CHAPTER 88: SOLAR ENERGY PILOT LAW

§1 TITLE

This Local Law may be cited as the "Solar Energy System PILOT Law of the Town of Camillus, New York".

§2 PURPOSE

This Local Law is adopted to ensure that the benefits of the community's solar energy resource are available to the entire community, by promoting the installation of solar energy generating equipment through a payment-in-lieu-taxes (PILOT), granting reduced costs to system developers and energy consumers, and providing a revenue stream to the entire community.

§3 AUTHORITY

This Local Law is adopted under the authority granted by:

- Article IX of the New York State Constitution, §2(c)(8)
- New York Statute of Local Governments §10(5)
- New York Municipal Home Rule Law §10(1)(i) and (ii) and §10(1)(a)(8)
- New York Real Property Tax Law §487(9)

§4 DEFINITIONS

1. "Annual Payment" means the payment due under a PILOT Agreement entered into pursuant to Real Property Tax Law §487(9)

2. "Annual Payment Date" means January 1st of each year

3. "Capacity" means the manufacturer's nameplate capacity of the Solar Energy System as measured in kilowatts (kW) or megawatts (MW) AC

4. "Owner" means the owner of the property on which a Solar Energy System is located or installed, or their lessee, licensee or other person authorized to install and operate a Solar Energy System on the property.

5. "Property Solar Energy System" means a Solar Energy System with a nameplate generating capacity less than 50 kW AC in size, installed on the roof or the property of any property intended to service only that property.

6. "Farm Waste Energy System" as defined in §487(1)(f) Real Property Tax Law.

7. "Solar Energy Equipment" means collectors, controls, energy storage devices, heat pumps and pumps, heat exchangers, windmills, and other materials, hardware or equipment necessary to the process by which solar radiation is (i) collected, (ii) converted into another form of energy such as thermal, electrical, mechanical or chemical, (iii) stored, (iv) protected from unnecessary dissipation and (v) distributed. It does not include pipes, controls, insulation or other equipment which are part of the normal heating, cooling, or insulation system of a building. It does include insulated glazing or insulation to the extent that such materials exceed the energy efficiency standards required by New York Law.

8. “Solar Energy System” means an arrangement or combination of Solar Energy Equipment designed to provide heating, cooling, hot water, or mechanical, chemical, or electrical energy by the collection of solar energy and its conversion, storage, protection and distribution.

§5 PILOT REQUIRED

1. The owner of a property on which a Solar Energy System is located or installed (including any improvement, reconstruction, or replacement thereof), shall enter into a PILOT Agreement with the Town consistent with the terms of this Local Law, except for a:

    a. Farm Waste Energy System;
    b. Property Solar Energy System;
    c. Solar Energy Systems that do not seek or qualify for an exemption from real property taxes pursuant to Real Property Tax Law §487(4)

2. The Lessee or licensee of any owner of a property required to enter into a PILOT Agreement by this section, which owns or controls the Solar Energy System, may enter into the PILOT Agreement on behalf of the owner of the property.

3. Upon receipt of any notification from an owner or other person of intent to install a Solar Energy System, the Town Supervisor shall immediately, but in no case more than sixty days after receipt of the notification, notify the owner or other person of the mandatory requirement for a PILOT Agreement pursuant to the terms of this Local Law.

4. Nothing in this Local Law shall exempt any requirement for compliance with state and local codes for the installation of any solar energy equipment or a solar energy system, or authorize the installation of any solar energy equipment or a solar energy system. All solar energy systems must file a Real Property Tax Exemption application pursuant to Real Property Tax Law §487 to receive a tax exemption.

§6 CONTENTS OF PILOT AGREEMENTS

1. Each PILOT Agreement entered into shall include:

    a. Name and contact information of the Owner or other party authorized to act upon behalf of the Owner of the Solar Energy System

    b. The SBL number for each parcel or portion of a parcel on which the Solar Energy System will be located

    c. A requirement for fifteen successive annual payments, to be paid commencing on the first Annual Payment Date after the effective date of the Real Property Tax Exemption granted pursuant to Real Property Tax Law §487

    d. The Capacity of the Solar Energy System and that, if the Capacity is increased or increased as a result of a system upgrade, replacement, partial removal or retirement of Solar Energy Equipment, the annual payments shall be increased or decreased on a pro rate basis for the remaining years of the Agreement

e. That the parties agree that under the authority of Real Property Tax Law §487 the Solar Energy System shall be considered exempt from real property taxes for the fifteen-year life of the PILOT Agreement

f. That the PILOT Agreement may not be assigned without the prior written consent of the Town of Camillus, which consent may not be unreasonably withheld if the Assignee has agreed in writing to accept all obligations of the Owner, except that the Owner may, with advance written notice to the Town of Camillus but without prior consent, assign its payment obligations under the PILOT Agreement to an affiliate of the Owner or to any party who has provided or is providing financing to the Owner for or related to the Solar Energy System, and has agreed in writing to accept all payment obligations of the Owner

g. That the Notice of this Agreement may be recorded by the Owner at its expense, and the Town of Camillus shall cooperate in the execution of any Notices or Assignments with the Owner and its successors

h. That the Annual Payment shall be:

   i. For Solar Energy Systems with a Capacity greater than 1 MW and less than 5 MW, $TBD per MW of Capacity
   ii. For Solar Energy Systems with a Capacity greater than 5 MW will be determined on a case by case basis

i. That the Annual Payment shall escalate TBD percent (TBD %) per year, starting with the second Annual Payment

j. That if the Annual Payment is not paid when due, that upon failure to cure within thirty days, the Town of Camillus may cancel the PILOT Agreement without notice to the Owner, and the Solar Energy System shall thereafter be subject to taxation at its full assessed value.

§7 SEVERABILITY

Should any provision of this Local Law be declared by the courts to be unconstitutional or invalid, such decision shall not affect the validity of this Local Law as a whole or any part thereof other than the part so decided to be unconstitutional or invalid.

§8 EFFECTIVE DATE

This Local Law shall be effective upon its filing with the Secretary of State in accordance with the Municipal Home Rule Law, and shall apply to all solar energy systems constructed.

HISTORICAL NOTES

New Chapter, LL#5-2020