

Application To

**STEBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY/
STEBEN AREA ECONOMIC DEVELOPMENT CORPORATION
For
FINANCIAL ASSISTANCE****

Section I: Applicant Information

Please answer all questions. Use "None" or "Not Applicable" where necessary.

A) Applicant Information-company receiving benefit:

Applicant Name: Baron Winds LLC
Applicant Address: 1251 Waterfront Place, Third Floor, Pittsburgh, PA 15220
Phone: 312-725-5755 Fax: 312-277-7518
Website: <https://iam.innogy.com/en/about-innogy/innogy-innovation-technology/renewables/onshore/innogy> E-mail: baroninfo@innogy.com
Federal ID#: 46-0953246 NAICS: _____
Will a Real Estate Holding Company be utilized to own the Project property/facility? Yes or No
What is the name of the Real Estate Holding Company: _____
Federal ID#: _____

B) Authorized Signatory:

Name: Andrew Young
Title: Chief Executive Officer
Address: 200 N LaSalle St., Suite 2301, Chicago, IL 60601
Phone: 312-725-5206 Fax: 312-277-7518
E-Mail: a.young@innogy.com

C) Corporate Contact (if different from individual completing application):

Name: Richard Casey
Title: General Counsel
Address: 200 N LaSalle St., Suite 2301, Chicago, IL 60601
Phone: 312-725-5760 Fax: 312-277-7518
E-Mail: richard.casey@innogy.com

D) Company Counsel:

Name of Attorney: Robert Panasci, Esq.
Firm Name: Young Sommer LLC
Address: Executive Woods, Five Palisades Drive, Albany, NY 12205
Phone: 518-438-9907, ext 251 Fax: 518-438-9914
E-mail: RPanasci@youngsommer.com

E) Identify the assistance being requested of the Agency (select all that apply):

- 1. Exemption from Sales Tax Yes or No
 - 2. Exemption from Mortgage Tax Yes or No
 - 3. Exemption from Real Property Tax Yes or No
 - 4. Tax Exempt Financing * Yes or No
- * (typically for not-for-profits & small qualified manufacturers)

F) Business Organization (check appropriate category):

Corporation Partnership
Public Corporation Joint Venture
Sole Proprietorship Limited Liability Company
Other (please specify) _____
Year Established: 2012
State in which Organization is established: Delaware

G) List all stockholders, members, or partners with % of ownership greater than 20%:

<u>Name</u>	<u>% of ownership</u>
<u>IRUS Wind Development LLC (member)</u>	<u>100</u>
_____	_____
_____	_____

H) Applicant Business Description:

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility: See Insert.

Estimated % of sales within County/City/Town/Village: 100

Estimated % of sales outside County/City/Town/Village, but within New York State: 0

Estimated % of sales outside New York State but within the U.S.: 0

Estimated % of sales outside the U.S. 0

(*Percentage to equal 100%)

D) What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in County/City/Town Village.

An estimated 12% of construction materials, 50% of permitting and site certificate costs, 75% tolls and consumables, 100% fuel, 100% utilities, and 50% site maintenance costs are expected to be sourced from Steuben County.

Section II: Project Description & Details

A) Project Location:

Municipality or Municipalities of current operations: Towns Cohocton, Dansville, Fremont and Wayland

Provide the property address of the Proposed Project:

See Appendix A

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

Yes or No

If Yes, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry: _____

What are the current real estate taxes on the proposed Project Site? N/A - Property is part of land value for several parcels

If amount of current taxes is not available, provide assessed value for each:

Land: \$ n/a

Buildings(s): \$ n/a

Are Real Property Taxes current? Yes or No. If no, please explain To the best of Applicant's knowledge, the taxes on all parcels are current.

Town/City/Village: Towns Cohocton, Dansville, Fremont and Wayland School District: Arkport, Avoca, Hornell City and Wayland-Cohocton

Does the Applicant or any related entity currently hold fee title to the Project site? Yes or No

If No, indicate name of present owner of the Project Site: See Appendix A

Does Applicant or related entity have an option/contract to purchase the Project site? Yes or No

Applicant has an option to purchase property for the substation (app. 20 acres) and

anticipates an option to purchase property for the O&M Building.

Describe the present use of the proposed Project site: _____

See Insert

B) Please provide narrative of project and the purpose of the project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility): _____

See Insert

Describe the reasons why the Agency's Financial Assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary): See Insert

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

Yes or No

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency: N/A

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and County/City/Town/Village? Assistance is being requested so that the project will be financially feasible and will make an economic impact on the surrounding community. Without assistance, the project costs will stunt our ability to build, and the participating Towns, county, and state will not reap the additional benefits it would bring.

C) Will Project include leasing any equipment Yes or No
If Yes, please describe: It is anticipated that the Applicant will lease construction equipment during the construction of the Project

D) Site Characteristics:
Describe the present zoning/land use: See Insert

Will the Project meet zoning/land use requirements at the proposed location? Yes or No
If not, please describe required zoning/land use: See Insert

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements: A change in Zoning is not required

Is the proposed project located on a site where the known or potential presence of contaminants is complicating the development/use of the property? If yes, please explain: To the best of Applicant's knowledge, there are no known contaminants

E) Provide any additional site information or details that may be applicable to the proposed project:

F) Select Project Type for **all** end users at project site (you may check more than one):

- | | | | |
|----------------------------------|--------------------------|---------------------------------|-------------------------------------|
| Industrial | <input type="checkbox"/> | Back Office | <input type="checkbox"/> |
| Acquisition of Existing Facility | <input type="checkbox"/> | Retail | <input type="checkbox"/> |
| Housing | <input type="checkbox"/> | Mixed Use | <input type="checkbox"/> |
| Equipment Purchase | <input type="checkbox"/> | Facility for Aging | <input type="checkbox"/> |
| Multi-Tenant | <input type="checkbox"/> | Civic Facility (not for profit) | <input type="checkbox"/> |
| Commercial | <input type="checkbox"/> | Other <u>Renewable Energy</u> | <input checked="" type="checkbox"/> |

Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Questionnaire contained in Section III of the Application.

Retail Sales*: Yes or No

Services*: Yes or No

*For purposes of this question, the term “retail sales” means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

G) Project Information:

Estimated costs in connection with Project:

- | | |
|---|-----------------------|
| 1. Land and/or Building Acquisition: | \$ <u>600,000</u> |
| _____ acres _____ square feet | |
| 2. New Building Construction: _____ square feet | \$ <u>1,250,000</u> |
| 3. New Building Addition(s): <u>0</u> square feet | \$ <u>0</u> |
| 4. Reconstruction/Renovation: <u>0</u> square feet | \$ <u>0</u> |
| 5. Infrastructure Work: | \$ <u>37,000,000</u> |
| 6. Manufacturing Equipment: | \$ <u>0</u> |
| 7. Non-Manufacturing Equipment (furniture, fixtures, etc.): | \$ <u>20,000</u> |
| 8. Soft Costs: (professional services, etc.): | \$ <u>6,800,000</u> |
| 9. Other, Specify: <small>Turbines, foundations, transformers, substation, mat towers, construction costs, legal, finance, etc.</small> | \$ <u>258,501,000</u> |

TOTAL Capital Costs: \$ 304,171,000

Project refinancing; estimated amount
(for refinancing of existing debt only)

\$ _____

Sources of Funds for Project Costs:

1. Bank Financing:	\$ <u>113,861,600</u>
2. Equity (excluding equity that is attributed to grants/tax credits):	\$ <u>190,309,400</u>
3. Tax Exempt Bond Issuance (if applicable):	\$ <u>0</u>
4. Taxable Bond Issuance (if applicable):	\$ <u>0</u>
5. Public Sources (Include sum total of all state and federal grants and tax credits):	\$ <u>0</u>
Identify each state and federal grant/credit:	
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Sources of Funds for Project Costs:	\$ <u>304,171,000</u>

Have any of the above costs been paid or incurred as of the date of this Application? Yes or No
If Yes, describe particulars: Applicant has purchased certain equipment specified in Section 9 (other)

Mortgage Recording Tax Exemption Benefit: Amount of mortgage that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent):	\$ <u>190,309,400</u>
Estimated Mortgage Recording Tax Exemption Benefit (product of Mortgage Amount as indicated above multiplied by 1.25%):	\$ <u>2,378,868</u>

Sales and Use Tax: Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax - said amount to benefit from the Agency's Sales and Use Tax exemption benefit:

\$ 100,000,000

Estimated State and local Sales and Use Tax Benefit (product of 8% multiplied by the figure above):

\$ 8,000,000

*** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate, above, represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate, above, as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.*

Real Property Tax Benefit:

IDA PILOT Benefit: Agency staff will indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in Section IV of the Application.

Percentage of Project Costs financed from Public Sector sources: Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above in Section II(G) of the Application.

H) What is your Project timetable (provide dates):

1. Start date – acquisition of equipment or construction of facilities: November 2019
2. Estimated completion date of Project: December 2020
3. Project occupancy – estimated starting date of operations: December 2020
4. Have construction contracts been signed? Yes or No
5. Has financing been finalized? Yes or No

I) Have site plans been submitted to the appropriate planning department?

Yes or No

If yes, has the Project received site plan approval from the planning department?

Yes or No.

If yes, please provide the Agency with a copy of the related State Environmental Quality Review Act (“SEQRA”) determination that may have been required to be submitted along with a copy of the approved site plans.

Please provide the Agency with the status of any required planning department or other approval:
See Insert

J) Is the Project necessary to retain existing employment: Yes or No

Is the Project necessary to expand employment: Yes or No

K) Employment Plan (Specific to the proposed Project location):

	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of jobs to be CREATED upon THREE Years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the jobs to be created upon THREE Years after Project Completion*
Full Time	0	0	5-6	0-1
Part Time	0	0	2-4	1-3
Total FTEs	0	0	6-7	1

*For purposes of this question, please estimate the number of FT and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Marker Area, in the fourth column. The Labor Marker Area includes Steuben, Schuyler, Chemung, Yates, Allegany, and Livingston Counties.

Salary and Fringe Benefits for Jobs to be Retained and/or Created:

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management	100,000-140,000	8,200-33,300
Professional	90,000-130,000	7,600-32,700
Administrative	40,000-80,000	4,600-29,700
Production	60,000-100,000	5,800-30,900
Independent Contractor	Local Charges	n/a
Other	30,000-60,000	4,000-28,500

Employment at other locations in the state: (provide address and number of employees at each location):

	Address	Address	Address
Full time			
Part Time			
Total FTEs			

Please note: The Agency may utilize the foregoing employment projections, among other items, to determine the Financial Assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.

Section III Retail Questionnaire

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

- A. Will any portion of the project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

Yes or No. If the answer is yes, please continue. If no, proceed to section IV.

For purposes of Question A, the term “retail sales” means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

- B. What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? 0 %.
If the answer is less than 33% do not complete the remainder of the retail determination and proceed to section IV.

If the answer to A is Yes **AND** the answer to Question B is greater than 33.33%, please answer the questions below:

1. Will the project be operated by a not-for-profit corporation Yes or No.
2. Is the Project location or facility likely to attract a significant number of visitors from outside the economic development region in which the project will be located?

Yes or No

If yes, please provide a third-party market analysis or other documentation supporting your response.

3. Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

Yes or No

If yes, please provide a third party market analysis or other documentation supporting your response.

4. Will the project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

Yes or No.

If yes, explain _____

5. Is the project located in a Highly Distressed Area, as defined by the US Census Bureau?

Yes or No

Section IV: Estimate of Real Property Tax Abatement Benefits and Percentage of Project Costs financed from Public Sector sources

Section IV of this Application will be: (i) completed by IDA Staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.

Estimates provided are based on current property tax rates and assessed values.

PILOT Estimate Table

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property*	County Tax Rate/1,000	Local (town/village/city) Tax Rate/1,000	School Tax Rate/1,000
297,351,000	1,266,667**	See insert	See Insert	See Insert

*Apply equalization rate to value

** This is the rate per installed MWs. Assuming 220 MW, assessed value would be \$278,666,740

Abatement Year	Current Taxes	New Without PILOT	Total Tax Liability	Proposed PILOT New	Total PILOT New + Existing	PILOT Savings
See Insert						
Total						

Section V Representations, Certifications and Indemnification

This Section of the Application can only be completed upon the Applicant receiving, and must be completed after the Applicant receives, IDA Staff confirmation that Section I through Section IV of the Application are complete.

Andrew Young (name of CEO or other authorized representative of Applicant) confirms and says that he/she is the Chief Executive Officer (title) of Baron Winds LLC (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Agency and 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.
- B. **First Consideration for Employment:** 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, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. **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. Copies of all filings shall be provided to the Agency.
- D. **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, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, "Employment Reports") that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Agent Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Employment Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.

- E. The Applicant acknowledges that certain environmental representations will be required at closing. The Applicant shall provide with this Representation, Certification and Indemnification Form copies of any known environmental reports, including any existing Phase I Environmental Site Assessment Report(s) and/or Phase II Environmental Investigations. The Agency may require the Company and/or owner of the premises to prepare and submit an environmental assessment and audit report, including but not necessarily limited to, a Phase I Environmental Site Assessment Report and a Phase II Environmental Investigation, with respect to the Premises at the sole cost and expense of the owner and/or the Applicant. All environmental assessment and audit reports shall be completed in accordance with ASTM Standard Practice E1527-05, and shall be conformed over to the Agency so that the Agency is authorized to use and rely on the reports. The Agency, however, does not adopt, ratify, confirm or assume any representation made within reports required herein.
- F. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the Agency from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the Agency, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.
- G. **Hold Harmless Provision:** The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the Agency incurred in connection with any actions required to be taken by the Agency in furtherance of the Application including the Agency's costs of general counsel and/or the Agency's bond/transaction counsel whether or not the Application, the proposed Project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion and 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 or expense incurred by: (i) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (ii) the Agency's acquisition, construction and/or installation of the proposed Project described herein; and (iii) any further action taken by the Agency with respect to the proposed Project including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law and the policies of the Agency that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency, any mortgage recording tax exemption claimed by the Applicant and approved by the Agency, and/or any real property tax abatement claimed by the Applicant and approved by the Agency, in connection with the Project, may be subject to recapture and/or termination by the Agency under such terms and conditions as will be established by the Agency and set forth in transaction documents to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information

regarding the amount of the New York State and local sales and use tax exemption benefit, the amount of the mortgage recording tax exemption benefit, and the amount of the real property tax abatement, if and as applicable, to the best of the Applicant's knowledge, is true, accurate and complete.

- H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy effective as of the date of this Application
- I. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the Agency at the times indicated:
 - (i) a non-refundable \$750 application and publication fee (the "Application Fee");
 - (ii) an amount equal to one percent (1.00%) of the total project costs payable as follows: (a) one-half (1/2) of one-percent on the date the Agency and the Company execute and deliver the project and agent agreement, lease agreement, leaseback agreement, tax agreement and related documents, in the event the Company's project timing requires delivery of the project and agent agreement (for purposes of sales tax exemptions) prior to the delivery of the lease agreement, leaseback agreement, tax agreement and related documents, such one-half (1/2) installment shall be paid on the date of execution and delivery of the project and agent agreement (such date hereinafter referred to as the "Closing Date"); (b) one-quarter (1/4) of one-percent on the first anniversary of the Closing Date and (c) one quarter (1/4) of one-percent on the second anniversary of the Closing Date;
 - (iii) all fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction counsel, which will include written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel but will not include an itemization of all time entries; and (2) other consultants retained by the Agency in connection with the proposed project, with all such charges to be paid by the Applicant in the event that the closing does not occur as contemplated herein. The Agency has agreed to cover the legal expenses set forth in this subsection (iii) in the event the project closes and the financial assistance is provided.

The parties understand and agree that no financial assistance can be approved and provided by the Agency to the Company until such time as there is a final and unappealable Certificate of Environmental Compatibility and Public Need pursuant to the Article 10 Process (the "Certificate"). The fees specified in (ii) above are not due and payable in the event the Certificate is not timely completed. The Company further understands and agrees that upon such event or in the event that it does not timely proceed with the project, it shall, however, be responsible for all legal fees and costs incurred by the Agency in connection with the project.

- J. If the Applicant fails to conclude or consummate the necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application, or if the Applicant is unable to find buyers willing to purchase the bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by

the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.

- K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.
- L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.
- M. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.**
- N. The Applicant acknowledges that it has been provided with a copy of the Agency's Policy for Termination of Agency Benefits and Recapture of Agency Benefits Previously Granted (the "Termination and Recapture Policy"). The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Termination and Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.
- O. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- P. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
- Q. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

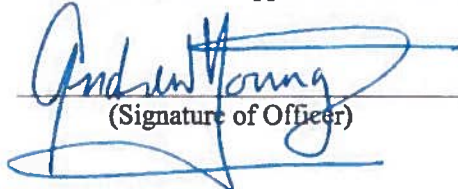
- R. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

- S. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents 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.

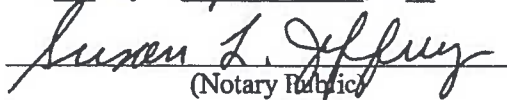
STATE OF ~~NEW YORK~~ ^{ILLINOIS})
COUNTY OF Cook) ss.:

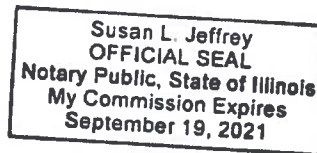
Andrew Young, being first duly sworn, deposes and says:

1. That I am the Chief Executive Officer (Corporate Office) of Baron Winds LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.


(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury
this 18th day of APRIL, 2019.


(Notary Public)



Section I

H) Applicant Business Description:

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility: Baron Winds LLC is a subsidiary of Innogy Renewables US LLC (“Innogy”). Innogy has over 520 MWs of wind projects in development within the Northeast, including the Cassadaga Wind Project in Chautauqua County, New York. Baron Winds will construct and operate the Baron Winds Project, a commercial-scale wind power project within the Towns of Cohocton, Dansville, Fremont and Wayland. The Baron Winds Project will produce clean renewable energy serving the New York State electrical market.

Section II

A) Project Location

Describe the present use of the proposed Project Site: As noted on Appendix A, the Baron Winds Project will consist of several parcels of land. The Project improvements will be located on vacant lands within each of the above referenced towns. Some of the parcels may be used for agricultural purposes. The Baron Winds Project will be located on leased private land that is rural in nature. The actual footprint of the proposed facilities will be located within the leased land, and will enable farmers and landowners to continue with farming operations or other land uses.

B) Please provide narrative of project and the purpose of the project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility):

The Baron Winds Project is a proposed 219 MW to 235 MW project located within the Towns of Cohocton, Dansville, Fremont and Wayland, in Steuben County, New York. The proposed Project consists of the construction and operation of a commercial-scale wind power project, including the installation and operation of between 63 to 67 wind turbines, together with the associated collection lines (below grade and overhead), access roads, meteorological towers, substation, and an operation and maintenance (O&M) building.

To deliver electricity to the New York State power grid, the Applicant proposes to construct a collection substation and a 230 kV electrical transmission line, which will interconnect with an existing 230 kV switchyard owned by New York State Electric and Gas Corporation (NYSEG). It is anticipated that the newly constructed project 230 kV transmission line will be approximately 800 feet in length.

The Baron Winds Project will have positive impacts on socioeconomics in the area through employment opportunities, specifically by generating temporary construction employment, the majority of which will likely be drawn from the Steuben County and the (NY State) Southern Tier labor market. Local construction employment will primarily benefit those in the construction trades, including equipment operators, truck drivers, laborers, and electricians. In addition, Project

operation will generate full-time jobs, including a Project Manager, Wind Technicians, and an Assistant Operator. The Baron Winds Project will also result in increased revenues to County and local municipality tax bases, payments to the local hospitality industry, purchase of local supplies and goods, and lease revenues to participating landowners.

Describe the reasons why the Agency's Financial Assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary): The financial assistance is needed for the Baron Winds Project because the assistance will help ensure the project is financially feasible, while providing a positive economic impact on the surrounding community.

Without the financial assistance, the Baron Winds Project will not be constructed, which will have a negative impact on the applicable Towns, School Districts and County as well as the participating landowners because there will be no revenue from the Baron Winds Project. In addition, the Baron Winds Project will provide clean, renewable energy. Wind generated power is in many ways safer and healthier than other forms of electricity generation. Unlike conventional power plants, wind farms produce energy without emitting pollutants that decrease air quality. In addition, unlike other sources of power generation, wind farms produce energy without impacts to surface and ground water quality. These benefits to air and water resources are a major public health benefit since the negative effects of air and water pollution and climate change are well understood.

D) Site Characteristics:

Describe the present zoning/land use: The Baron Winds Project will be located on leased private land that is rural in nature. The actual footprint of the proposed facilities will be located within the leased land, and will enable farmers and landowners to continue with farming operations or other land uses.

Will the Project meet zoning/land use requirements at the proposed location? Yes or No

The Baron Winds Project is an allowable use within the applicable Towns. While Baron Winds will meet most of the requirements set forth in each Town's local laws, there are some provisions that the Baron Winds Project may not be able to meet in the Town of Fremont due to the Town's enactment of a new law in 2018. Pursuant to the Article 10 Process (defined below), Baron Winds will be seeking a waiver from the construction hours and water supply well monitoring requirements included in the Town of Fremont law.

I) ***Have site plans been submitted to the appropriate planning department?***

Please provide the Agency with the status of any required planning department or other approval:

Baron Winds LLC has filed an Application pursuant to Public Service Law Article 10 with the Department of Public Service to obtain a Certificate of Environmental Compatibility and Public Need from the New York State Board on Electric Generation Siting and the Environment, Case No. 15-F-0122, ("Article 10 Process") to construct the Baron Winds Project. The Application is

pending before the Siting Board and it is expected that the Siting Board will issue the Certificate on or before August 29, 2019.

EXHIBIT A

Current Baron Winds Parcels for PILOT Application

Parcel ID	DeedOwner1	Agreement
096.00-01-008.111	Adams, John J Jr	GNA
083.00-01-014.210	Allard, Arthur C	WELO, GL and Ease Agmt
095.00-01-018.120	Baschmann, Daniel J	WELO, GL and Ease Agmt
096.00-01-062.000	Baschmann, Daniel J	WELO, GL and Ease Agmt
055.00-01-013.000	Bennett, Guy Brooks	WELO, GL and Ease Agmt
055.00-01-013.000	Bennett, Guy Brooks	WELO, GL and Ease Agmt
055.00-01-010.300	Bianco, Maura	WELO, GL and Ease Agmt
081.00-01-010.000	Briggs, Erik	WELO, GL Ease Agmt
082.00-03-027.000	Briggs, Erik	WELO, GL Ease Agmt
082.00-03-029.000	Briggs, Erik	WELO, GL Ease Agmt
082.00-03-033.000	Briggs, Erik	WELO, GL Ease Agmt
096.00-01-001.210	Briggs, Erik	WELO, GL Ease Agmt
096.00-01-004.100	Briggs, Erik	WELO, GL Ease Agmt
096.00-01-004.100	Briggs, Erik	WELO, GL Ease Agmt
095.00-01-013.000	Briggs, Erik	WELO, GL Ease Agmt
096.00-01-003.000	Briggs, Erik	WELO, GL Ease Agmt
096.00-01-003.000	Briggs, Erik	WELO, GL Ease Agmt
096.00-01-005.100	Briggs, Erik	WELO, GL Ease Agmt
041.00-02-008.100	Brown Keith & Verna, Living Trust	WELO, GL Ease Agmt
042.00-01-024.100	Brown Living Trust, Keith & Vyrna	WELO, GL Ease Agmt
042.00-01-024.100	Brown Living Trust, Keith & Vyrna	WELO, GL Ease Agmt
110.00-01-006.000	Burns Family Farm	WELO, GL, & Easmt Agmt
110.00-01-025.000	Burns Family Farm	WELO, GL, & Easmt Agmt
110.00-01-026.000	Burns Family Farm	WELO, GL, & Easmt Agmt
110.00-01-024.000	Burns Family Farm	WELO, GL, & Easmt Agmt
110.00-01-005.000	Burns Family Farm	WELO, GL, & Easmt Agmt
110.00-01-029.000	Burns Family Farm	WELO, GL, & Easmt Agmt
124.00-01-002.000	Burns Family Farm	WELO, GL, & Easmt Agmt
124.00-01-002.000	Burns Family Farm	WELO, GL, & Easmt Agmt
124.00-01-002.000	Burns Family Farm	WELO, GL, & Easmt Agmt

124.00-01-002.000	Burns Family Farm	WELO, GL, & Easmt Agmt
124.00-01-026.100	Burns Family Farm	WELO, GL, & Easmt Agmt
		Collection Line Easement Agmt
055.00-01-034.000	Burns, Bernard J	
123.00-01-007.000	Burns, Carol	WELO, GL, & Easmt Agmt
110.00-01-008.000	Burns, David V	WELO, GL, & Easmt Agmt
110.00-01-028.100	Burns, David V	WELO, GL, & Easmt Agmt ; Transportation Easement
124.00-01-001.110	Burns, Domenica	WELO, GL, & Easmt Agmt
123.00-01-012.000	Burns, Domenica	WELO, GL, & Easmt Agmt
123.00-01-012.000	Burns, Domenica	WELO, GL, & Easmt Agmt
124.00-01-003.110	Burns, Domenica	WELO, GL, & Easmt Agmt
124.00-01-003.110	Burns, Domenica	WELO, GL, & Easmt Agmt
123.00-01-010.000	Burns, Domenica	WELO, GL, & Easmt Agmt
110.00-01-031.000	Burns, Jonathan D	WELO, GL, & Easmt Agmt
109.00-01-028.100	Burns, Jonathan D	WELO, GL, & Easmt Agmt
110.00-01-011.100	Clarke, Candyse K	WELO, GL, & Easmt Agmt
110.00-01-009.100	Clarke, Michael J	WELO, GL, & Easmt Agmt
096.00-01-044.200	Colbert, James R Jr	WELO, GL and Ease Agmnt
096.00-01-044.100	Colbert, James R Jr	WELO, GL and Ease Agmnt
082.00-01-003.000	Cold Spring Construction Co	Collection Line Easement Option & Easement Agmt
082.00-01-003.000	Cold Spring Construction Co	Collection Line Easement Option & Easement Agmt
069.00-01-014.100	Donals, Dan	Collection Line Easement Option & Easement Agmt
082.00-01-016.000	Drum Family Revocable Trust	Collection Line Easement Option & Easement Agmt
042.00-01-022.100	Eck, Donald E	WELO, GL and Ease Agmnt
042.00-01-022.200	Eck, Donald E	WELO, GL and Ease Agmnt
083.00-01-014.220	Ferrill, Russell	WELO, GL and Ease Agmnt
081.00-01-012.120	Gibson, David A	Transportation Easement
082.00-03-008.110	Green, William F	Collection Line Easement Option & Easement Agmt
095.00-01-019.115	Groff, Arthur L & Jill M	WELO, GL and Ease Agmnt
095.00-01-019.112	Groff, Arthur L	WELO, GL and Ease Agmnt
095.00-01-019.113	Groff, Arthur L	WELO, GL and Ease Agmnt
096.00-01-042.000	Groff, Arthur L	WELO, GL and Ease Agmnt
096.00-01-039.000	Hammond, Daniel L	Collection Line Easement Agmt
070.00-01-017.100	Harter, Bradley C	WELO, GL and Ease Agmnt

070.00-01-019.130	Harter, Bradley C	WELO, GL and Ease Agmnt
069.00-01-011.100	Harter, Bradley C	WELO, GL and Ease Agmnt
083.00-02-003.100	Harter, Bradley C	WELO, GL and Ease Agmnt
083.00-02-007.000	Harter, Bradley C	WELO, GL and Ease Agmnt
083.00-02-007.000	Harter, Bradley C	WELO, GL and Ease Agmnt
070.00-01-019.110	Harter, Bradley C	WELO, GL and Ease Agmnt
070.00-01-019.120	Harter, Kris	WELO, GL and Ease Agmnt
109.00-01-031.200	Hendee, Samuel R	WELO, GL and Ease Agmt
109.00-01-030.000	Hendee, Samuel R	WELO, GL and Ease Agmt ; Transportation Easement
110.00-01-030.000	Hooker, Stanley G	WELO, GL & Ease Agmt
070.00-01-001.200	Hunter's Hunting Land LLC	WELO, GL & Ease Agmt
095.00-01-017.110	Jones, Philip & Christine	WELO, GL & Ease Agmt
095.00-01-033.200	Jones, Philip & Christine	WELO, GL & Ease Agmt
095.00-01-025.110	Jones, Philip & Christine	WELO, GL & Ease Agmt
095.00-01-022.000	Karr Dairy Farms LLC	WELO, GL & Ease Agmt
095.00-01-021.000	Karr Dairy Farms LLC	WELO, GL & Ease Agmt
095.00-01-024.000	Karr Dairy Farms, LLC	WELO, GL & Ease Agmt
055.00-01-002.100	Kennedy, Spencer P & Jones, Robert H.	Collection Line Easement Option & Easement Agmt
095.00-01-010.110	Kilbury, Robert A	Collection Line Easement Agmt
095.00-01-010.110	Kilbury, Robert A	Collection Line Easement Agmt
095.00-01-010.110	Kilbury, Robert A	Collection Line Easement Agmt
069.00-01-009.000	Kollmer, William P	WELO, GL & Ease Agmt
069.00-01-014.200	Kurtz, William	WELO, GL & Ease Agmt
054.00-01-025.000	Lake Hollow Conservation Club	WELO, GL & Ease Agmt
055.00-01-015.200	Lake Hollow Conservation Club	WELO, GL & Ease Agmt
055.00-01-015.200	Lake Hollow Conservation Club	WELO, GL & Ease Agmt
055.00-01-015.200	Lake Hollow Conservation Club	WELO, GL & Ease Agmt
055.00-01-015.200	Lake Hollow Conservation Club	WELO, GL & Ease Agmt
096.00-01-037.000	Landis, Benjamin L	WELO, GL & Ease Agmt
096.00-01-038.000	Landis, Cheryl L	WELO, GL & Ease Agmt
081.00-01-007.500	Maker, David	WELO, GL & Ease Agmt
083.00-01-020.000	Maker, David	WELO, GL & Ease Agmt
083.00-01-020.000	Maker, David	WELO, GL & Ease Agmt
083.00-01-021.000	Maker, David	WELO, GL & Ease Agmt

082.00-01-012.100	Mauro, Thomas J	Collection Line Easement Option & Easement Agmt
083.00-01-018.000	Mauro, Thomas J	Collection Line Easement Option & Easement Agmt
082.00-01-013.100	Mauro, Thomas J & Anne	Collection Line Easement Option & Easement Agmt
083.00-01-017.000	Mauro, Thomas J & Anne	Collection Line Easement Option & Easement Agmt
070.00-01-020.110	McCart, James	Easement Option and Easement Agreement
070.00-01-020.120	McCart, Linda	WELO, GL & Ease Agmt
082.00-03-016.111	Mcgunnigle, S J	WELO, GL & Ease Agmt
082.00-01-014.100	McGunnigle, Stephen J	WELO, GL & Ease Agmt
082.00-03-017.111	McGunnigle, Stephen J	WELO, GL & Ease Agmt
055.00-01-018.000	McInnis, William	
054.00-01-017.100	Mehlenbacher, Wayne E etal	WELO, GL & Ease Agmt
054.00-01-016.100	Mehlenbacher, Wayne E etal	WELO, GL & Ease Agmt
082.00-03-028.000	Meyer, John N & Joseph L Jr	WELO, GL & Ease Agmt
082.00-03-002.000	Meyer, John N & Joseph L Jr	WELO, GL & Ease Agmt
082.00-03-006.000	Meyer, Joseph	WELO, GL & Ease Agmt
082.00-03-037.000	Meyer, Nicholas & Edith & Joseph Etal	WELO, GL & Ease Agmt
054.00-01-030.000	Meyer, Phyllis	WELO, GL & Ease Agmt
054.00-01-034.111	Meyer, Phyllis	WELO, GL & Ease Agmt
082.00-03-026.000	Meyer, Phyllis M	WELO, GL & Ease Agmt
069.00-01-010.000	New York Land Development C	WELO, GL & Ease Agmt
082.00-03-031.122	Noble, John E	Easement Option and Easement Agreement
082.00-03-031.122	Noble, John E	Easement Option and Easement Agreement
082.00-03-031.122	Noble, John E	Easement Option and Easement Agreement
082.00-01-017.000	Palladino, Donna C	Collection Line Easement Option & Easement Agmt
124.00-01-003.120	Pearce, James	WELO, GL and Ease Agmnt
042.00-01-021.000	Peck, Menzo C	Easement Option and Easement Agreement
054.00-01-027.000	Potter's B&D Farms, LLC	WELO, GL and Ease Agmnt
054.00-01-024.000	Potter's B&D Farms, LLC	WELO, GL and Ease Agmt
068.00-01-012.110	Potter's B&D Farms, LLC	WELO, GL and Ease Agmnt
068.00-01-012.110	Potter's B&D Farms, LLC	WELO, GL and Ease Agmnt
069.00-01-017.110	Potter's B&D Farms, LLC	WELO, GL, & Easmt Agmt
069.00-01-017.110	Potter's B&D Farms, LLC	WELO, GL, & Easmt Agmt
069.00-01-017.110	Potter's B&D Farms, LLC	WELO, GL, & Easmt Agmt
041.00-02-009.000	Riley, David	WELO, GL, & Easmt Agmt

041.00-02-011.000	Riley, David	WELO, GL, & Easmt Agmt
042.00-01-023.000	Riley, David	WELO, GL, & Easmt Agmt
041.00-02-010.000	Riley, David	WELO, GL, & Easmt Agmt
096.00-01-008.112	Ritter, Jack R	WELO, GL, & Easmt Agmt
081.00-01-012.110	Roberts, Beverly C	WELO, GL, & Easmt Agmt
110.00-01-033.000	Rudys Roost LLC	WELO, GL, & Easmt Agmt
082.00-01-004.000	Saxton, Austin	WELO, GL, & Easmt Agmt
055.00-01-019.200	Saxton, Charles E	WELO, GL, & Easmt Agmt
055.00-01-019.200	Saxton, Charles E	WELO, GL, & Easmt Agmt
082.00-01-008.110	Saxton, Kevin D	WELO, GL and Ease Agmnt
		WELO, GL and Ease Agmnt
082.00-01-009.000	Saxton, Kevin D	
082.00-01-007.100	Saxton, Kevin D	WELO, GL and Ease Agmnt
068.00-01-027.111	Saxton, Kevin D	WELO, GL and Ease Agmnt
082.00-01-005.110	Saxton, Kevin D	WELO, GL and Ease Agmnt
082.00-01-005.110	Saxton, Kevin D	WELO, GL and Ease Agmnt
069.00-01-007.000	Schichler, Lisa	Collection Line Esmt Opt & Esmt Agmt
096.00-01-060.000	Seamon, Leo C III	Easement Option and Easement Agreement
081.00-01-013.000	Seigers, Frans	WELO, GL and Ease Agmnt
068.00-01-013.100	Siciliano, John	Easement Option and Easement Agreement
068.00-01-013.100	Siciliano, John	Easement Option and Easement Agreement
068.00-01-010.220	Slayton, Conway K	WELO, GL and Ease Agmnt
068.00-01-010.111	Slayton, Conway K	WELO, GL and Ease Agmnt
		WELO, GL and Ease Agmnt
068.00-01-010.111	Slayton, Conway K	WELO, GL and Ease Agmnt
068.00-01-027.112	Slayton, Conway K	WELO, GL and Ease Agmnt
081.00-01-007.111	Slayton, Conway K	WELO, GL and Ease Agmnt
082.00-03-001.100	Slayton, Conway K	WELO, GL and Ease Agmnt
082.00-01-018.120	Slayton, Conway K	WELO, GL and Ease Agmnt
083.00-01-004.000	Slayton, Forrest	WELO, GL and Ease Agmnt
083.00-01-003.200	Slayton, Forrest R & Kelly E	Option And Easement Agmnt
069.00-01-005.000	Stewart Tree Farm LLC	WELO, GL and Ease Agmnt
081.00-01-015.210	Wagner, J Lester	Transportation Easement
095.00-01-019.120	Wagner, Robert	GNA

096.00-01-004.200	Wagner, Robert W	Easement Option and Easement Agreement
123.00-01-040.100	Wassink, Daneen	WELO, GL and Ease Agmnt
123.00-01-017.110	Wassink, Daneen	WELO, GL and Ease Agmnt
123.00-01-020.000	Wassink, Daneen	WELO, GL and Ease Agmnt
083.00-01-015.118	Wilson, John A	Collection Line Easement Option & Easement Agmt
083.00-01-005.000	Wise, Jeffrey F	WELO, GL and Ease Agmnt
083.00-01-005.000	Wise, Jeffrey F	WELO, GL and Ease Agmnt
082.00-01-015.000	Zeh, Rose Marie	Transmission Line Esmt Opt & Esmt Agmt
083.00-01-002.000	Zeh, Rose Marie	Transmission Line Esmt Opt & Esmt Agmt
083.00-01-002.000	Zeh, Rose Marie	Transmission Line Esmt Opt & Esmt Agmt
083.00-01-001.000	Zeh, Rose Marie	Transmission Line Esmt Opt & Esmt Agmt

Baron Wind PILOT Schedule Totals

Abatement Year	County	Cohocton	Fremont	Dansville	Wayland	Arkport School	Avoca School	Hornell City School	Wayland Cohocton	Total PILOT
Year 1	\$259,000.60	\$76,084.94	\$194,883.14	\$10,201.42	\$31,944.06	\$161,487.88	\$42,669.96	\$93,172.39	\$374,333.10	\$1,243,777.50
Year 2	\$264,180.61	\$77,606.64	\$198,780.81	\$10,405.44	\$32,582.94	\$164,717.64	\$43,523.36	\$95,035.84	\$381,819.76	\$1,268,653.05
Year 3	\$269,464.23	\$79,158.78	\$202,756.42	\$10,613.55	\$33,234.60	\$168,031.99	\$44,393.83	\$96,936.56	\$389,456.16	\$1,294,026.11
Year 4	\$274,853.51	\$80,741.95	\$206,811.55	\$10,825.82	\$33,899.29	\$171,372.23	\$45,281.70	\$98,875.29	\$397,245.28	\$1,319,906.63
Year 5	\$280,350.58	\$82,356.79	\$210,947.78	\$11,042.34	\$34,577.27	\$174,799.68	\$46,187.34	\$100,852.79	\$405,190.19	\$1,346,304.77
Year 6	\$285,957.59	\$84,003.93	\$215,166.74	\$11,263.19	\$35,268.82	\$178,295.67	\$47,111.08	\$102,869.85	\$413,293.99	\$1,373,230.86
Year 7	\$291,676.74	\$85,684.01	\$219,470.07	\$11,488.45	\$35,974.20	\$181,861.59	\$48,053.31	\$104,927.25	\$421,559.87	\$1,400,695.48
Year 8	\$297,510.28	\$87,397.69	\$223,859.47	\$11,718.22	\$36,693.68	\$185,498.82	\$49,014.37	\$107,025.79	\$429,991.07	\$1,428,709.39
Year 9	\$303,460.48	\$89,145.64	\$228,336.66	\$11,952.58	\$37,427.55	\$189,208.79	\$49,994.66	\$109,166.31	\$438,590.89	\$1,457,283.58
Year 10	\$309,529.69	\$90,928.55	\$232,903.40	\$12,191.64	\$38,176.10	\$192,992.97	\$50,994.55	\$111,349.63	\$447,362.71	\$1,486,429.25
Year 11	\$315,720.29	\$92,747.12	\$237,561.47	\$12,435.47	\$38,939.63	\$196,852.83	\$52,014.44	\$113,576.63	\$456,309.96	\$1,516,157.83
Year 12	\$322,034.69	\$94,602.07	\$242,312.69	\$12,684.18	\$39,718.42	\$200,789.89	\$53,054.73	\$115,848.16	\$465,436.16	\$1,546,480.99
Year 13	\$328,475.39	\$96,494.11	\$247,158.95	\$12,937.86	\$40,512.79	\$204,805.68	\$54,115.83	\$118,165.12	\$474,744.89	\$1,577,410.61
Year 14	\$335,044.89	\$98,423.99	\$252,102.13	\$13,196.62	\$41,323.04	\$208,901.80	\$55,198.14	\$120,528.43	\$484,239.78	\$1,608,958.82
Year 15	\$341,745.79	\$100,392.47	\$257,144.17	\$13,460.55	\$42,149.50	\$213,079.83	\$56,302.11	\$122,938.99	\$493,924.58	\$1,641,138.00
Year 16	\$348,580.71	\$102,400.32	\$262,287.05	\$13,729.76	\$42,992.49	\$217,341.43	\$57,428.15	\$125,397.77	\$503,803.07	\$1,673,960.76
Year 17	\$355,552.32	\$104,448.32	\$267,532.79	\$14,004.36	\$43,852.34	\$221,688.26	\$58,576.71	\$127,905.73	\$513,879.13	\$1,707,439.97
Year 18	\$362,663.37	\$106,537.29	\$272,883.45	\$14,284.44	\$44,729.39	\$226,122.02	\$59,748.25	\$130,463.84	\$524,156.71	\$1,741,588.77
Year 19	\$369,916.64	\$108,668.04	\$278,341.12	\$14,570.13	\$45,623.98	\$230,644.46	\$60,943.21	\$133,073.12	\$534,639.85	\$1,776,420.55
Year 20	\$377,314.97	\$110,841.40	\$283,907.94	\$14,861.54	\$46,536.46	\$235,257.35	\$62,162.07	\$135,734.58	\$545,332.65	\$1,811,948.96
Totals	\$6,293,033.38	\$1,848,664.04	\$4,735,147.82	\$247,867.56	\$776,156.54	\$3,923,730.82	\$1,036,767.79	\$2,263,844.09	\$9,095,309.82	\$30,220,521.87

Baron Wind

Steuben County IDA PILOT Assessment Fremont

Rated Mgw	Arkport	Avoca	Hornell	Wayland	Arkport	Avoca	Hornell	Wayland	Arkport	Hornell	Avoca	Wayland	Distribution
Fremont Tax Rate/\$1,000	\$10.50	\$10.50	\$10.50	\$10.50	28.58%	37.43%	31.21%	\$10.50	28.58%	31.21%	37.43%	\$10.50	32.19%
County Tax Rate/\$1,000	\$5.26	\$5.26	\$5.26	\$5.26	14.32%	18.75%	15.64%	\$5.26	14.32%	15.64%	18.75%	\$5.26	16.13%
Arkport School District Tax Rate/\$1,000	\$20.98				57.10%	43.81%	53.15%		57.10%	53.15%	43.81%		51.69%
Avoca School District Tax Rate/\$1,000		\$12.29											
Hornell School District Tax Rate/\$1,000			\$17.88		100.00%	100.00%	100.00%		100.00%	100.00%	100.00%		100.00%
Wayland School District Tax Rate/\$1,000				\$16.86									
Total Tax Rate/\$1000	\$36.74	\$28.05	\$33.64	\$32.62									

Per Mgw PILOT Rate
 Rated Megawatts Arkport School 47.775 Based on 13 turbines at 3.675 MW each
 Rated Megawatts Avoca School 18.375 Based on 5 turbines at 3.675 MW each
 Rated Megawatts Hornell School 33.075 Based on 9 turbines at 3.675 MW each
 Rated Megawatts Wayland Cohocton School 18.375 Based on 5 turbines at 3.675 MW each

Arkport School District Schedule

Abatement Year	Total PILOT Revenue	Town Payment	County Payment	Arkport School Payment
Year 1	\$253,208	\$72,365	\$36,251	\$144,592
Year 2	\$258,272	\$73,812	\$36,976	\$147,483
Year 3	\$263,437	\$75,288	\$37,716	\$150,433
Year 4	\$268,706	\$76,794	\$38,470	\$153,442
Year 5	\$274,080	\$78,330	\$39,240	\$156,511
Year 6	\$279,562	\$79,896	\$40,024	\$159,641
Year 7	\$285,153	\$81,494	\$40,825	\$162,834
Year 8	\$290,856	\$83,124	\$41,641	\$166,090
Year 9	\$296,673	\$84,787	\$42,474	\$169,412

Year 10	\$302,606	\$86,483	\$43,324	\$172,800
Year 11	\$308,659	\$88,212	\$44,190	\$176,256
Year 12	\$314,832	\$89,976	\$45,074	\$179,781
Year 13	\$321,128	\$91,776	\$45,975	\$183,377
Year 14	\$327,551	\$93,611	\$46,895	\$187,045
Year 15	\$334,102	\$95,484	\$47,833	\$190,785
Year 16	\$340,784	\$97,393	\$48,789	\$194,601
Year 17	\$347,600	\$99,341	\$49,765	\$198,493
Year 18	\$354,552	\$101,328	\$50,761	\$202,463
Year 19	\$361,643	\$103,355	\$51,776	\$206,512
Year 20	\$368,876	\$105,422	\$52,811	\$210,643
	\$6,152,276	\$1,758,272	\$880,810	\$3,513,194

Avoca School District Schedule

Abatement Year	Total PILOT Revenue	Town Payment	County Payment	Avoca School Payment
Year 1	\$97,388	\$36,455	\$18,262	\$42,670
Year 2	\$99,335	\$37,184	\$18,628	\$43,523
Year 3	\$101,322	\$37,928	\$19,000	\$44,394
Year 4	\$103,348	\$38,687	\$19,380	\$45,282
Year 5	\$105,415	\$39,460	\$19,768	\$46,187
Year 6	\$107,524	\$40,250	\$20,163	\$47,111
Year 7	\$109,674	\$41,054	\$20,566	\$48,053
Year 8	\$111,868	\$41,876	\$20,978	\$49,014
Year 9	\$114,105	\$42,713	\$21,397	\$49,995
Year 10	\$116,387	\$43,567	\$21,825	\$50,995
Year 11	\$118,715	\$44,439	\$22,262	\$52,014
Year 12	\$121,089	\$45,327	\$22,707	\$53,055
Year 13	\$123,511	\$46,234	\$23,161	\$54,116
Year 14	\$125,981	\$47,159	\$23,624	\$55,198
Year 15	\$128,501	\$48,102	\$24,097	\$56,302

Year 16	\$131,071	\$49,064	\$24,579	\$57,428
Year 17	\$133,692	\$50,045	\$25,070	\$58,577
Year 18	\$136,366	\$51,046	\$25,572	\$59,748
Year 19	\$139,093	\$52,067	\$26,083	\$60,943
Year 20	\$141,875	\$53,108	\$26,605	\$62,162
	\$2,366,260	\$885,766	\$443,726	\$1,036,768

Hornell School District Schedule

Abatement Year	Total PILOT Revenue	Town Payment	County Payment	Hornell School Payment
Year 1	\$175,298	\$54,715	\$27,410	\$93,172
Year 2	\$178,803	\$55,810	\$27,958	\$95,036
Year 3	\$182,380	\$56,926	\$28,517	\$96,937
Year 4	\$186,027	\$58,064	\$29,087	\$98,875
Year 5	\$189,748	\$59,226	\$29,669	\$100,853
Year 6	\$193,543	\$60,410	\$30,263	\$102,870
Year 7	\$197,413	\$61,618	\$30,868	\$104,927
Year 8	\$201,362	\$62,851	\$31,485	\$107,026
Year 9	\$205,389	\$64,108	\$32,115	\$109,166
Year 10	\$209,497	\$65,390	\$32,757	\$111,350
Year 11	\$213,687	\$66,698	\$33,412	\$113,577
Year 12	\$217,960	\$68,032	\$34,081	\$115,848
Year 13	\$222,320	\$69,392	\$34,762	\$118,165
Year 14	\$226,766	\$70,780	\$35,457	\$120,528
Year 15	\$231,301	\$72,196	\$36,167	\$122,939
Year 16	\$235,927	\$73,640	\$36,890	\$125,398
Year 17	\$240,646	\$75,112	\$37,628	\$127,906
Year 18	\$245,459	\$76,615	\$38,380	\$130,464
Year 19	\$250,368	\$78,147	\$39,148	\$133,073
Year 20	\$255,375	\$79,710	\$39,931	\$135,735
	\$4,259,268	\$1,329,439	\$665,985	\$2,263,844

Wayland Cohocton School District Schedule

Abatement Year	Total PILOT Revenue	Town Payment	County Payment	Wayland Cohocton School Payment
Year 1	\$97,388	\$31,348	\$15,704	\$50,336
Year 2	\$99,335	\$31,975	\$16,018	\$51,342
Year 3	\$101,322	\$32,614	\$16,338	\$52,369
Year 4	\$103,348	\$33,267	\$16,665	\$53,417
Year 5	\$105,415	\$33,932	\$16,998	\$54,485
Year 6	\$107,524	\$34,611	\$17,338	\$55,575
Year 7	\$109,674	\$35,303	\$17,685	\$56,686
Year 8	\$111,868	\$36,009	\$18,039	\$57,820
Year 9	\$114,105	\$36,729	\$18,400	\$58,976
Year 10	\$116,387	\$37,464	\$18,768	\$60,156
Year 11	\$118,715	\$38,213	\$19,143	\$61,359
Year 12	\$121,089	\$38,977	\$19,526	\$62,586
Year 13	\$123,511	\$39,757	\$19,916	\$63,838
Year 14	\$125,981	\$40,552	\$20,315	\$65,115
Year 15	\$128,501	\$41,363	\$20,721	\$66,417
Year 16	\$131,071	\$42,190	\$21,135	\$67,745
Year 17	\$133,692	\$43,034	\$21,558	\$69,100
Year 18	\$136,366	\$43,895	\$21,989	\$70,482
Year 19	\$139,093	\$44,773	\$22,429	\$71,892
Year 20	\$141,875	\$45,668	\$22,877	\$73,330
	\$2,366,260	\$761,672	\$381,561	\$1,223,027

Baron Wind

Steuben County IDA PILOT Assessment Cohocton

Rated Mgw	Cohocton	Distribution
Cohocton Tax Rate/\$1,000	\$6.48	Wayland Cohocton
County Tax Rate/\$1,000	\$9.68	18.35%
Wayland Cohocton School District Tax Rate/\$1,000	\$19.15	27.41%
		54.23%
		100.00%

Total Tax Rate/\$1000 **\$35.31**

Per Mgw PILOT Rate
 Rated Megawatts Wayland Cohocton School \$5,300.00 plus 2% annually
 78.225 Based on 17 turbines at 3.675 MW each and 6 at 2.625

Arkport School District Schedule

Abatement Year	Total PILOT Revenue	Town Payment	County Payment	Wayland School Payment
Year 1	\$414,593	\$76,085	\$113,658	\$224,850
Year 2	\$422,884	\$77,607	\$115,931	\$229,347
Year 3	\$431,342	\$79,159	\$118,250	\$233,934
Year 4	\$439,969	\$80,742	\$120,615	\$238,612
Year 5	\$448,768	\$82,357	\$123,027	\$243,385
Year 6	\$457,744	\$84,004	\$125,487	\$248,252
Year 7	\$466,898	\$85,684	\$127,997	\$253,217
Year 8	\$476,236	\$87,398	\$130,557	\$258,282
Year 9	\$485,761	\$89,146	\$133,168	\$263,447

Year 10	\$495,476	\$90,929	\$135,832	\$268,716
Year 11	\$505,386	\$92,747	\$138,548	\$274,091
Year 12	\$515,494	\$94,602	\$141,319	\$279,572
Year 13	\$525,804	\$96,494	\$144,146	\$285,164
Year 14	\$536,320	\$98,424	\$147,028	\$290,867
Year 15	\$547,046	\$100,392	\$149,969	\$296,685
Year 16	\$557,987	\$102,400	\$152,968	\$302,618
Year 17	\$569,147	\$104,448	\$156,028	\$308,671
Year 18	\$580,530	\$106,537	\$159,148	\$314,844
Year 19	\$592,140	\$108,668	\$162,331	\$321,141
Year 20	\$603,983	\$110,841	\$165,578	\$327,564
	\$10,073,507	\$1,848,664	\$2,761,585	\$5,463,259

Baron Wind

Steuben County IDA PILOT Assessment Wayland

Rated Mgw	Cohocton	Distribution
Wayland Tax Rate/\$1,000	\$5.89	Wayland Cohocton
County Tax Rate/\$1,000	\$7.52	19.46%
Wayland Cohocton School District Tax Rate/\$1,000	\$16.86	24.84%
		55.70%
		100.00%

Total Tax Rate/\$1000 **\$30.27**

Per Mgw PILOT Rate
 Rated Megawatts Wayland Cohocton School \$5,300.00 plus 2% annually
 30,975 Based on 7 turbines at 3.675 MW each and 2 at 2.625

Arkport School District Schedule

Abatement Year	Total PILOT Revenue	Town Payment	County Payment	Wayland School Payment
Year 1	\$164,168	\$31,944	\$40,784	\$91,439
Year 2	\$167,451	\$32,583	\$41,600	\$93,268
Year 3	\$170,800	\$33,235	\$42,432	\$95,133
Year 4	\$174,216	\$33,899	\$43,281	\$97,036
Year 5	\$177,700	\$34,577	\$44,146	\$98,977
Year 6	\$181,254	\$35,269	\$45,029	\$100,956
Year 7	\$184,879	\$35,974	\$45,930	\$102,975
Year 8	\$188,577	\$36,694	\$46,848	\$105,035
Year 9	\$192,348	\$37,428	\$47,785	\$107,136

Year 10	\$196,195	\$38,176	\$48,741	\$109,278
Year 11	\$200,119	\$38,940	\$49,716	\$111,464
Year 12	\$204,122	\$39,718	\$50,710	\$113,693
Year 13	\$208,204	\$40,513	\$51,724	\$115,967
Year 14	\$212,368	\$41,323	\$52,759	\$118,286
Year 15	\$216,616	\$42,150	\$53,814	\$120,652
Year 16	\$220,948	\$42,992	\$54,890	\$123,065
Year 17	\$225,367	\$43,852	\$55,988	\$125,526
Year 18	\$229,874	\$44,729	\$57,108	\$128,037
Year 19	\$234,472	\$45,624	\$58,250	\$130,598
Year 20	\$239,161	\$46,536	\$59,415	\$133,210
	\$3,988,838	\$776,157	\$990,950	\$2,221,732

Baron Wind

Steuben County IDA PILOT Assessment Fremont

Rated Mgw

Dansville Tax Rate/\$1,000

County Tax Rate/\$1,000

Arkport School District Tax Rate/\$1,000

Wayland School District Tax Rate/\$1,000

	Arkport		Wayland		Distribution		Distribution	
	Arkport	Wayland	Arkport	Wayland	Arkport	Wayland	Arkport	Wayland
	\$8.08	\$8.08	23.39%	26.55%	23.39%	26.55%	18.04%	18.04%
	\$5.49	\$5.49	15.89%	18.04%	15.89%	18.04%	55.41%	55.41%
	\$20.98	\$20.98	60.72%	55.41%	60.72%	55.41%		
		\$16.86	100.00%	100.00%	100.00%	100.00%		

Total Tax Rate/\$1000

\$34.55

\$30.43

Per Mgw PILOT Rate

Rated Megawatts Arkport School

Rated Megawatts Wayland Cohocton School

\$5,300.00 plus 2% annually

5.250 Based on 2 turbines at 2.625 MW each

2.625 Based on 1 turbines at 2.625MW each

Arkport School District Schedule

Abatement Year	Total PILOT Revenue	Town Payment	County Payment	Arkport School Payment
Year 1	\$27,825	\$6,507	\$4,421	\$16,896
Year 2	\$28,382	\$6,637	\$4,510	\$17,234
Year 3	\$28,949	\$6,770	\$4,600	\$17,579
Year 4	\$29,528	\$6,906	\$4,692	\$17,931
Year 5	\$30,119	\$7,044	\$4,786	\$18,289
Year 6	\$30,721	\$7,185	\$4,882	\$18,655
Year 7	\$31,335	\$7,328	\$4,979	\$19,028
Year 8	\$31,962	\$7,475	\$5,079	\$19,409
Year 9	\$32,601	\$7,624	\$5,180	\$19,797
Year 10	\$33,253	\$7,777	\$5,284	\$20,193
Year 11	\$33,919	\$7,932	\$5,390	\$20,597
Year 12	\$34,597	\$8,091	\$5,497	\$21,008

Year 13		\$35,289	\$8,253	\$5,607	\$21,429
Year 14		\$35,995	\$8,418	\$5,720	\$21,857
Year 15		\$36,714	\$8,586	\$5,834	\$22,294
Year 16		\$37,449	\$8,758	\$5,951	\$22,740
Year 17		\$38,198	\$8,933	\$6,070	\$23,195
Year 18		\$38,962	\$9,112	\$6,191	\$23,659
Year 19		\$39,741	\$9,294	\$6,315	\$24,132
Year 20		\$40,536	\$9,480	\$6,441	\$24,615
		\$676,074	\$158,109	\$107,428	\$410,537

Wayland Cohocton School District Schedule

Abatement Year	Total PILOT Revenue	Town Payment	County Payment	Wayland Cohocton School Payment
Year 1	\$13,913	\$3,694	\$2,510	\$7,708
Year 2	\$14,191	\$3,768	\$2,560	\$7,863
Year 3	\$14,475	\$3,843	\$2,611	\$8,020
Year 4	\$14,764	\$3,920	\$2,664	\$8,180
Year 5	\$15,059	\$3,999	\$2,717	\$8,344
Year 6	\$15,361	\$4,079	\$2,771	\$8,511
Year 7	\$15,668	\$4,160	\$2,827	\$8,681
Year 8	\$15,981	\$4,243	\$2,883	\$8,854
Year 9	\$16,301	\$4,328	\$2,941	\$9,032
Year 10	\$16,627	\$4,415	\$3,000	\$9,212
Year 11	\$16,959	\$4,503	\$3,060	\$9,396
Year 12	\$17,298	\$4,593	\$3,121	\$9,584
Year 13	\$17,644	\$4,685	\$3,183	\$9,776
Year 14	\$17,997	\$4,779	\$3,247	\$9,972
Year 15	\$18,357	\$4,874	\$3,312	\$10,171
Year 16	\$18,724	\$4,972	\$3,378	\$10,374
Year 17	\$19,099	\$5,071	\$3,446	\$10,582
Year 18	\$19,481	\$5,173	\$3,515	\$10,794

Year 19	\$19,870	\$5,276	\$3,585	\$11,009
Year 20	\$20,268	\$5,382	\$3,657	\$11,230
	\$338,037	\$89,758	\$60,987	\$187,292

Baron Wind Project Economic Impact Study

May, 2019

Prepared for:
Steuben County Industrial Development Agency

Prepared by:
Michael Silva
Project Director



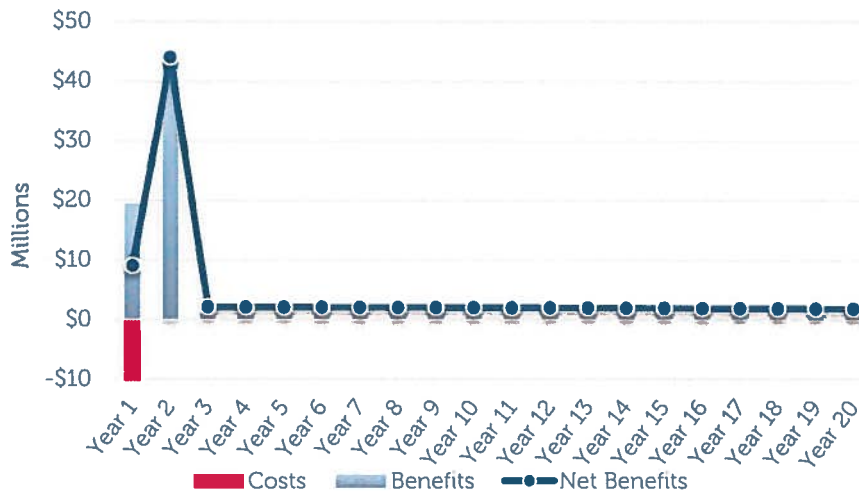
Summary

Baron Winds LLC, a subsidiary of Innogy Renewables US LLC, proposes to invest over \$304 million in Steuben County, New York. The company will construct and operate a commercial-scale wind power project within the Towns of Cohocton, Dansville, Fremont and Wayland. This project will produce renewable energy for the New York State electrical market.

As part of this project, Baron Winds has requested economic incentives from the Steuben County Industrial Development Agency (SCIDA). SCIDA engaged CGR to assess the economic impact and conduct a cost-benefit analysis of the project to make an informed decision on the requested incentive.

CGR finds that the project will produce a net benefit of \$89.4 million to the local economy over twenty years.

Figure 1. Net Present Value Benefits for Baron Wind by Year*



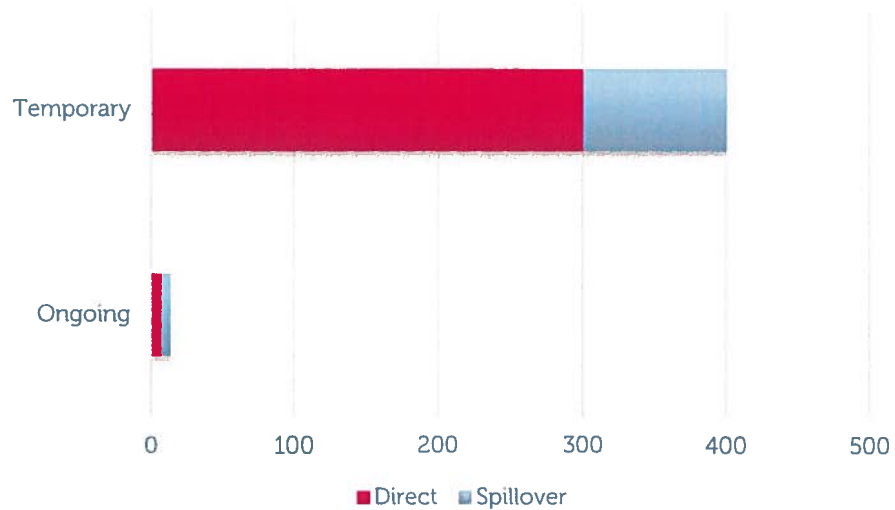
*Discounted at 2%

There will be a sizeable economic impact during the first two years, as this is when the construction will occur. CGR estimates the Baron Wind project will provide work for 300 construction workers during the temporary construction phase. Spending by construction firms and their employees would result in an estimated 100 additional jobs in the region. Payroll in the region will increase in total by \$55.2 million during the construction phase.

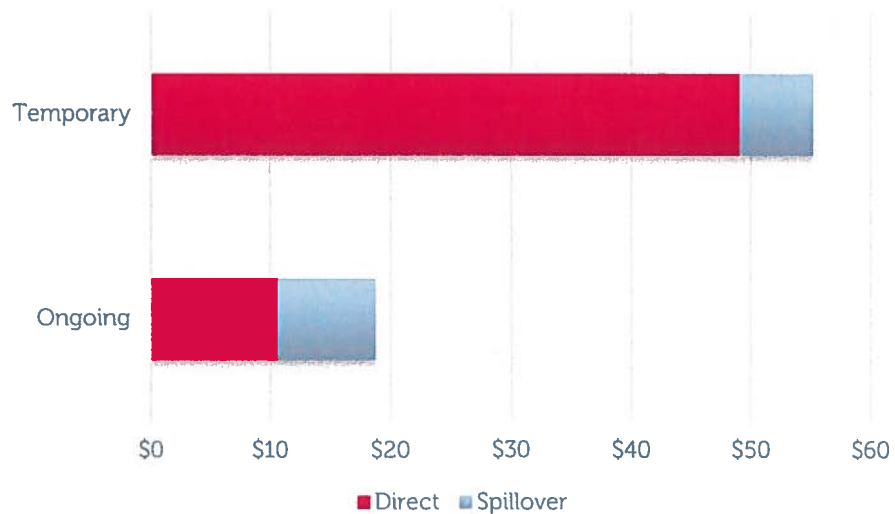
Once operational, this project will employ a smaller number of workers. Baron Winds projects they would employ 7 FTEs. Baron Winds provided salary ranges for these

workers. CGR selected the midpoint of the range to model the ongoing impact. CGR estimates the spillover spending will spur 7 additional jobs in the region.

Figure 2. Baron Winds Employment Impact



**Figure 3. Baron Wind Payroll Impact
(Dollars in Millions)**



Acknowledgements

CGR would like to thank Jamie Johnson, Executive Director at Steuben County Industrial Development Agency, for providing project details

Staff Team

Michael Silva, Senior Data Analyst, performed the analysis and authored this report.

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Introduction

Baron Winds LLC, a subsidiary of Innogy Renewables US LLC, proposes to invest over \$304 million in Steuben County, New York. The company will construct and operate a commercial-scale wind power project within the Towns of Cohocton, Dansville, Fremont and Wayland. There will be 67 turbines capable of producing 235 mW of power. This project will produce renewable energy for the New York State electrical market.

As part of this project, Baron Winds has requested economic incentives from the Steuben County Industrial Development Agency (SCIDA). SCIDA engaged CGR to assess the economic impact and conduct a cost-benefit analysis of the project to make an informed decision about the requested incentive.

Since Baron Winds is requesting a twenty-year PILOT, CGR analyzed the project over the same period. CGR finds that the project will produce a net benefit of \$89.4 million to the local economy over twenty years.

Proposed Investments

The Baron Winds project will be located on private lands within each of the above referenced towns. This land is rural in nature. The footprint of the facilities will enable farmers and landowners to continue their operations and other existing land uses.

Baron Winds is slated to begin construction in November 2019. Construction is estimated to be complete by December 2020 and the facilities will be operational at that time. The following table summarizes the investments proposed by Baron Winds.

Table 1. Proposed Investments

	Amount
Land and/or Building Acquisition	\$600,000
New Building Construction	\$1,250,000
Infrastructure Work	\$37,000,000
Non-Manufacturing Equipment	\$20,000
Soft Costs	\$6,800,000
Other	\$258,501,000
Total	\$304,171,000
Discounted Total (2%)	\$299,622,000

Economic Impact

The proposed investment will result in a significant temporary boost to the regional economy during construction. Once operational, there will be an ongoing economic impact.

Construction Phase Impact

CGR estimates the Baron Wind project will provide work for 300 construction workers in the region during the construction phase. Subsequent spending by the construction firms and their employees result in an estimated 100 additional jobs in the region. Payroll in the region will increase in total by \$55.2 million during the construction phase. This payroll will generate \$3.2 million in income tax revenue and \$1.6 million in sales tax revenue.

Table 2. Construction Phase Impact Summary
(dollars in millions)

	Direct	Spillover	Total
Employment	300	100	400
Payroll	\$49.1	\$6.1	\$55.2
Income Tax	\$2.9	\$0.3	\$3.2
Sales Tax	\$1.4	\$0.2	\$1.6

Ongoing Impact

Once operational, this project will employ a smaller number of workers. Baron Winds projects employment at 7 FTEs. Baron Winds provided salary ranges for these workers. CGR selected the midpoint of the range to model the ongoing impact.

CGR estimates that spillover spending associated with this project will provide jobs for another 7 workers in the region. Over the first twenty years of this project, the payroll will total \$18.8 million. The operation of this project will generate an estimate \$856,000 in income tax revenue and \$631,000 in sales tax revenue.

Table 3. Baron Wind Impact Summary

	Direct	Spillover	Total
Employment	7	7	14
Payroll (millions)	\$10.6	\$8.2	\$18.8
Income Tax (thousands)	\$552	\$304	\$856
Sales Tax (thousands)	\$394	\$237	\$631

Cost Benefit Analysis

Estimated Costs

SCIDA is considering a sales tax, mortgage recording tax and a PILOT agreement. The following table summarizes the cost of these incentives to the community in both nominal and discounted terms. CGR assumed that the sales tax and mortgage tax exemption happen in the first year, hence the discounted and nominal values are the same.

Table 4. Estimated Costs of Incentives

	Nominal	Discounted
Sales Tax Exemption	\$8,000,000	\$8,000,000
Mortgage Recording Tax Exemption	\$2,379,000	\$2,379,000
Property Tax Exemption	\$1,239,000	\$1,020,000
Total	\$11,618,000	\$11,398,000

May not sum due to rounding. Discounted at 2%.

Estimated Benefits

CGR estimates the Baron Winds project will produce over \$110 million in economic and fiscal benefits over the full 20 years. The following table summarizes these benefits. This analysis ignores the impact of the rent collected by the land-owners, which would be positive. These additional benefits are not included in the analysis

Table 5. State & Regional Benefits

	Direct	Spillover	Total
Regional Benefits	\$90,723,000	\$14,492,000	\$105,216,000
To Private Individuals	\$59,644,000	\$14,287,000	\$73,931,000
Temporary Payroll	\$49,094,000	\$6,069,000	\$55,164,000
Ongoing Payroll	\$10,550,000	\$8,217,000	\$18,767,000
To the Public	\$31,079,000	\$206,000	\$31,285,000
Property Tax Revenue	\$30,221,000	N/A	\$30,221,000
Temporary Sales Tax Revenue	\$707,000	\$87,000	\$794,000
Ongoing Sales Tax Revenue	\$152,000	\$118,000	\$270,000
State Benefits	\$4,322,000	\$904,000	\$5,226,000
To the Public	\$4,322,000	\$904,000	\$5,226,000
Temporary Income Tax Revenue	\$2,911,000	\$305,000	\$3,216,000
Ongoing Income Tax Revenue	\$552,000	\$394,000	\$946,000
Temporary Sales Tax Revenue	\$707,000	\$87,000	\$794,000

Ongoing Sales Tax Revenue	\$152,000	\$118,000	\$270,000
Total Benefits to State & Region	\$95,045,000	\$15,396,000	\$110,441,000
Discounted Total Benefits (2%)	\$87,060,000	\$13,835,000	\$100,895,000

May not sum due to rounding

Benefit-Cost Ratios

The following benefit-to-cost ratios. The regional benefits include the payroll to private individuals, the property tax revenue from the PILOT and the local portion of the sales tax. These figures over 20 years are nominally \$105,216,000. Once discounted back to present value using a 2% discount rate we have the total benefit to the region at just under \$96 million. The costs to the region include the property tax revenue, and the local portions of the sales and mortgage tax. Once discounting these values, we estimate a total cost to the community at \$6.8 million. This estimate gives a 14 to 1 benefits to cost ratio for the region.

The state benefits include the income tax and state portion of the sales tax revenue. This totals the \$5.2 million found in the previous table. Once discounted, the benefit to the state totals \$4.9 million. The costs include the state portion of the sales and mortgage tax. This totals \$4.5 million giving a 1.1:1 benefit to cost ratio.

Table 6. Discounted Benefit-Cost Ratio

	Benefit	Cost	Ratio
Region	\$95,927,000	\$6,804,000	14:1
State	\$4,968,000	\$4,595,000	1.1:1
Region & State	\$100,895,000	\$11,398,000	9:1

Discounted at 2%

Appendix

This section describes the methodology and assumptions used in this report.

Sales Tax Exemption

The estimates used in the analysis come from the IDA application of Baron Wind. The company estimated spending \$100 million that would qualify for a sales tax exemption. Applying an 8% sales tax rate results in the \$8 million sales tax exemption figure. CGR assumed this cost would occur during the first year.

Mortgage Recording Tax Exemption

Data from the IDA application also informed these calculations. Baron Winds estimated the mortgage recording tax at \$2,378,868. This comes from the estimated mortgage amount of \$190,309,400, multiplied by 1.25%. CGR assumed this cost would occur during the first year.

Property Tax Exemption & Revenue

The property tax impacts are found in both the costs and the benefits of the report. Both are presented from the point of view of the community. The additional property tax revenue resulting from the project is a benefit to the community. The additional revenue is the difference between the total property tax revenue after development and the total property tax revenue currently received.

CGR assumed no significant decrease in the assessed value of the current tax base due to the project. Based on the literature on the impact of wind farms on existing housing prices this assumption is reasonable. Thus we assume the status quo property tax would remain unchanged with the addition of the wind farm. Since the status quo is unchanged, the PILOT revenue is the additional property tax revenue, or the benefit to the community, after the project is completed. CGR used the PILOT revenue projections created by the Steuben County IDA.

How much property tax revenue is exempted is the cost the community¹. In order to estimate this, one must estimate how much property tax revenue would be received if the development occurred and there was no PILOT. The difference between this hypothetical total and what actually will be received is the amount of property tax that was exempted.

¹ This is also the benefit to Baron Winds.

In estimating the costs to the community CGR assumed that the assessed value would increase equal to the cost of construction. The wind farm is likely to be considered a "specialty property" under New York's Real Property Tax Law. Specialty property is assessed at current replacement value less depreciation (straight line, 39 years). CGR used Baron Wind's estimate of new building and infrastructure work to represent the replacement cost. These two combined total \$38.3 million. CGR distributed this amount across taxing jurisdictions. The number and type of turbines determined the share of construction spending each jurisdiction received. CGR computed the hypothetical property tax using these rough estimates.

Under the hypothetical built without a PILOT scenario, property tax revenue will increase by \$31.5 million over 20 years. The PILOT projects property tax revenue totals of \$30.2 million. CGR estimates that there is a \$1.2 million property tax cost to the community over twenty years.

Table 7. Total Property Tax Revenue over 20 Years
(dollars in millions)

Scenario	Total Revenue
Without PILOT	\$31.5
With PILOT	\$30.2
Savings	\$1.2

Employment and Salary Benefits

There are three types of impacts measured in any economic impact analyses. The first is the direct effect. These, as the name implies, are directly due to the company. The other two effect result from spillover spending. The indirect effect is due to a company spending with suppliers. The induced is due to the employee spending. CGR combines the indirect and induced effects into "spillover" effects.

CGR uses IMPLAN, a regional input-output modeling system, to estimate these impacts. The U.S. Forest Service developed IMPLAN in late 1970s. It is a widely accepted model of economic activity. The IMPLAN database consists of two major parts: 1) a national-level technology matrix and 2) estimates of sectoral activity for final demand, final payments, industry output and employment for each county in the U.S. along with state and national totals.

CGR examines the economic impacts during two phases. The first is during the construction phase. During this temporary phase, there is a substantial increase in economic activity. This primarily supports construction jobs but touches all sectors of the economy.

The second phase is the operational phase. CGR based our estimates provided by Baron Wind. The company provided employee positions and numbers and salary

ranges for the positions. The table below summarizes the data. CGR choose the midpoint of range for modeling the impact.

Table 8. Salary Assumptions

<u>Job Category</u>	<u>FTEs</u>	<u>Salary Range</u>	<u>Assumption Used</u>
Professional	2	\$90,000-\$130,000	\$110,000
Production	3	\$60,000-\$100,000	\$80,000
Other	1.5	\$30,000-\$60,000	\$45,000

The increase in income is a benefit that flows to private individuals. Benefits also flow to public entities. CGR estimated the income and sales tax benefits due to the increase in income. NYS Department of Taxation data on effective income tax rates informed our estimation process. The share of personal income spent on sales taxable goods (34%) multiplied by the sales tax rate estimates the sales tax revenue.