ST. LAWRENCE COUNTY AGRICULTURAL AND FARMLAND PROTECTION BOARD

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MEETING MINUTES

Thursday, February 27, 2020 2nd Floor Conference Room, Public Safety Complex, 49 ½ Court Street, Canton

I. Call to Order

A. Members present: P. Ames, R. Andrews, L. Denesha, B. Green, J. Greenwood, S. McKnight, R. Sapp, J. TeRiele, and J. Pfotenhauer. Members absent: D. Fisher. Staff present: M. Larson. Others present: Patrick Kelly, St. Lawrence County Industrial Development Agency; Glenn Bullock, Executive Director for USDA FSA St. Lawrence County Service Center; Amy Hunt, Municipal Assessor.

Roll Call and Determination of a Quorum. Andrews called the meeting to order at 7:39 pm; a quorum was present. Bruce Green introduced Amy Hunt who is the Assessor for the Towns of Madrid, Pierrepont, Russell and Edwards.

- **B.** Adoption of the Agenda. Larson said tonight's meeting agenda under New Business would include remarks from FSA Executive Director Glenn Bullock. The modified meeting agenda was unanimously adopted by consensus.
- C. Approval of the Minutes. The December 5, 2019 meeting minutes were unanimously adopted (Pfotenhauer/TeRiele).

II. New Business

A. Exemptions and PILOTs for Solar Array Systems. Green said tonight's presentation is a follow up to a discussion from the December meeting about tax exemptions and payments in lieu of taxes (PILOTs) for solar arrays. Green explained local taxing jurisdictions can opt-out of a 15-year tax exemption that applies to the installation of solar energy systems of any size. Jurisdictions who opt out of the exemption require property owners/developers to pay real estate taxes based on its full assessed value. Green identified said the following taxing jurisdictions have opted out of the exemption: the Towns of Parishville, Hopkinton and Colton; and Brasher Falls, Harrisville, Indian River, Parishville-Hopkinton; Potsdam and Tupper Lake School Districts.

Communities who participate in the exemption, however, can require a payment in lieu of taxes (PILOTs) during the 15-year exemption for certain sizes. Green was asked what size the exemption could apply to. Green replied up to 25MW, regardless of the acreage an array uses. Green added the exemption applies to the facility, and not to the land that is hosting an array. Green said the valuation of a system can be based on its construction cost, by the value of the energy that's produced, or by the acreage of a site. Larson listed which communities had solar array projects reviewed by the County Planning Board: Lisbon, Canton, Gouverneur, Dekalb, Morristown and Potsdam. Green added that a taxing jurisdiction can insist on a PILOT even though a developer seeks an exemption. Green explained there's a 60-day timeframe for a community to request a PILOT; the clock begins when a developer submits a letter to a town supervisor or village mayor indicating its intent to request an exemption. Green was asked whether a PILOT can exceed the 15-year exemption. Green replied that it's not clear. A comment was made that as solar panel technology advances, the panels may be replaced as the exemption is nearing its sunset, and the installation of new panels trigger another 15-year exemption.

Greenwood said the primary limitations to installing large-scale solar arrays are the transmission capacity of the grid, and securing an interconnect agreement from the utility. A comment was made that some developers are acquiring solar leases at \$3,900 per acre. Green said when farmland with an exemption is converted to another use, the penalty is five times the exemption savings plus compounded annual interest. The parcel would also have to pay special district taxes. A question was asked about whether the parcel would continue to qualify for an exemption if the lease area was used for an apiary, or for sheep grazing. Larson replied that the exemption is based on the productivity of the soils, and if the land is no long being used to grow a crop, then it would no longer qualify. A comment was made that the Governor introduced a budget amendment that would lower the State's project review threshold from 25 MW to 10 MW, and the review would be conducted by NYSERDA rather than the Public Service Commission.

Kelly reviewed the IDA's financial incentives that are offered to help businesses and local jurisdictions raise revenue including mortgage recording tax exemptions, sales tax exemptions and PILOTs. Kelly reviewed the IDA's tax abatements and timeframes when issuing standard PILOTs, and securing consent from local taxing jurisdictions when they are asked by developers to issue a non-standard PILOT. Kelly said PILOTs issued for solar arrays in New York range between \$3,000 to \$5,000 per MW per year for 15 years, and those revenues are shared between a school district, village, town and county. A comment was made that the average solar lease price being offered to land owners is \$1,250 per acre. A discussion ensued among Board members about encouraging landowners to use their marginal lands rather than their prime farmland when signing leases. Members of the Board also said they were not against solar development, but would encourage farmers from displacing prime farmland that is in production.

Greenwood suggested Planning staff prepare a resolution and statement to help raise awareness about the limited availability of prime farmland in the county, and to consider the long-term ramifications on the economy when they are taken out of production. A comment was also made for the County to not automatically grant 15-year exemptions for solar arrays, but to

capture revenue through the issuance of PILOTs. Greenwood said when the resolution is presented to the County Board of Legislators, it will help raise awareness among landowners. When discussing timeframes, Pfotenhauer said the resolution could be considered at the Ag and Farmland Protection Board's April 2nd meeting, and presented to the County Legislators at their April 20th committee meeting for adoption on May 4th. The Agricultural and Farmland Protection Board unanimously agreed to prepare a resolution and statement for the County Board of Legislator's consideration that would encourage landowners to use their marginal lands rather than their prime farmland when signing solar lease agreements (Greenwood/Sapp).

B. FSA Profile of St. Lawrence County Agriculture. Bullock introduced himself and said he has been with USDA for 16 years, and was recently appointed Executive Director for the FSA St. Lawrence County Service Center. Bullock explained the FSA's estimate for acreage in production in the county is based on numbers provided by farms that participate in their programs. In 2009, Bullock said participants reported an average size of 95 acres in production. In 2019, that number declined to 75 acres. Bullock said farm operations today are smaller and more diverse which include honey and cranberry bogs. Bullock noted some farm operations don't participate in their programs because they require complying with FSA guidelines, and these guidelines may conflict with a farm operator's practices or beliefs in how to operate their farm. As a result, Bullock estimates the FSA's figures don't capture about 30% of agricultural lands that are in production in the county. Andrews thanked Bullock for his presentation.

III.Old Business

A. None.

IV. Reports

- **A. Board of Legislators.** Denesha said at Finance Committee, the Board of Legislators heard a resolution recognizing National Agriculture Week, which is from March 22nd to the 28th. Denesha said the County's sales tax revenue in February was up by \$400,000 from the previous year. Denesha said the State budget is facing a \$6.1 billion shortfall, and Medicaid reimbursements to the County may be reduced by 1%. Denesha said the County's weekly share of Medicaid costs is \$443,000, totaling \$24 million annually. Denesha also noted the County's Treasurer's Office was successful in raising additional revenue through its savings accounts interest rates.
- **B.** Cornell Cooperative Extension. Ames said Cooperative Extension held its organizational meeting in January. The organization currently has seven job vacancies. Ames listed upcoming workshops and program activities, and said it completed its online survey of dairy operations. CCE was recently awarded \$100,000 to continue its Farm to School food services with participating school districts, which will be used to acquire additional equipment for minimal processing in its certified kitchen. Ames said the organization recently completed its marketing initiative with local food producers, and CCE intends to host another Harvest Days event in the fall. Ames said staff are now available to assist low to moderate income households with energy audits and to access weatherization funds. Ames said the Ag Academy currently has

12 students enrolled, with another six students who have registered for the following school year.

- C. Industrial Development Agency. Kelly said the IDA has been absorbed with completing its year-end audits, and the agency is concerned about impacts of commodity prices especially zinc and aluminum on area mines and manufacturing companies. Kelly said the organization is also promoting against State prison closures in the county.
- **D. Real Property.** Green said the office is working with local assessors on their tax rolls, and three towns Rossie, Hermon and Fine will conduct revaluations this year. Green said he will be delivering a presentation to the County Board to purchase updated mapping software, and the office will hold an ethics class for assessors in May.
- **E. Soil and Water Conservation District.** Andrews said Dulanski has returned from maternity leave, and said the County Forester is working on EAB hazard tree mitigation. Andrews also said the no-till planter will be taken out of operation as it is 11 years old and will be sold. Andrews said it will not be replaced, and said some users have complained the cost to rent the equipment is too expensive. Andrews said the charges are \$35 for delivery, and \$18 per acre.

VI. Other Items

- **A. Announcements.** Larson said she is scheduled to present at daylong solar workshop in Herkimer on Saturday, March 7th.
- **B.** Correspondence. None.
- C. Next Meeting Date. The next meeting for the Agricultural and Farmland Protection Board is Thursday, April 2, 2020 at 7:30 pm. Larson said the Board will review requests add land to Ag Districts 1 and 2, and make a recommendation to the County Board of Legislators.

VII. Adjourn

The meeting adjourned at 9:45 pm by consensus.

Respectfully submitted,

Matilda Gaxson