

PAYMENT IN LIEU OF TAX AGREEMENT

THIS AGREEMENT, dated as of the 1st day of May, 2022, is made by and between **GSPP 9605 E Rd N, LLC**, a limited liability company organized under the laws of the State of New York, with offices at 1 Landmark Square, Suite 320, Stamford, Connecticut 06901 (the "Company"), and the **COUNTY OF LEWIS INDUSTRIAL DEVELOPMENT AGENCY**, a public corporation of the State of New York, having its offices at 7551 South State Street, Lowville, NY 13367 (the "Agency").

WITNESSETH:

WHEREAS, the Agency was created pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York as amended by Chapter 535 of the Laws of 1971, of the State of New York (collectively, the "Act"), as a body corporate of the State of New York, and

WHEREAS, the Agency has been asked to participate in the project whereby it will (i) accept a leasehold interest in the Premises (as defined below) and a solar generation facility (the "Facility") to be constructed thereon by the Company pursuant to the Lease Agreement ("Lease") dated of even date herewith between the Company and the Agency, and (ii) lease back the Premises and the Facility to the Company pursuant to the Leaseback Agreement (the "Leaseback Agreement") dated of even date herewith, and

WHEREAS, the Premises and Facility thereon will be exempt from city, county and school real estate taxes pursuant to the laws of the State of New York, and

WHEREAS, the Company, however, has agreed to pay sums of money in lieu of real property taxes,

NOW THEREFORE, in consideration of \$1.00 each to the other in hand paid and receipt of which is hereby acknowledged, and other good and valuable consideration, the parties agree as follows:

- (1) (a) The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the General Municipal Law and Section 412-a of the Real Property Tax Law does not entitle the Agency to exemption from special assessments and special *ad valorem* levies, service charges and improvement district charges or similar tax equivalents. Pursuant to the Lease and Leaseback Agreements described herein, the Company is required to pay all special assessments and special *ad valorem* levies, service charges and improvement district charges or similar tax equivalents lawfully levied and/or assessed against the Facility.
- (b) It is agreed and understood by the parties that a leasehold interest in the premises to be leased by the Company at 9605 East Road, Town of Denmark, Lewis County, New York (Part of Town of Denmark tax parcel No. 143.00-01-18.100), upon which a solar energy array is to be installed, has been conveyed to the Agency. For the period of time being the earlier of (i) the Term of this Agreement, or (ii)

February 28 of the year following the termination of the Company's leasehold interest in the Facility under the Lease Agreement, the Company agrees to pay annually to the Agency on or before January 15 of each calendar year during that period (the "Payment Date") a payment in lieu of ad valorem real property taxes on the Facility. **The initial PILOT payment is \$5,000 per megawatt of installed capacity, as certified on the third business day prior to the date the related payment is due, due on or before January 31 each year, commencing January 31, 2023. During each year of this 25 year Agreement, the PILOT payment shall increase using an annual escalator of 2.00%.**

(it being understood and agreed that the assessed value of the Facility will not be added to the real property taxes due in respect of the Premises until the first day of March following execution of this agreement, and therefore from the date hereof until such tax status date on the first day of March, the Company shall be obligated to pay or cause to be paid annually to the Taxing Jurisdictions normal real property taxes, as determined without giving effect to the assessed value of the Facility).

The Agency shall remit to the Affected Tax Jurisdictions each Total PILOT Payment within thirty (30) days of its receipt from the Company and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes would have been allocated but for the Facility's exemption therefrom.

- (2) (a) Special district charges, special assessments, and special *ad valorem* levies, unless otherwise exempt, and all water and sewer charges, if any, are to be paid in full in accordance with normal billing practices.

(b) If the Company shall fail to make any payment required by this Agreement when due, its obligation to make the payment so in default shall continue as an obligation of the Company until such payment in default shall have been made in full, and the Company shall pay the same together with interest, penalties, fees and costs thereon, to the extent permitted by law, at the same rate per annum as if such amounts were delinquent taxes, until so paid in full.
- (3) In the event that the Lease and the Leaseback are terminated, such that the Agency no longer holds a lease hold interest in the Premises and the Facility and can no longer provide exemption from real property taxes, or if for any other reason the Agency can no longer provide exemption from real property taxes as contemplated by this Agreement, the Company will have the right to terminate this Agreement without further liability; provided that if the Facility cannot be added to the assessment roll by the Lewis County Department of Assessment until the following tax year, and unless the Company is eligible for continued full or partial tax exemption under some other tax incentive program, the Company will pay, no later than the next tax lien date (plus any applicable grace period), to the Taxing Jurisdictions an amount which would have been levied on the Facility with respect to the tax year in which all rights in the Facility have reverted to the Company if

the Facility had been classified as fully or partially taxable, as applicable, during such year, *pro rata* for the portion of such year following the date on which rights in the Facility have reverted to the Company.

The Company agrees that in the event the Facility covered by this Agreement is sold, the purchaser or transferee will be required by the Company to continue to make payments in lieu of taxes according to the terms of this Agreement until such time as the Premises and the Facility have been returned to the taxable assessment rolls and payment of property taxes becomes due according to the Real Property Tax Law of the State of New York. Any amounts paid in lieu of taxes will be eligible for proration up to the time of payment of property taxes.

The intent of this paragraph is to ensure that the current and future owners are at all times paying either the payment in lieu of taxes or real estate taxes as assessed from time to time on the property conveyed. There shall be no duplication of payment in any year.

(4) Notwithstanding the leasehold interest of the Agency in the Premises and the Facility, the Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, *ad valorem* levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this Agreement.

(5) Following the expiration of the term of the Leaseback Agreement executed concurrently herewith, (i) the Company shall thereafter pay 100% of all such taxes which would be due but for the Agency's leasehold interest in the Facility based on the then-current assessment, to the extent required by applicable law, and (ii) this Agreement will terminate and the Company shall have no further payment obligations under this Agreement.

(6) While the Agency holds a leasehold interest in the Facility, to the extent permitted by law, the Company shall have all of the rights and remedies of a taxpayer with respect to any proposed assessment or change in assessment of the Premises or the Facility by any of the Taxing Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or the amount of any tax equivalent provided for herein. The Agency agrees to sign any papers, petitions, notices or other documents to permit the Company to contest assessments of the Project Facility and to otherwise cooperate, at the Company's or tenant's cost, with efforts of the Company or tenant to contest assessments of the Project Facility.

(7) To the extent the Premises or the Facility are declared to be subject to general real property taxation by an amendment to the Act, or other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company

under this Agreement with respect to payments in lieu of tax shall, to such extent, be null and void.

(8) If payments are not made as provided for herein, the Agency and/or the Taxing Jurisdictions, collectively, shall be entitled to pursue any and all remedies afforded a municipal taxing entity at law or in equity.

(9) The rights and obligations of the Company hereunder may not be assigned, transferred or assumed without the prior written consent of the Agency which consent shall not be unreasonably withheld or delayed.

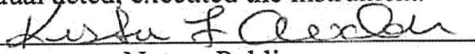
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the 1st day of May, 2022.

**COUNTY OF LEWIS INDUSTRIAL
DEVELOPMENT AGENCY**

BY: 
Name: Brittany Davis
Title: Executive Director

STATE OF NEW YORK)
)ss:
COUNTY OF LEWIS)

On the 20 day of May, in the year 2022, before me, the undersigned, personally appeared Brittany Davis, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in his capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

KRISTEN F. AUCTER
Notary Public, State of New York
Reg. No. 01AU6384577
Qualified in Lewis County
Commission Expires 12/17/2022

