. Craig Clark, IDA Executive Director; Angela McKay, Assistant Director of Economic Development and Planning; Cathleen Whitfield, IDA-CFO
- Guests: Norbut Solar Farms (David Norbut, President; Jared Perram, Solar Project Developer; Dan Huntington, Business Development Manager)
- Excused: Rich Ewell, Skip Wilday

BOARD MINUTES

- A motion was made by M. Johnsen, seconded by R. Shayler and carried to approve the October 10, 2019 Board Meeting minutes with no comment or changes.

TREASURER'S REPORT

- **Abstract** – A motion was made by M. Johnsen, seconded by R. Shayler and carried to accept the Abstract Report for the November 2019 expenses as presented for payment.
- **Financial Summaries** – The financial summary was reviewed. A motion was made by M. Johnsen, seconded by D. Frank and carried to approve the financial summary presented.
- **Bond Invoices** - A motion was made by D. Frank, seconded by R. Shayler and carried to approve the invoices presented for payment from the bond.

MAINTENANCE REPORT

- C. Whitfield reported there was another roof leak and heating repairs needed for both the OFA/VETS building and Crossroads building. All have been addressed and repaired.

NEW BUSINESS

- Vice-Chairman Hopkins welcomed the Norbut Solar Farm guests who presented handouts for the Angelica-Belfast Solar Farm project to be located at the former Six-S Golf Course. David Norbut, President, introduced his team and discussed details for the four separate solar farms. Some highlights of the proposed projects are:
 - Each solar site will be 5 megawatts.
 - Two sites located in the Town of Belfast and two sites in the Town of Angelica.
 - There are four separate PILOT applications (NSF 1, 2, 3, 4) due to four separate projects. 88 acres of the 195 acres will be used for solar.
 - There will be proper screening with residential area and also minimal visibility from the road.
 - The pervious golf course garage will be used for maintenance.

- Their projects involve having property purchased.
- Community members who sign up for supply from the community solar will have a 10% savings with lower power costs offered. RG&E service area can tap in to get the 10% discount.
- M. Johnsen asked if there was a battery backup system and how long it lasted. *The system lasts four hours without sunlight.*
- Randy Shayler asked for an explanation on the 10% option on the supply side. *It is 10% for community member in the area being served.*
- Doug Frank asked for more explanation regarding the battery units. *There are storage containers filled with batteries and software for internet hookup. Norbut explained how the batteries operate to stabilize the power produced to the grid.*
- Judy Hopkins has received calls and inquired about customers with agricultural discounts through RG&E and would they still be eligible. *Norbut explained their power does not change rate or tax incentives, it is just a straight 10% discount, dollar for dollar on the electric bill.*
- Randy Shayler asked where the 10% comes from and can they sell power to power producers like National Grid or RG&E. *Jared Perram explained they assign a monetary value to the electric bill as a credit and no, power is not sold to the power companies. They are compensated through subscribers.*
- Mike Johnsen asked them to describe definition of “local” contractors and vendors and have they had conversations with local residents. *David Norbut replied they will be within the county and he has been working with Kier Dirlam who is providing lists of local contractors and he has already spoken with some local contractors and sometimes works with the County as well. Their plan is to have over \$8 Million in companies that will include roads, concrete and tree removal*
- Mike Johnsen asked what other projects they have done. *Jared Perram responded in 2017 they built the second largest 5 megawatt solar farm in New York State and they are willing to take a bus to show interested parties a solar farm. He stated they have a 13 megawatt project in Tioga and a 25 megawatt project in Watertown and they have quite a few in different development cycles. They have been in the solar business for 10 years and part of his job is to work with the communities on business marketing and get to know the communities and residents.*
- Judy Hopkins asked their company’s connection to the area. *David Norbut responded he was born and raised in the Rochester area, Gates, and owns a brick and mortar renovation business he has operated for the last 25 years. He buys and renovates retail and residential properties.*
- There was discussion regarding sustainability and project costs. *David Norbut explained there is a misnomer out there that solar companies come in for 15-20 years and then tear down and leave town. They will not be leaving in 20 years as there is too much investment in infrastructure. The grid is going green. The majority of project cost is the infrastructure. The solar panels are only approximately 25% of the cost.*
- Doug Frank asked how the project is financed. *Dan Huntington explained it is an ITC credit sale-leaseback. Their company does not sell the land after purchase. They take long term ownership and do not let the bank own the land.*
- Judy Hopkins mentioned how Cooperative Extension works with local farmers. *Their goal is to be good stewards of the land and community. One of their farms is pollinator friendly and produces honey.*

- There was discussion regarding the total capital report provided which showed a breakdown of all four projects.
- Construction to begin in Spring 2020 and completed by year-end. There will be clean-up work done in 2021 and native plantings. Production of electricity by the end of 2020.
- David Norbut questioned the logistics as this is the first time they have had a project involving two townships. With no zoning laws, does he work with the town boards. Craig Clark replied the ACIDA can act as lead agency and the County Planning board will also be asked to review and comment by the towns. C. Clark will work on logistics with towns for any required review process. With no zoning, the project just needs to meet the local solar law that is in process of being approved. There are 5-6 homes involved on the residential side of the project.
- Judy Hopkins thanked the Norbut Solar Farm representatives for a great presentation.
- **Norbut Solar Farm Public Hearings** – M. Johnsen asked if there were any comments or questions from the IDA attorneys. C. Clark reported they said to move forward with the public hearings, one in the Town of Belfast and one in the Town of Angelica. **A motion was made by Mike Johnsen, seconded by Doug Frank and carried to accept the solar applications of NSF Angelica Site 1, LLC; NSF Angelica Site 2, LLC; NSF Angelica Site 3, LLC; and NSF Angelica Site 4, LLC; as complete, and authorize the IDA Executive Director to hold a public hearing on each application in the host communities (in the Town of Angelica and in the Town of Belfast).**
- Mike Johnsen commented there have been a number of studies done regarding the government wanting 20-25% of electricity done by green verses coal, nuclear, oil, etc. They state it doesn't work as there is not sun or wind all the time so there is still a need for original power sources. There is no possibility of 100% green power in this area. He will forward the study to board members.

EXECUTIVE SESSION

- A motion was made by Doug Frank, seconded by Randy Shayler and carried to enter into Executive Session at 10:11 a.m. to discuss a contractual issue.

REGULAR SESSION

- A motion was made by Mike Johnsen, seconded by Randy Shayler and carried to return to Regular Session at 10:40 a.m.
- **Solar Projects** - Dan Spitzer, Hodgson Russ, has contacted Craig Clark noting Hodgson Russ is working with the Towns to set appropriate PILOT amounts. Dan Spitzer has spoken with the Town Attorney for each community and the Angelica Supervisor, and they are comfortable with the applications moving forward.
- **Alle-Catt Wind Energy LLC** – On Tuesday, November 12, 2019, the Towns of Rushford and Centerville approved host agreements. The proposed PILOT amount will be \$4,000 per megawatt.

PUBLIC HEARINGS

- **Oya Solar NY, L.P.** – A motion was made by Randy Shayler, seconded by Mike Johnsen and carried to accept the application of Oya Solar NY, L.P. as complete and authorize the IDA Executive Director to hold a public hearing on the proposed project. Hodgson Russ has informed the ACIDA that they also represent Oya Solar NY as a client and there is no conflict of interest.
- **Alle-Catt Wind Energy LLC** – A motion was made by Mike Johnsen, seconded by Doug Frank and carried to accept the application of Alle-Catt Wind Energy LLC as complete and authorize the IDA Executive Director to hold a public hearing on the proposed project in each host community (Town of Rushford and Town of Centerville). Hodgson Russ has informed the ACIDA that they also represent Alle-Catt Wind Energy LLC as a client and there is no conflict of interest.

OLD BUSINESS

- Quicklee's Travel Center – C. Clark reported he has signed all closing documents and overnighted to Hodgson Russ November 13, 2019. Once property is transferred below value and reported to NYS, there is a 90-day wait to file closing paperwork. Demolition will still proceed and the developer is working with the Belmont Fire Department for a controlled burn.
- Geotechnical and Hotel Developers – The geotechnical site testing report has been received and sent to the hotel developers. Project is moving forward and the next step is the financial package application.
- Service Contract – The contract for the IDA to have funds for economic development primarily at the Crossroads site will be presented to the Allegany County Ways & Means Committee next Wednesday, November 20th. The contract will be \$500,000 over two years.
- Crossroads Waterline Project – There was discussion regarding a Resolution authorizing commencement of an action pursuant to the Eminent Domain Procedure Law to acquire necessary easements for the Crossroads Waterline Project.
 - Whereas, the Allegany County Industrial Development Agency (“ACIDA”), a public benefit corporation created by the State of New York, has undertaken the Crossroads Waterline Project to construct a waterline from Friendship, New York to the Crossroads area (State Route 19 and County Route 20)(the “Project”); and
 - Whereas, in order to construct the Project certain easements are required from private property owners, and
 - Whereas, either due to unclear title or inability to contract with certain property owners, certain easements have not been obtained by negotiation; and
 - Whereas, the ACIDA has been granted the power of condemnation by the State of New York; and
 - Whereas, obtaining the easements represents a de minimus taking under the Eminent Domain Procedure Law (EDPL); and

- Whereas, there is a need for immediate access to the affected properties.
- **A motion was made by Doug Frank, seconded by Mike Johnsen and carried hereby authorizing the Executive Director and ACUC Counsel to commence an action under the EDPL to obtain any and all temporary or permanent easements necessary to construct and operate the Project, and to take any steps necessary to acquire the easements, including retaining any experts or counsel needed. This Resolution is effective immediately.**

GOOD OF THE ORDER

- Craig Clark stated the IDA fee for the Norbut project will be 1% of \$57 Million.

CALENDAR

- **Next Meeting:** December 12, 2019 @ 9:00 AM
Crossroads Commerce Center, Belmont, NY

ADJOURNMENT

With no further business, a motion to adjourn at 10:56 a.m. was made by M. Johnsen, seconded by R. Shayler and carried.

Respectfully submitted,

Cathleen Whitfield, Recording Secretary