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Public Hearing Minutes April 9, 2010

Herkimer County Industrial Development Agency Atlantic Wind, LLC

1. Mark Feane, Executive Director of the Herkimer County Industrial Development Agency, opened the meeting at 10:00 a.m., at Fairfield Community Hall, 1218 Hardscrabble Road, Town of Fairfield, Herkimer County, New York.
2. The Executive Director then introduced Michael Stephens, attorney for the Agency, and appointed Kathleen Moynihan, Administrative Assistant of the Agency to record the minutes of the hearing.
3. The Executive Director then described the proposed Project.

Notice is hereby given that a public hearing pursuant to Section 859-a (3) of the General Municipal Law of the State of New York (the "Act") will be held by the Herkimer County Industrial Development Agency (the "Agency") on the 9th day of April, 2010 at 10:00 a., local time, at the Fairfield Community Hall. Located at 1218 Hardscrabble Road, in the Town of Fairfield, Herkimer County, New York in connection with the following matter:

On November 24, 2009, Atlantic Wind, LLC (the Company") submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following:

- (A)(1) the acquisition of an interest in the Company's interests in the various parcels of land located in the Towns of Fairfield, Norway, and Little Falls, Herkimer County, New York (collectively, the "Land"),
- (2) the acquisition, installation and construction on the Land of thirty-seven (37) 2.0 megawatt ("MW") wind turbine generators, meteorological towers, and an operations and maintenance building (collectively, the "Facility"),
- (3) the construction of associated access roads and electrical power collection infrastructure (collectively, the "Infrastructure") on and under the Land, and
- (4) the acquisition and installation of certain machinery and equipment therein and thereon (collectively, the "Equipment"), all the foregoing to constitute a wind energy facility (the Land, the Facility, the Infrastructure, and the Equipment being collectively referred to as the "Project Facility")

- (B) the granting of certain "financial assistance" (within the meaning of Section 854 (14) of the GML) with respect to the foregoing potential exemptions from certain sales and use taxes, real property taxes, and real estate transfer taxes (collectively, the "Financial Assistance"); and
- (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or a limited liability company formed for purposes of owning the Project Facility and assigned the rights and obligations of the Company relative to the Project (hereinafter included in references to the Company).

The Agency is considering whether

- (A) to undertake the Project and
- (B) to provide certain exemptions from taxation with respect to the Project, including
 - (1) exemption from deed transfer taxes on any real estate transfers, if any, with respect to the Project,
 - (2) exemption from sales and use taxes relating to the acquisition, construction, renovation and installation of the Project Facility, subject to the obligation of the Company to indemnify the County for the County share of abated sales and use taxes on the Project Facility, and
 - (3) in the event that the Project Facility would be subject to real property taxation if owned by the Company but shall be deemed exempt from real property taxation due to the involvement of the Agency therewith, exemption from real property taxes (but not including special assessment and special ad valorem levies), if and, with respect to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility. If any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency will follow the procedures for deviation from such policy set forth in Section 874(4) of the Act prior to granting such portion of the Financial Assistance. If the Agency determines to proceed with the Project, the Project Facility will be acquired, constructed, reconstructed and installed by the Company on behalf of the Agency and will be leased (with an obligation to purchase) or sold by the Agency to the Company or its designee pursuant to a project agreement (the "Agreement") requiring that the Company or its designee make certain payments to the Agency. The Agency has made a negative declaration pursuant to Article 8 of the Environmental Conservation Law ("SEQRA") regarding the potential environmental impacts of the Project.

The Agency will be at said time and place hear all persons with views on either the location and nature of the proposed Project, or the Financial Assistance being contemplated by the Agency in connection with the proposed Project. A copy of the Application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Agency. A transcript or summary report of the hearing will be made available to the member of the Agency.

Additional information can be obtained from, and written comments may be addressed to: Mark D. Feane, Executive Director, Herkimer County Industrial Development Agency, P.O. Box 390, 320 North Prospect Street, Herkimer, New York 13350; Telephone: (315) 867-1371.

4. Mark Feane then announced that any persons interested in making a comment regarding the Project to please do so at this time.

Judy Gokey, Supervisor of the Town of Norway, Herkimer County, State of New York, read a letter of support for this Project (Exhibit 1A – Attached) and read Resolution #8 for 2010 Town of Norway Pilot Agreement to enter into and execute, along with the other relevant taxing jurisdictions, a Pilot agreement with the IDA and Atlantic Wind (Exhibit 1B – Attached).

Richard Souza, Supervisor of the Town of Fairfield, Herkimer County, State of New York read Town of Fairfield Resolution #39-2010 to enter into and execute along with other relevant taxing jurisdictions a PILOT agreement with the IDA and Atlantic Wind LLC (Exhibit 1C – Attached).

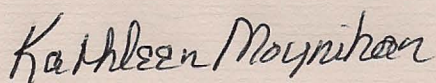
James Salamone, Town of Fairfield resident, stated that he believes the taxing jurisdictions are not receiving a fair share of PILOT payments. He talked about studies done on turbines and the negative impact they have on bird population.

5. With no further comments or discussion, the Executive Director adjourned the public hearing at 11:01 A.M.

Attachments:

Exhibit 1 - Public Hearing Notice
Exhibit 1A - J. Gokey, Norway Supervisor, support statement
Exhibit 1B - Town of Norway Resolution
Exhibit 1C - Town of Fairfield Resolution
Sign-in-Sheets

Respectfully submitted,



Kathleen Moynihan
Administrative Assistant