



Revision 2 (11/24/2020)

Revision 3 7/16/21

**APPLICATION TO
HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY
FOR FINANCIAL ASSISTANCE**

I. APPLICANT INFORMATION:

Company Name: SunEast Watkins Road Solar LLC
Address: 142 Ferry Road, Suite 12
Old Saybrook, CT 06475

RECEIVED OCT 24 2019

Product/Services: Utility Scale Solar Farm
Phone No.: 585.610.2165 Fax No.: _____
Email Address: mike.beckner@suneastpower.com
Fed ID No.: 83-2080002 NAICS Code: _____
Contact Person/Title: Michael D. Beckner, Authorized Party

Principal Owners/Officers/Directors:
(list owners with 15% or more in equity holdings with percentage ownership)

SED NY Holdings LLC – 100% _____

Corporate Structure (attach schematic if Applicant is a subsidiary or otherwise affiliated with another entity)

Form of Entity:

- ☐ Corporation
☐ Partnership (General _____ or Limited _____; number of general partners _____ and, if applicable, number of limited partners).
☒ Limited Liability Company/Partnership (number of members 1).
☐ Sole Proprietorship

If a corporation, partnership, limited liability company/partnership:

Date of establishment: 11/05/2018
Place of organization: Delaware

If a foreign organization, is the Applicant authorized to do business in the State of New York? Yes

APPLICANTS' COUNSEL

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Name: James Muscato
Address: Young / Sommer LLC
Executive Woods,
Five Palisades Drive
Albany, NY 12205
Phone No.: 518.438.9907 x 243
Telefax No.: 518.438.9914

II. PROJECT INFORMATION

A) Describe the proposed project, acquisition, construction or reconstruction in as much detail as possible.

SunEast Watkins Road Solar LLC proposes the installation of a ground-mounted utility-scale solar energy generation system on leased property totaling 282 acres. The project site is located along Watkins and Sokol Roads in the Towns of Schuylers and Herkimer, Herkimer County, NY. The project will be able to generate up to 20 MWac of power and the project will interconnect to the National Grid 115 kV line adjacent to the Watkins Road substation.

B) Project Description (check all applicable)

- ☐ Manufacturing
- ☐ Warehousing/Distribution
- ☐ Tourism Destination Facility
- ☐ Retail
- ☒ Other – Specify Utility-Scale Solar Farm

C) Name of all sub-lessees or other occupants of the facility:

N/A

D) Principals of any sub-lessee or occupant.

N/A

III. COST BENEFIT ANALYSIS:

Rec'd by email 7.16.21 Watkins Road

A) Project Cost (Estimates) (where applicable)

1. Land	\$ 1,000,000.00	
2. Building	\$ 0.00	
3. Renovation Costs	\$ 0.00	
4. Machinery and Equipment	\$ 18,200,000.00	
4. Soft Costs	\$ 980,000.00	
5. Legal Costs	\$ 0.00	
6. Other (specify)	\$ 5,126,000.00	(interconnection, fees, contingency, less Federal ITC)
Total Estimated Project Amount	\$ 25,306,000.00	

B) FINANCING (Source of funds where applicable)

Bank	\$ <u>13,510,000.00</u>
Private Funds Invested	\$ <u>17,954,000.00</u>
Industrial Revenue Bond	\$ <u>0.00</u>
Other	\$ <u>(6,158,000.00)</u>
Total (should equal III. A)	\$ <u>25,306,000.00</u>

C) Financial Assistance Requested (Proposed Benefit Estimates) (Please note n/a in any line where you are not seeking assistance)Type of Financing: ☒ Tax-Exempt ☐ Taxable ☒ Straight Lease

Amount of Bonds Requested: \$ N/A

Amount of New Mortgage (s) required for project: \$ N/A

Project-Related Costs Subject to Sales Tax: \$ 18,200,000.00

Estimated Value of Tax Exemptions:

1. NYS Sales and Compensating Use Tax (State 4% + Local 4.25% = Total 8.25%)	\$ 1,501,500.00
2. Mortgage Recording Taxes (1% of total proposed mortgage amount)	\$ 135,100.00
3. Real Property Tax Exemptions (the Agency will assist with this estimation at your request)	\$ need Assistance on this item
4. Estimated interest savings on Issuance by the Agency of Industrial Revenue Bonds	\$ N/A
Total Estimated Value of Tax Exemptions	\$ 1,636,600.00

- A) **Project Address:** Watkins and Sokol Roads
Town of Schulyer and Herkimer, Herkimer County, NY
- B) **Are Utilities on Site**
 Water: N/A **Electric:** New electric service to be provided
 Gas: N/A **Sanitary/Storm Sewer:** N/A
- C) **Present legal owner of the site:**
Carolyn Goodhines - tax parcel 112.2-3-16.1 and Julie Todd and Paul P. Sokol - tax parcel 112.4-3-8 and tax parcel 112.4-1-1.1
- D) **Zoning of Project Site:** **Current:** Agriculture and Forest **Proposed:** Special Use Permit
- E) **Are any variances needed:** NO
- F) **Principal use of Project upon completion:** Generation of electricity
- G) **Will the Project result in the removal of a plant or facility of the Applicant from one area of the State of New York to another?** NO
- H) **Will the Project result in the removal of a plant or facility of another proposed occupant of the Project from one area of the State of New York to another area of the State of New York?** NO
- I) **Will the Project result in the abandonment of one or more plants or facilities located in the State of New York?** NO

If you answered yes to G-H or I please indicate whether the project is reasonably necessary for the company to maintain its competitive position in the industry. Please explain in detail. Attach supporting documentation.

VI. 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 agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in

which the Project is located. The IDA encourages to the fullest extent possible, the hiring of local labor for all construction projects.

- B.) Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the 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. A copy of such form should be provided to the Agency annually upon submission to the State.
- C.) Sales Tax Tracking. The Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance that they will submit to the Agency, a quarterly tracking form (form will be provided) listing all sales tax savings incurred to allow for the Agency to monitor and report to the State as required.
- D.) Recapture of Benefits. The Applicant understands and agrees that the benefits received from tax abatements/exemptions shall be subject to recapture in accordance with the Agency's tax exemption policy. The Agency reserves the right to include in the transaction documents the recapturing of the total value of real property/sales tax exemptions approved for a Project if any of the following conditions arise:
- a. The Project Facility as defined in the PILOT/Lease Agreement is sold or closed and the Applicant leaves or departs Herkimer County.
 - b. There is a significant change in the use of the Project Facility and/or business activities of the Applicant.
 - c. There is a significant reduction in the number of full/part-time jobs at the Project Facility in comparison to what was estimated in the Applicant's Project Application that are not reflective of the Applicant's normal business cycle or national economic conditions.
 - d. The Applicant fails to fully comply with all periodic and/or annual reporting requirements of the Agency, State or Federal government.
 - e. The Applicant failed to achieve any minimal new job creation figures specified by and within the time frames specified by the Agency
- E.) Annual 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 an annual basis, reports regarding the number of people employed at the project site in addition to any additional project information as may be required. The Chief Executive Office shall submit to the Agency prior to February 1st of each year, a written certification setting forth:
- a. Number of full-time equivalent employees at the Project location as of the last date of the prior year
 - b. Number of construction jobs during the fiscal year as a result of the Project
- F.) Absence of Conflicts of Interest. The Applicant has received from the Agency a list (see page 10) of the members, officers and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:
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VII. FINANCIAL INFORMATION (attach the following):

1. Financial Statements for the last three fiscal years.
2. Proforma balance sheet as at start of operations at project site.
3. Projected profit and loss statements for first two years of operation at project site.
4. Projected "cash flow" statement, by quarters, for first year of operation at project site.

The Applicant and the individual executing this Application on behalf of the applicant acknowledge that the Agency will rely on the representations made herein when acting on this application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

Applicant: SunEast Watkins Road Solar LLC

Date: 10-24-19

By: Michael D Beckner

Name: Michael D. Beckner

Title: Authorized Party

Submit this application with a general application fee of \$500.00. If this application is for Market Rate Housing Benefits, please submit \$1,500.00 which includes a non-refundable application fee of \$500.00 and a commitment fee of \$1,000.00 that will be applied at closing; if the project does not close the \$1,000.00 is not refundable. Make check payable to: Herkimer County Industrial Development Agency, 420 E. German Street, Suite 101A, Herkimer, New York 13350, to the attention of John J. Piseck, Jr., Executive Director. The Agency will collect ½ (one-half) of its Project Fee at the time of the signing of an inducement agreement. The final half of the Agency fee will be payable at which time the HCIDA takes title to the Facility, or upon issuance of bonds. The applicant will also be responsible for all HCIDA legal fees related to this project. Should your company for any reason decide to withdraw this application for financial assistance after submission but prior to completion, you will be responsible for any legal fees involved to that point. In addition the Agency will assess a fee for services rendered and costs incurred.

Agency fees will be assessed at up to 1% of the total project cost.

The Agency will assess your company an annual administration fee in the form of rent under the Lease Agreement in the amount of \$750.00.

Please call 315-866-3000 with any questions

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HOLD HARMLESS AGREEMENT

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Applicant hereby releases the Herkimer County Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") 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 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 limiting 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.

SunEast Watkins Road Solar LLC
(Applicant) 10-24-19
(Date) Michael D. Beckner
(By) Michael D. Beckner
(Name) Authorized Party
(Title)

Connecticut
STATE OF ~~NEW YORK~~)
COUNTY OF Middlesex)

ss.: Essex

On the 24th day of October, in the year 2019, before me, the undersigned a Notary Public in and for said State, personally appeared Michael D. Beckner 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 individuals, or the person or behalf of which the individuals acted, executed this instrument.

Ann K. Thompson
Notary Public

ANN K. THOMPSON
NOTARY PUBLIC
MY COMMISSION EXPIRES JAN. 31, 2020