

Town of Plymouth  
Finance Department

TO: Board of Selectmen and Advisory & Finance Committee  
 FROM: Lynne A. Barrett, Director of Finance  
 RE: **Article 12 – Solar PILOT**  
**Phase III – Assessor’s Map 56 Lot 59A to be known as Lot 59-2**  
 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 59A, to be known as lot 59-2. This is Phase III 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**

