



Internal Memorandum

Subject: Testimony on CR 11-2018

Date: January 8, 2018

To: Lonnie R. Robbins
Chief Administrative Officer

From: Philip Nichols III, *CPW*
Assistant Chief Administrative Officer

Summary:

The Administration has filed legislation approving a Payment in Lieu of Taxes (PILOT) Agreement to support the operation of a solar farm on Nixon Farm. An agreement had previously been filed with the County Council, CR 90-2014, but that agreement was never executed under the previous Administration. In an effort to continue to support this project to provide more renewable energy in our community, as well as honor previous agreements, the Administration has re-filed this legislation.

The original PILOT Agreement amount has been reduced from a total of \$349,628.86 over 20 years to \$262,713.10 over a similar term. This is due to a reduction in the scope of the project. The original projection was that the solar farm would produce 10 MWAC in energy, but based on revised estimates, the project is likely only to produce 7.5 MWAC.

Fiscal Impact:

Based on the schedule, attached as Exhibit A, the total impact to the County over 20 years will be the loss of \$262,713.10 in property tax revenue.

Exhibit A

Year	Assessment	County Tax	Credit	
2014	2,802,500	28,417.35	28,416.35	100%
2015	2,484,600	25,193.84	25,192.84	100%
2016	2,484,600	25,193.84	25,192.84	100%
2017	2,484,600	25,193.84	25,192.84	100%
2018	2,484,600	25,193.84	25,192.84	100%
2019	2,484,600	25,193.84	25,192.84	100%
2020	2,484,600	25,193.84	25,192.84	100%
2021	2,484,600	25,193.84	7,558.15	30%
2022	2,484,600	25,193.84	7,558.15	30%
2023	2,484,600	25,193.84	7,558.15	30%
2024	2,484,600	25,193.84	7,558.15	30%
2025	2,484,600	25,193.84	7,558.15	30%
2026	2,484,600	25,193.84	7,558.15	30%
2027	2,484,600	25,193.84	7,558.15	30%
2028	2,484,600	25,193.84	5,038.77	20%
2029	2,484,600	25,193.84	5,038.77	20%
2030	2,484,600	25,193.84	5,038.77	20%
2031	2,484,600	25,193.84	5,038.77	20%
2032	2,484,600	25,193.84	5,038.77	20%
2033	2,484,600	25,193.84	5,038.77	20%
Total			262,713.10	