ARTICLE 11:

ARTICLE 11: To see if the Town will vote, pursuant to the provisions of G. L. c.59, §38H, to authorize the Board of Selectmen and Board of Assessors to negotiate and enter into an agreement for payments in lieu-of- taxes ("PILOT"), for a 1 MW –AC (more or less) solar photovoltaic energy generating facility for Renewable Energy Development Partners, LLC (or its affiliates, successors or assigns) to be located on property shown on Plymouth Assessor's Map 56 Lot 57A , upon such terms and conditions as the Board of Selectmen and Board of Assessors shall deem to be in the best interest of the Town, or take any other action relating thereto.
BOARD OF SELECTMEN

RECOMMENDATION: Approval (Unanimous, 12-0-0)
The Advisory & Finance Committee recommends Town Meeting approve Article 11. Approval of this article will allow the Town to negotiate a PILOT agreement with Renewable Energy Development Partners. This is Phase II, which involves installation and operation of a 1MW-AC solar facility. Phase I was approved at the Spring 2015 Town Meeting. Phase III follows as Article 12. All three phases are situated on abutting parcels located off of Herring Pond Road.

Town of Plymouth
Finance Department

TO: Board of Selectmen and Advisory & Finance Committee
FROM: Lynne A. Barrett, Director of Finance
RE: **Article 11 – Solar PILOT**
Phase II – Assessor's Map 56 Lot 57A
DATE: September 9, 2015

Article 13 of the Spring 2013 Special Town Meeting authorized the Board of Selectmen to negotiate one or more agreements for payments-in-lieu-of-taxes (PILOT) pursuant to the provisions of M.G.L. Chapter 59, Section 38H(b), and Chapter 164, Section 1 for property relating to renewable energy generation facilities. The town has since entered into several PILOT agreements. Because of the state statute, communities are allowed to tax these facilities through a negotiated PILOT agreement.

This past summer Renewable Energy Development Partners, LLC submitted their required documentation to the Director of Assessing for review for a 1 MWAC Solar Photovoltaic facility to be located on Plymouth Assessor's Map 56 Lot 57A. This is Phase II of III. Phase I was approved at the 2015 Spring Annual Town Meeting. Please refer to Exhibit A which shows all 3 phases on a locus map.

A PILOT agreement can be beneficial to both the developer and the Town; some of the advantages are but not limited to:

Developer	Town
1. Set stream of payments known at the beginning of the project for cost evaluation or financing.	1. Set stream of payments for tax billing purposes based on an initial evaluation of cost for appraisal versus on an annual basis. Lowers our transaction cost by avoiding a 3 year certification / valuation appraisal.
	2. Because the facility is considered personal property the town could not perfect a lien like we can with real estate if it went unpaid. We would seek remedy under a violation of the contract terms.
	3. Removes the risk of disagreement of the value and potential for requests for abatement.
	4. Negotiated PILOTS with solar developers prompt development of renewable energy in the Town of Plymouth.

By using the income approach to value a rate of $13,000 per MWAC was the negotiated amount for the PILOT. The term of the agreement will be for 20 years and will include an annual escalator of 2.5%.

A vote of Town Meeting is required to adopt the PILOT agreement. Your consideration and endorsement of this PILOT is appreciated. Thank you for your attention.

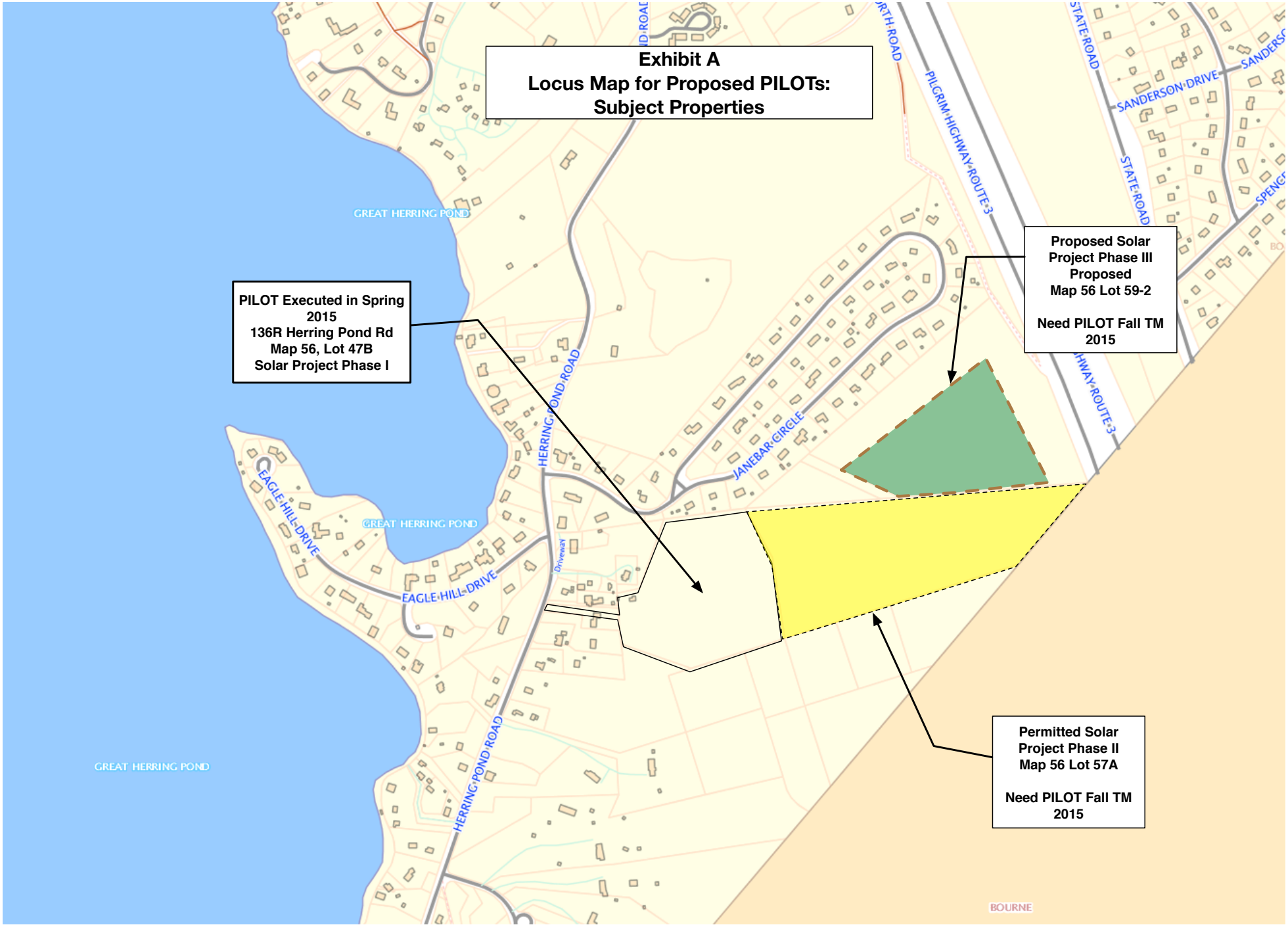
Exhibit A
Locus Map for Proposed PILOTs:
Subject Properties
PILOT Executed in Spring 2015
136R Herring Pond Rd
Map 56, Lot 47B
Solar Project Phase I
Proposed Solar Project Phase III Proposed
Map 56 Lot 59-2
Need PILOT Fall TM 2015
Permitted Solar Project Phase II
Map 56 Lot 57A
Need PILOT Fall TM 2015
GREAT HERRING POND
GREAT HERRING POND
GREAT HERRING POND
HERRING POND ROAD
HERRING POND ROAD
EAGLE HILL DRIVE
EAGLE HILL DRIVE
JANEBAR CIRCLE
PILGRIM HIGHWAY ROUTE 3
STATE ROAD
SANDERSON DRIVE
BOURNE