

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

**One Cablevision Center  
Ferndale, New York  
12734 845-295-2603**

**APPLICATION FOR FINANCIAL ASSISTANCE**

I. A. APPLICANT INFORMATION:

Company Name: NY Bethel I, LLC

Address: 140 E 45<sup>th</sup> Street, Suite 32B-1, New York, NY 10017

Phone No.: 646-998-6495

Telefax No.: 917-591-9441

Email Address: peter.dolgos@delawareriversolar.com

Fed Id. No.: 84-2143556

Contact Person: Peter Dolgos

Principal Owners/Officers/Directors (list owners with 15% or more equity holdings with percentage ownership):

Principal Owners (Shareholders/Members/Owners): Delaware River Solar, LLC (100%)

Directors/Managers: Delaware River Solar, LLC (Member Managed)

Officers: Richard Winter (CEO), John Tartaglia (President), Peter Dolgos (Senior Vice President), Luke Duncan (Senior Vice President)

*Corporate Structure (attach schematic if Applicant is a subsidiary or otherwise affiliated with another entity).*

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Form of Entity:

Corporation (Sub-s)  
Date of incorporation: \_\_\_\_\_  
State of incorporation: \_\_\_\_\_

Partnership  
General \_\_\_\_\_ or Limited \_\_\_\_\_  
Number of general partners \_\_\_\_\_  
If applicable, number of limited partners \_\_\_\_\_  
Date of formation: \_\_\_\_\_  
Jurisdiction formation: \_\_\_\_\_

Limited Liability Company/Partnership (number of members 1)  
Date of organization: 1/11/2019  
State of organization: NY

Sole Proprietorship

If a foreign organization, is the Applicant authorized to do business in the State of New York? Yes \_\_\_\_\_ No \_\_\_\_\_ N/A  (If so, please append Certificate of Authority.)

APPLICANT'S COUNSEL

Name: Law Office of Richard Chun, PLLC  
Address: 1225 Franklin Avenue, Suite 235, Garden City, NY 11530  
Phone No.: 646-998-6403  
Telefax No.: 917-591-9441  
Email Address.: rchun@rwc-legal.com

II. REQUESTED FINANCIAL ASSISTANCE

	<u>Estimated Value</u>
Real Property Tax Abatement (estimated)	\$ <u>0</u>
Mortgage Tax Exemption	\$ <u>Not to exceed \$30K</u>
Sales and Use Tax Exemption	\$ <u>Not to exceed \$70K</u>
Issuance by the Agency of Tax Exempt Bonds	\$ <u>0</u>

III. PROJECT INFORMATION

A) Project Location:

Project Address: 2017 State Highway 17B, Bethel, NY 12720  
Tax Map Number(s): 26.-1-4 (once subdivided, will provide new tax id)  
Located in the Village of: \_\_\_\_\_  
Located in Town of: Bethel  
Located in School District of: Monticello Central School District  
Located in Hamlet of \_\_\_\_\_

(i) Are Utilities on Site? Not on leased area

Water/Sewer No      Electric No  
Gas No      Strom/Sewer No

(ii) Present legal owner of the site: Peter E. Hofstee

If other than Applicant, by what means will the site be acquired for this Project:

The property is an approximate 102 acre parcel owned by Peter Hofstee. The Town has approved a two-lot subdivision, with Lot 1 approximately 42.94 acres and Lot 2 approximately 59.09 acres. NY Bethel I, LLC has an executed lease with Peter Hofstee for the entirety of Lot 2. The Solar Facility will be situated on approximately 26.97 acres of the 59.09 acres comprising Lot 2. A new tax parcel has yet to be assigned to Lot 1 and Lot 2.

(iii) Zoning of Project Site: Current: Res-1 Proposed: Res-1

(iv) Are any variances needed: Yes, width variance only for subdivision.

(v) Principal Use of Project upon completion: Generation of solar photovoltaic electricity to be distributed through the NYSEG electrical grid to NYSEG customers that are enrolled in the Applicant's Community Solar Program.



- B) Will the Project result in the removal of a plant or facility of the Applicant or a proposed Project occupant from one area of the State of New York to another area of the State of New York? No; If yes, please explain: NA
- C) Will the Project result in the abandonment of one or more Plants or facilities of the Applicant or a proposed Project occupant located in the State of New York?  
No; If yes, please explain: ? NA
- D) If the answer to either question B or C above is yes, you are required to indicate whether any of the following apply to the Project: Not Applicable
1. Is the Project reasonably necessary to preserve the competitive position of the Applicant or such Project Occupant in its industry? Yes\_\_\_; No\_\_\_ If yes, please explain: Not Applicable
  2. Is the Project reasonably necessary to discourage the Applicant or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes\_\_\_; No \_\_\_\_. If yes, please explain: Not Applicable
- E.) Will the Project include facilities or property that will be primarily used in making retail sales of goods or provide services to customers who personally visit such facilities?  
No; If yes, please contact the Agency for additional information.
- F.) Please provide a narrative of the Project and the purpose of the Project (new build, renovations, and/or all equipment purchases). Identify specific uses occurring within the Project. Describe any and all tenants and any/all end users. Describe the proposed acquisitions, construction or reconstruction and a description of the costs and expenditures expected. Attach additional sheets, if necessary.

The Project is an approximate 4.4 MWac solar photovoltaic electricity generating facility that will be interconnected to the NYSEG electrical grid. The electricity generated by the array will be sold to NYSEG customers in NYSEG Load Zone E that are part of the Applicant's Community Solar Program. The Project is a new build and will be comprised of (a) racking to mount the solar modules (such racking generally to be pile driven into the ground), (b) solar modules, (c) inverters and transformers to sit on a concrete inverter pad and (d) assorted electrical components and wiring. Construction will take approximately three to four months.

The Project is monitored remotely and there are no daily on-site personnel required. Maintenance will occur semi-annually / annually and will consist of (a) cleaning the panels (no chemicals) and (b) equipment servicing/replacement. Landscaping maintenance will occur as needed.

The Applicant and Town have will enter into a Decommissioning Agreement that sets forth the details regarding the decommissioning and removal of the solar facility.

Attached as Exhibit A is a description of the estimated costs associated with the development and construction of the Project.



G.) COSTS AND BENEFITS OF THE PROJECT

Costs = Financial Assistance

Estimated Sales Tax Exemption	\$ <u>not to exceed 70K</u>
Estimated Mortgage Tax Exemption	\$ <u>not to exceed 30K</u>
Estimated Property Tax Abatement	\$ <u>0</u>
Estimated Interest Savings IRB Issue	\$ <u>0</u>

Benefits= Economic Development

Jobs created	<u>30-35 (development and construction phase)</u>
Jobs retained	<u>4-5 (contracted work during operation, not full time)</u>
Private funds invested \$	<u>4,357,000</u>
Other Benefits	<ul style="list-style-type: none"> <li>- <u>Reduced energy cost to community solar subscriber and Town</u></li> <li>- <u>Tax revenue to Town of Bethel, Sullivan County and Monticello Central School District</u></li> <li>- <u>Local job creation during development phase (surveyors, engineers, sales), construction phase (construction jobs) and operational phase (landscaping, maintenance)</u></li> <li>- <u>Contribute to achieving renewable energy generation goals in NY State set up by Governor Cuomo</u></li> </ul>

Estimate how many construction/permanent jobs will be created or retained as a result of this Project:

Construction:	<u>30-35</u>
Permanent:	<u>4 - remotely monitored, no daily on site personnel, these are not full time jobs</u>
Retained (at current facility):	<u>0 - remotely monitored, no daily on-site personnel</u>

Note: See further job creation description below.

Project Costs (Estimates)

Land and Existing Buildings	\$ <u>(Leased)</u>
Soft Costs (5%)	\$ <u>416,500</u>
Other	\$ <u>7,913,500</u>
Total	\$ <u>8,330,000</u>

In addition to the above estimated capital costs of the project, which must include all costs of real property and equipment acquisition and building construction or reconstruction, you must include details on the amounts to be financed from private sector sources, an estimate of the percentage of project costs financed from public sector sources and an estimate of both the amount to be invested by the Applicant and the amount to be borrowed to finance the Project. Please see the attached Exhibit B

In addition to the job figures provided above, please indicate the following:

- 1) The projected number of full time equivalent jobs that would be retained and that would be created if the request for financial assistance is granted.

As indicated above, the Project is monitored remotely and there are no daily on-site personnel required. Scheduled facility maintenance will occur semi-annually or



annually and will consist of (a) cleaning the panels (no chemicals) and (b) equipment servicing/replacement. Landscaping maintenance will occur as needed. Jobs created during the 30 year operational phase will generally be on a contract basis (landscaping and maintenance).

- 2) The projected timeframe for the creation of new jobs.

The Project is currently in the development phase and there are certain contracted jobs already created (surveying, engineering, sales). The construction phase is expected to be three to four months. Contracted jobs (maintenance and landscaping) during the operational phase would commence upon completion of the construction phase.

- 3) The estimated salary and fringe benefit averages or ranges for categories of the jobs that would be retained or created if the request for financial assistance is granted.

As indicated above, all jobs created during the 30 year operational phase of the Project will be on a independent contractor basis therefore salaries and fringe benefits will not be provided. See attached Exhibit C for expected costs of maintenance and landscaping.

- 4) An estimate of the number of residents of the economic development region as established pursuant to section two hundred thirty of the Economic Development Law, in which the project is located that would fill such jobs. The labor market area defined by the agency (Mid-Hudson Economic Development Region)

Development Phase: 3-4  
Construction Phase: 30  
Operational Phase: 4-5 (contracted)

*The estimated number of residents based on the 2015 US census of estimated population of the Mid-Hudson Region aged 18-64 is 1,433,386*

- H.) State whether there is a likelihood that the project would not be undertaken but for the financial assistance provided by the Agency, or, if the project could be undertaken without financial assistance provided by the Agency, a statement indicating why the project should be undertaken by the Agency.

This solar photovoltaic project is within the NYSEG utility zone, which historically has lower electricity rates than other utilities (Central Hudson, Orange, Rockland, etc) as generally the NYSEG zone includes more economically challenged areas. Consequently, in order for the Applicant to offer electricity at a discount to the customers enrolled in the Applicant's Community Solar Program the revenue generated by the Project would be lower than comparable projects in other areas. This results in returns below generally expected market returns on a solar project which would cause both financing parties and investors to seek investment elsewhere. The financial assistance provided by the Agency in terms of tax relief will provide financing parties and investors certainty in tax payments that will alleviate some of their risk on a Project with returns that are below market average.



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.
- D) Annual 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, on an annual basis, reports regarding the number of people employed at the project site.
- E) Absence of Conflicts of Interest. The Applicant has received from the Agency a list of the members, officers, and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described.
- F) The Applicant represents 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.
- G) 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.
- H) 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.

- l) 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.



## EXHIBIT A

### Development and Construction Costs

<b>EPC</b>	
PV Modules	2,570,000
Mechanical works	1,075,000
Electrical Works LV	925,000
Inverter Station	500,000
Civil Works	500,000
Electrical Works MV	400,000
Contingency	310,000
Project Management	130,000
Miscellaneous	100,000
Engineering - extra costs	85,000
Pile driving test	75,000
Machinery and equipment	60,000
Geotechnical evaluation	27,000
Engineering	15,000
<b>Total EPC Cost</b>	<b>6,772,000</b>
<b>Less EPC Labor</b>	<b>1,862,000</b>
<b>Equipment and Materials</b>	<b>4,910,000</b>

<b>Other</b>	
Off-take	394,000
Pre-Development Costs	123,000
Interconnection	679,000
Construction Financing	197,000
Decommissioning Deposit	132,000
Upfront Reserves (O&M)	13,000
Legal Fees (IDA)	20,000
<b>Total</b>	<b>1,558,000</b>

<b>Total</b>	<b>8,330,000</b>
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# EXHIBIT B

Sponsor Investment	\$ 4,357,000
Tax Equity Investment	0
Debt	\$ 3,444,000
Incentives	\$ 529,000
Total Source of Funds	\$ 8,330,000

## EXHIBIT C Operating and Maintenance Costs

Breakdown	Labor
Preventive maintenance site works (2 per yr)	\$ 9,025
Rough module cleaning (1 per yr)	\$ 1,771
Complete module cleaning (1 per yr)	\$ 3,597
Inverter maintenance contract	\$11,066
Inverter refurbish allowance	\$ 3,808
Preventive Maintenance Control and Monitoring	\$4,569
Internet services	\$ 750
Corrective/Preventive maintenance allowance+ Misc.	\$ 6,760
Decommissioning	\$3,300



The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent 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.

NY Bethel I, LLC

Peter Dolgos

By: Peter Dolgos, Senior Vice President

Date: 7/23/20

STATE OF NEW YORK )

COUNTY OF NEW YORK )

ss.:

Peter Dolgos, being first duly sworn, deposes and says:

1. That I am the SVP of NY Bethel I, LLC (collectively, the "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.

Peter Dolgos

Peter Dolgos

Subscribed and affirmed to me under penalties of perjury  
this 23 day of July 2020.

Juliana C. Marques  
(Notary Public)

**JULIANA C. MARQUES**  
Notary Public, State of New York  
No. 01MA8338149  
Qualified in New York County  
Commission Expires March 7, 2024

THIS APPLICATION SHALL BE SUBMITTED WITH (I) TWO CHECKS: ONE COVERING A \$250.00 APPLICATION FEE AND THE SECOND COVERING A \$5,000.00 UP-FRONT ESCROW DEPOSIT; AND (II) APPLICANT'S FORMATION DOCUMENTS (IE: IF A CORPORATION: ITS CERTIFICATE OF INCORPORATION AND BYLAWS; IF A LIMITED LIABILITY COMPANY: ITS ARTICLES OF ORGANIZATION AND OPERATING AGREEMENT; IF A LIMITED PARTNERSHIP: ITS CERTIFICATE OF LIMITED PARTNERSHIP AND LIMITED PARTNERSHIP AGREEMENT; OR IF A PARTNERSHIP: ITS PARTNERSHIP AGREEMENT TO:

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY  
Executive Director  
ONE CABLEVISION CENTER  
FERNDALE, NEW YORK 12734



## HOLD HARMLESS AGREEMENT

Applicant hereby releases the COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof ("Agency") from, 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 (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate 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 Agency or the Applicant are unable to reach final agreement with the respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

NY Bethel I, LLC



By: Peter Dolgos, Senior Vice President

Date: 7/23/2020

Sworn to before me this

23 day of July, 2020.

  
Notary Public

**JULIANA C. MARQUES**  
Notary Public, State of New York  
No. 01MA8338149  
Qualified in New York County  
Commission Expires March 7, 2024