

**PILOT DEVIATION NOTICE RESOLUTION
BULL RUN ENERGY LLC PROJECT**

A regular meeting of County of Clinton Industrial Development Agency (the "Agency") was convened in public session in the Clinton County Government Center located at 137 Margaret Street in the City of Plattsburgh, Clinton County, New York on November 13, 2023 at 12:00 o'clock p.m., local time.

The meeting was called to order by the (Vice) Chairperson of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Trent Trahan	Chairperson
David Hoover	Vice Chairperson
Michael E. Zurlo	Secretary
Keith Defayette	Treasurer
John VanNatten	Member

ABSENT:

Mark Leta	Assistant Secretary
Joey Trombley	Member

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Molly Ryan	Executive Director
Toni Moffat	Executive Assistant
Dorothy Brunell	Administrative Assistant
Christopher C. Canada, Esq.	Agency Counsel
Shannon E. Wagner, Esq.	Agency Counsel

The following resolution was offered by K. Defayette, seconded by D. Hoover, to wit:

Resolution No. 11-23-06

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SEND A LETTER TO THE CHIEF EXECUTIVE OFFICERS OF THE AFFECTED TAXING ENTITIES INFORMING THEM OF A PROPOSED DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED BULL RUN ENERGY LLC PROJECT.

WHEREAS, County of Clinton Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 225 of the 1971 Laws of New York, as amended, constituting Section 895-f of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and

economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Bull Run Energy LLC, a State of Delaware limited liability company (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 various parcels of land located in the Towns of Clinton, Ellenburg, Altona and Mooers, Clinton County, New York (collectively, the “Land”), (2) the acquisition and installation on the Land of approximately 90 to 110 commercial scale wind turbine generators that collectively will have a maximum generative capacity of 449 megawatts (collectively, the “Facility”), (3) the construction of associated access roads, electrical interconnect infrastructure, a substation, meteorological towers, an operation and maintenance building, a switchyard and transmission line (collectively, the “Infrastructure”) 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 Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on September 11, 2023 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, in connection with the Application, the Company made a request to the Agency (the “PILOT Request”) that the Agency deviate from the Agency’s Uniform Tax Exemption Policy (the “Policy”) by providing for payment in lieu of taxes being based on the generating capacity of the Project Facility expressed in a dollar per MW calculations; and

WHEREAS, the Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 50% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the “Improvements”) in year one of the payment in lieu of tax agreement with a five percent per year increase over the term of the ten year payment in lieu of tax agreement; and

WHEREAS, pursuant to Section 874(4) of the Act and the Policy, prior to taking final action on such request for a deviation from the Policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project Facility is located (collectively, the “Affected Tax Jurisdictions”) no fewer than thirty (30) days prior written notice of the proposed deviation from the Policy and the reasons therefor; and

WHEREAS, pursuant to Section 858(15) of the Act, unless otherwise agreed by the Affected Tax Jurisdictions, payments in lieu of taxes must be allocated among the Affected Tax Jurisdictions in

proportion to the amount of real property tax and other taxes which would have been received by each Affected Tax Jurisdiction had the Project Facility not been tax exempt due to the status of the Agency;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Having considered both the Application and the PILOT Request, the Agency hereby authorizes the Executive Director of the Agency to send a written notice to the chief executive officers of each of the Affected Tax Jurisdictions informing them that the Agency is considering a proposed deviation from its uniform tax exemption policy with respect to the Project and the reasons therefore (in substantially the form of the draft of said letter attached hereto as Exhibit A), and soliciting any comments that such Affected Tax Jurisdictions may have with respect to said proposed deviation.

Section 2. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

Trent Trahan	VOTING	Yes
David Hoover	VOTING	Yes
Michael E. Zurlo	VOTING	Yes
Mark Leta	VOTING	Excused
Keith Defayette	VOTING	Yes
John VanNatten	VOTING	Yes
Joey Trombley	VOTING	Excused

The foregoing resolution was thereupon declared duly adopted.

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STATE OF NEW YORK)
) SS.:
COUNTY OF CLINTON)

I, the undersigned (Assistant) Secretary of County of Clinton Industrial Development Agency (the “Issuer”), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Issuer, including the resolution contained therein, held on November 13, 2023 with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Issuer and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Issuer had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Issuer present through said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this 13th day of November, 2023.


Secretary

(SEAL)

EXHIBIT A

PROPOSED FORM OF PILOT DEVIATION LETTER

COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY

137 Margaret Street, Suite 209
Plattsburgh, New York 12901
Tel: 518-565-4627
Fax: 518-565-4616

November __, 2023

The Honorable Mark R. Henry, County
Legislative Chairperson
Clinton County Government Center
137 Margaret Street, Suite 208
Plattsburgh, New York 12901

James Knight, District Superintendent
Northern Adirondack CSD
P.O. Box 164
Ellenburg Depot, New York 12935

Michael E. Zurlo, County Administrator
Clinton County Government Center
137 Margaret Street, Suite 208
Plattsburgh, New York 12901

Steven Barltemus, President
Northern Adirondack CSD
P.O. Box 164
Ellenburg Depot, New York 12935

Larry Ross, Town Supervisor
Town of Altona
3124 Miner Farm Road
Altona, New York 12910

Brittany LaBombard, District Clerk
Northern Adirondack CSD
P.O. Box 164
Ellenburg Depot, New York 12935

Daniel LaClair, Town Supervisor
Town of Clinton
23 Smith Street
Churubusco, New York 12923

Robb J. Garrand, Superintendent
Northeastern Clinton CSD
103 Route 276
Champlain, New York 12919

Jason Dezan, Supervisor
Town of Ellenburg
16 St. Edmund's Way, Suite 8
Ellenburg Center, New York 12934

Stephen Southwick, President
Northeastern Clinton CSD
103 Route 276
Champlain, New York 12919

Jeff Menard, Supervisor
Town of Mooers
2508 Route 11 – P.O. Box 242
Mooers, New York 12958

Meaghan Rabideau, School District Clerk
Northeastern Clinton CSD
103 Route 276
Champlain, New York 12919

RE: Proposed Deviation from Uniform Tax Exemption Policy by
County of Clinton Industrial Development Agency
in connection with Bull Run Energy LLC Project

Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law.

County of Clinton Industrial Development Agency (the "Agency") received an application (the "Application") from Bull Run Energy LLC (the "Company"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an interest in various parcels of land located in the Towns of Clinton, Ellenburg, Altona and Mooers, Clinton County, New York (collectively, the "Land"), (2) the acquisition and installation on the Land of approximately 90 – 110 commercial scale wind turbine generators that collectively will have a maximum generative capacity of 449 megawatts (collectively, the "Facility"), (3) the construction of associated access roads, electrical interconnect infrastructure, a substation, meteorological towers, an operation and maintenance building, a switchyard and transmission line (collectively, the "Infrastructure") 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 Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

In connection with the Application, the Company made a request to the Agency to the Agency (the "PILOT Request") that the Agency deviate from its uniform tax exemption policy (the "Policy") with respect to the payment of real property taxes. Capitalized terms not otherwise defined herein are defined in the Policy. Under the PILOT Request, (i) the Agency would enter into a payment in lieu of tax agreement (the "Proposed PILOT Agreement") for a term of thirty (30) years, (ii) the Proposed PILOT Agreement would not provide any abatements for any special assessments levied on the Project Facility, (iii) the Company will pay \$3,200 per MW per year with a 1.5% escalation annually for years 1-5 of the Proposed PILOT Agreement, and (iv) any portion of the annual payment in lieu of taxes not paid by the Company to each Affected Tax Jurisdiction pursuant to a host community agreement would be payable as a payment in lieu of taxes.

The Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 50% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in year one of the payment in lieu of tax agreement with a five percent per year increase over the term of the ten year payment in lieu of tax agreement.

The purpose of this letter is to inform you of such PILOT Request and that the Agency is considering whether to grant the PILOT Request and to approve a Proposed PILOT Agreement conforming to the terms of the PILOT Request. The Agency expects to consider whether to approve the terms of the Proposed PILOT Agreement at its meeting scheduled for _____ at 12:00 o'clock p.m., local time at the offices of the Agency located at 137 Margaret Street, Suite 209 in the City of Plattsburgh, Clinton County, New York (the "Meeting"). This letter is forwarded to you for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires a thirty (30) day notice prior to the Agency taking final action with respect to the Proposed PILOT Agreement (if said Proposed PILOT Agreement may deviate from the provisions of the Policy).

The Agency considered the following factors in considering the proposed deviation:

1. **The nature of the Project:** wind energy generating facility.
2. **The present use of the property:** The land is currently vacant.

3. The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area: Currently, the property taxes on this rural vacant land is approximately \$_____ per year. The Project is located in the Towns of Altona, Clinton, Ellenburg and Mooers, New York. The Project would continue to facilitate productive use of the Land, advancing the North Country Regional Economic Development Council's Strategic Plan to import dollars by building the region's green energy economy.

4. The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs: The Project is anticipated to create approximately 385 construction jobs, to preserve 4 full time equivalent jobs and to create an additional 4 full time equivalent jobs.

5. The estimated value of new tax exemptions to be provided: Sales Tax Exemption: \$114,554,498; Real Property Tax Exemption: \$467,252,033.

6. The economic impact of the Proposed PILOT Agreement on affected tax jurisdictions: The economic impact of the Proposed PILOT Agreement is positive, since the underlying value of the parcel will likely be largely unaffected and additional revenue will be generated through the Proposed PILOT Agreement. Since the Project is only financially feasible with the Proposed PILOT Agreement in place, the additional benefit of significant special district tax revenue will also accrue to the community's Fire and EMS districts. Overall, Clinton County, the Towns of Altona, Clinton, Ellenburg, Mooers and the Northern Adirondack Central School District and the Northeastern Clinton Central School District will see a net increase in tax benefit of \$_____ over 20 years compared to existing usage of the Land.

7. The impact of the Proposed PILOT Agreement on existing and proposed businesses and economic development projects in the vicinity: It is anticipated that the Project will require the continuing services of local landscape contractors, generating an increase in activity in the local economy.

8. The amount of private sector investment generated or likely to be generated by the Proposed PILOT Agreement: \$1.544 Billion.

9. The effect of the Proposed PILOT Agreement on the environment:

10. Project Timing: completion anticipated by 2027.

11. The extent to which the Proposed PILOT Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services: None anticipated.

12. Anticipated tax Revenues: Property taxes of approximately \$_____/year to be replaced by the Proposed PILOT Agreement of _____.

13. The extent to which the Proposed PILOT Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located: (a) contributes to achievement of the Agency's goal of increasing alternative energy development in Clinton County; (b) contributes to New York State goal of development of

50% power from alternative sources; and (c) an additional public benefit will be the fees paid to special districts; this represents significant new revenue for these critical public services.

The Agency will consider the Proposed PILOT Agreement (and the proposed deviation from the Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Policy. In accordance with Section 874(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,

Molly Ryan
Executive Director