

# Local Law Filing

(Use this form to file a local law with the Secretary of State.)

Text of law should be given as amended. Do not include matter being eliminated and do not use italics or underlining to indicate new matter.

County    City    Town    Village  
*(Select one.)*

of Cortland

Local Law No. 1 of the year 2018

A local law Establishing a Payment in Lieu of Tax (PILOT) Agreement for Commercial  
*(Insert Title)*  
Solar Energy Systems in Cortland County, New York

Be it enacted by the Legislature of the  
*(Name of Legislative Body)*

County    City    Town    Village  
*(Select one.)*

of Cortland as follows:

See attached

**(Complete the certification in the paragraph that applies to the filing of this local law and strike out that which is not applicable.)**

**1. (Final adoption by local legislative body only.)**

I hereby certify that the local law annexed hereto, designated as local law No. 1 of 2018 of the (County)(City)(Town)(Village) of Cortland was duly passed by the Cortland County Legislature on August 23, 2018, in accordance with the applicable provisions of law.  
*(Name of Legislative Body)*

**2. (Passage by local legislative body with approval, no disapproval or repassage after disapproval by the Elective Chief Executive Officer\*.)**

I hereby certify that the local law annexed hereto, designated as local law No. \_\_\_\_\_ of 20\_\_\_\_ of the (County)(City)(Town)(Village) of \_\_\_\_\_ was duly passed by the \_\_\_\_\_ on \_\_\_\_\_ 20\_\_\_\_, and was (approved)(not approved) *(Name of Legislative Body)* (repassed after disapproval) by the \_\_\_\_\_ and was deemed duly adopted *(Elective Chief Executive Officer\*)* on 20 18, in accordance with the applicable provisions of law.

**3. (Final adoption by referendum.)**

I hereby certify that the local law annexed hereto, designated as local law No. \_\_\_\_\_ of 20\_\_\_\_ of the (County)(City)(Town)(Village) of \_\_\_\_\_ was duly passed by the \_\_\_\_\_ on \_\_\_\_\_ 20\_\_\_\_, and was (approved)(not approved) *(Name of Legislative Body)* (repassed after disapproval) by the \_\_\_\_\_ on \_\_\_\_\_ 20\_\_\_\_. *(Elective Chief Executive Officer\*)*

Such local law was submitted to the people by reason of a (mandatory)(permissive) referendum, and received the affirmative vote of a majority of the qualified electors voting thereon at the (general)(special)(annual) election held on \_\_\_\_\_ 20\_\_\_\_, in accordance with the applicable provisions of law.

**4. (Subject to permissive referendum and final adoption because no valid petition was filed requesting referendum.)**

I hereby certify that the local law annexed hereto, designated as local law No. \_\_\_\_\_ of 20\_\_\_\_ of the (County)(City)(Town)(Village) of \_\_\_\_\_ was duly passed by the \_\_\_\_\_ on \_\_\_\_\_ 20\_\_\_\_, and was (approved)(not approved) *(Name of Legislative Body)* (repassed after disapproval) by the \_\_\_\_\_ on \_\_\_\_\_ 20\_\_\_\_. Such local *(Elective Chief Executive Officer\*)* law was subject to permissive referendum and no valid petition requesting such referendum was filed as of \_\_\_\_\_ 20\_\_\_\_, in accordance with the applicable provisions of law.

\* Elective Chief Executive Officer means or includes the chief executive officer of a county elected on a county-wide basis or, if there be none, the chairperson of the county legislative body, the mayor of a city or village, or the supervisor of a town where such officer is vested with the power to approve or veto local laws or ordinances.

**5. (City local law concerning Charter revision proposed by petition.)**

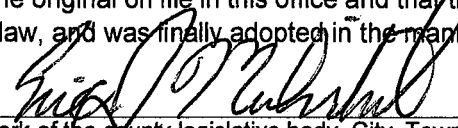
I hereby certify that the local law annexed hereto, designated as local law No. \_\_\_\_\_ of 20\_\_\_\_ of the City of \_\_\_\_\_ having been submitted to referendum pursuant to the provisions of section (36)(37) of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of such city voting thereon at the (special)(general) election held on \_\_\_\_\_ 20\_\_\_\_, became operative.

**6. (County local law concerning adoption of Charter.)**

I hereby certify that the local law annexed hereto, designated as local law No. \_\_\_\_\_ of 20\_\_\_\_ of the County of \_\_\_\_\_ State of New York, having been submitted to the electors at the General Election of November \_\_\_\_\_ 20\_\_\_\_, pursuant to subdivisions 5 and 7 of section 33 of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of the cities of said county as a unit and a majority of the qualified electors of the towns of said county considered as a unit voting at said general election, became operative.

**(If any other authorized form of final adoption has been followed, please provide an appropriate certification.)**

I further certify that I have compared the preceding local law with the original on file in this office and that the same is a correct transcript therefrom and of the whole of such original local law, and was finally adopted in the manner indicated in paragraph 1 \_\_\_\_\_ above.



\_\_\_\_\_  
Clerk of the county legislative body, City, Town or Village Clerk or officer designated by local legislative body

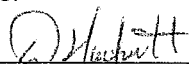
Date: 8/27/2018

(Seal)

**(Certification to be executed by County Attorney, Corporation Counsel, Town Attorney, Village Attorney or other authorized attorney of locality.)**

STATE OF NEW YORK  
COUNTY OF Cortland

I, the undersigned, hereby certify that the foregoing local law contains the correct text and that all proper proceedings have been had or taken for the enactment of the local law annexed hereto.



\_\_\_\_\_  
Signature  
County Attorney (Assistant)  
\_\_\_\_\_  
Title

County  
City of Cortland  
Town \_\_\_\_\_  
Village \_\_\_\_\_

Date: August 28, 2018

**Local Law 1 of 2018, a Local Law Establishing a Payment in Lieu of Tax (PILOT) Agreement for Commercial Solar Energy Systems in Cortland County, New York**

WHEREAS, the Cortland County Agriculture/Planning/Environmental Committee has reviewed and recommended the adoption of the attached Local Law, AND

WHEREAS, the law sat the required seven days on legislators desks, a public hearing was held August 23, 2018, and proper notice of said public hearing was provided, NOW THEREFORE

Be it enacted by the legislature of the County of Cortland, as follows:

**§1. Title**

This Local Law may be cited as the “Solar Energy System PILOT Law of the County of Cortland, New York.”

**§2. Legislative Intent and 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-of-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:

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

**§4. Definitions**

1. “AC” means alternating current.
2. “Annual Payment” means the payment due under a PILOT Agreement entered into pursuant to Real Property Tax Law §487(9), as the same may be amended, superseded or replaced.
3. “Annual Payment Date” means January 1<sup>st</sup> of each year for the duration of the PILOT Agreement.
4. “Capacity” means the manufacturer’s nameplate capacity of the Solar Energy System as measured in kilowatts (kW) or megawatts (MW) AC.
5. “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.

6. "Residential Solar Energy Systems" 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 a residential dwelling (including multi-family dwellings), and designed to serve that dwelling.
7. "SBL number" means the Section-Block-Lot tax map number.
8. "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.
9. "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 County consistent with the terms of this Local Law except for:
  - a.) Residential Solar Energy Systems; and
  - b.) Solar Energy Systems that do not seek or qualify for an exemption from real property taxes pursuant to Real Property Tax Law §487(4) as the same may be amended, superseded or replaced.
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. Any owner or developer of a solar energy system that meets the requirements under Real Property Tax Law § 487 (4) MUST notify the Cortland County Real Property Tax Office and the Cortland County Treasurer via certified mail of its intent to construct a solar energy system. Upon receipt of any notification from an owner or other person of intent to install a Solar Energy System, the Real Property Tax Office by certified mail shall immediately, but in no case more than sixty (60) 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, as the same may be amended, superseded or replaced, to receive a tax exemption.

5. The Annual Payments under the PILOT Agreement shall not exceed the amounts that would otherwise be payable but for the exemption under Real Property Tax Law §487 as the same may be amended, superseded or replaced.

**§6. Contents of PILOT Agreements**

1. Each PILOT Agreement entered into shall include:
  - a.) The name and contract 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 as the same may be amended, superseded or replaced;
  - 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 rata basis for the remaining years of the Agreement;
  - e.) That the parties agree that under the authority of Real Property Tax Law §487, as the same may be amended, superseded or replaced, the Solar Energy System shall be considered exempt from real property taxes for the fifteen (15) year life of the PILOT Agreement;
  - f.) That the PILOT Agreement may not be assigned without the prior written consent of the County, 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 County 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 a Notice of this Agreement may be recorded by the Owner at its expense, and that the County shall cooperate in the execution of any Notices or Assignments with the Owner and its successors;

- h.) That the Annual Payment for Solar Energy Systems with a Capacity of 1-MW or any part therefore shall be \$4,000.00 per MW of Capacity or a tenth thereof;
- i.) That the Annual Payment shall escalate one and one half percent (1½%) 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 (30) days, the County 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.
- k.) In addition, if the Annual Payment is not paid when due, a late fee equal to twelve percent (12%) of the amount due shall be assessed on an annual basis until paid in full.

**§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.

STATE OF NEW YORK ) SS:  
COUNTY OF CORTLAND )

This is to certify that I, the undersigned, Clerk of the Cortland County Legislature, have compared the foregoing copy with the original now on file in this office, and that the above actions were passed by the Cortland County Legislature on the 23rd day of August, 2018 and that the same is a correct and true transcript of such actions taken.

IN WITNESS WHEREOF I have hereunto set my hand  
and the official seal of the CORTLAND COUNTY  
LEGISLATURE, this 23rd day of August, 2018.



Eric J. Mulvihill  
Clerk of the Cortland County Legislature