

AGREEMENT FOR PAYMENT IN LIEU OF REAL ESTATE TAXES

THIS IS AN AGREEMENT between TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") and AMHERST COMMUNITY SOLAR LLC (the "Company") for the making by the Company of certain payments in lieu of real estate taxes, as required by the Agency Lease Agreement between the parties, entered into as of October 1, 2022, by which the Agency has leased certain premises to the Company (the "Lease Agreement"). The Agency and the Company each accept and agree to the following statements or terms. This Agreement will be referred to herein as the "PILOT Agreement."

Section 1. Definitions.

Unless otherwise defined herein, the terms used in this PILOT Agreement shall have the meanings specified in the Lease Agreement.

Section 2. Agency Tax Exemption and Term.

(a) Subject to the completion and filing of an Application for Tax Exemption by the Agency prior to the Taxable Status Date and the approval of the Application for Tax Exemption by the Assessor, the Project shall be exempt from Real Estate Taxes commencing with the 2023 - 2024 tax fiscal year of the School District and the 2024 tax fiscal year of the Town and County. The Company shall provide the Agency with all information required to complete the Application for Tax Exemption and shall provide such additional information and take such actions as are required by the Assessor in order to process and approve the Application for Tax Exemption. In the event the exemption from Real Estate Taxes is denied for any reason, the Company agrees to pay all Real Estate Taxes levied upon the Project as they become due. To the extent permitted by law, the Company shall have the right to protest such denial subject, however, to the conditions set forth in Section 8.1 of the Lease Agreement. The Company hereby waives any claim or cause of action against the Agency and releases the Agency from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency or its representatives to timely file the Application for Tax Exemption with the appropriate assessor(s). This PILOT Agreement shall have a term of twenty-five (25) years such that this PILOT Agreement shall terminate on December 31, 2048, unless otherwise earlier terminated as set forth herein.

(b) It is understood and agreed that the real property tax exemption conferred upon the Project by virtue of the Agency's involvement applies only to the approximately 5.0-megawatt (MW) AC community solar electric facility to be constructed on the Premises (the "Solar Facility"). The real property tax exemption does not apply to exempt the general levy real property taxes on the real property or the improvements that existed on the real property prior to the effective date of the Lease Agreement and this PILOT Agreement (the "Land Taxes"), which Land Taxes shall continue to be paid by the fee/title owner of the Premises to each respective taxing jurisdiction as and when due.

Section 3. Obligation of the Company to Make Payments in Lieu of Taxes.

Subject to the approval of the Application for Tax Exemption, the Company shall make payments in lieu of real estate taxes (the "PILOT Payments") to the appropriate taxing authorities pursuant to the terms

of this PILOT Agreement.

Section 4. Taxing Authorities and Amounts.

(a) Until the commencement of the tax fiscal years set forth in Section 4(a)(i) hereof, the Company shall continue to pay all appropriate taxing authorities all taxes due as if the Agency did not have an interest in the Project. As set forth below, the total PILOT Payments required under this PILOT Agreement are allocated among the affected tax jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected taxing jurisdiction had the Project not been tax exempt due to the status of the Agency. Thereafter, the Company shall make PILOT Payments to all appropriate taxing authorities on the Solar Facility constituting the Project (SBL No. 28.00-1-1.11/A), as more particularly described on Schedule A attached hereto and made a part hereof, in accordance with this Section.

(i) PILOT Payments to the County of Erie (the "County") for each of the tax fiscal years 2024 through 2048, to the Town of Amherst (the "Town") for each of the tax fiscal years 2024 through 2048 and to the Williamsville Central School District (the "School District") for each of the tax fiscal years 2023 - 2024 through 2047 - 2048 or until termination of the Lease Agreement, whichever occurs first, shall be in an amount equal to the sum of multiplying the solar production nameplate capacity of the Project measured in megawatts ("MWs") by a fixed amount of \$4,500.00, subject to an annual increase of two (2%) percent, as more particularly set forth in Schedule B attached hereto and made a part hereof.

(ii) PILOT Payments shall be made to the Agency at 4287 Main Street, Amherst, New York 14226, or such other place as may be designated by the Agency from time to time, no later than February 15 of each year in which this Agreement is in effect.

(iii) In addition to the foregoing, to the extent that special district charges, special assessments and special *ad valorem* levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are levied against the Project, they will be paid in full as if the Agency did not have an interest in the Project.

(b) The payments required under paragraph (a) of this Section shall in no event be more than would be otherwise payable as taxes if the Agency did not have an interest in the Project.

(c) Each of the foregoing payments described in this Section shall be made on or before the date specified herein.

(d) Upon the termination of the periods shown in paragraph (a) of this Section, for the respective taxing authorities, the Company shall make full payment in lieu of all taxes on the Project as if the Agency did not have an interest in the Project.

(e) The parties assume that the completed Project will be identified as exempt on the tax rolls as of the Taxable Status Date of March 1, 2023. In the event that this assumption is incorrect, then the dates expressed in Section 4(a)(i) will be adjusted accordingly.

Section 5. Proration.

During the last year of the term of the Lease Agreement, the Company may prorate any of its PILOT Payments on the basis of the actual period during which the Agency has an interest in the Project so that there shall exist no period of time for which the Company is obliged to make PILOT Payments in addition to the actual tax payments to which the Project is subject, under current law, at the time the Agency's interest in the Project is terminated.

Section 6. Obligations and Rights of the Company Relating to Tax Assessments and Levies.

(a) Subject to the provisions of the Lease Agreement, the Company in cooperation with the Agency shall:

(i) cause the appropriate real estate tax assessment and tax levy officers to assess the Project and apply tax rates to the respective assessments as if the Agency did not have an interest in the Project;

(ii) cause the appropriate real estate tax officers to submit to the Company, when the respective types of taxes are levied on privately owned property, statements specifying the respective amounts and due dates of taxes involved in this PILOT Agreement which the appropriate taxing authorities would receive if the Agency did not have an interest in such property; and

(iii) file any accounts or tax returns required with the appropriate officer or officers.

(b) The payments the Company is required to make under this PILOT Agreement are subject to the Company's rights, hereby granted, (i) to obtain reductions in the assessed valuation of the Project or to obtain exemptions and discounts, if any, which are afforded to the Company as a private owner of the Project (excluding, however, any discount or exemption afforded by Section 485-b or Section 487 of the New York Real Property Tax Law), and (ii) to seek to obtain refunds of any such payments made including payments made pursuant to this PILOT Agreement. The Agency, at no expense to the Agency, shall join in any procedure for obtaining relief under this paragraph to the extent that the Agency's consent is required for the Company to undertake such procedure; provided, however, that the Company shall continue to make the PILOT Payments required by this PILOT Agreement adjusted for any reduction as provided above so long as the Lease Agreement shall remain in effect.

Section 7. Default in Payment in Lieu of Taxes.

In the event the Company fails to make any such PILOT Payments when due, whether for a full tax fiscal year or years or for a portion of a tax fiscal year pursuant to Sections 4 or 5 hereof, the amount or amounts so in default shall continue as an obligation of the Company until fully paid. In addition, if any payment is not received by the affected taxing jurisdiction or jurisdictions when due, the Company shall pay (i) a late payment penalty equal to five (5%) percent of the delinquent amount, and (ii) for each month, or part thereof, that the payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, equal to one (1%) percent per month until the payment is made. The Agency and the Company hereby acknowledge the right of the Town, the County and the School District to recover directly from the Company any amounts so in default pursuant to General Municipal Law §874(6). The

Company shall promptly notify the Agency of any action brought, or other measure taken, by a taxing jurisdiction to recover such amounts. It is understood that the right of any taxing jurisdiction herein acknowledged is in addition to, and shall not impair, the Agency's own rights arising from a breach of this PILOT Agreement. Should the Agency, the Town, the County and/or the School District commence any action to recover directly from the Company any amounts so in default, such parties shall be entitled to recover from the Company the amount due, the late payment penalty, interest, expenses, costs and disbursements, together with the reasonable attorneys' fees necessary to prosecute such action or proceeding.

Section 8. Effect of Fulfillment of the Requirement.

Once having paid the amounts required by this PILOT Agreement, the Company shall not be required to pay any real estate taxes for which PILOT Payments have been made.

Section 9. Effect of Events of Default.

(a) The following shall constitute "Event(s) of Default" hereunder:

(i) The Company fails to make any PILOT Payments required hereunder or fails to perform any other obligation imposed on the Company hereunder.

(ii) The occurrence and continuance of any other Event of Default as defined in the Lease Agreement.

(b) If the Project is not being used in accordance with the Act or the Lease Agreement, or if an Event of Default occurs, the Company shall make PILOT Payments on the Project in such amounts as would be payable as real estate taxes levied on the Project as if the Agency did not have an interest in the Project. The applicable tax assessment and tax levy rates shall be those in effect in the records of the appropriate taxing jurisdictions.

(c) The period for the payments required by Paragraph (b) of this Section shall commence on the date the Agency determines (i) that the use of the Project under the Act or the Lease Agreement is not being complied with, or (ii) that an Event of Default has occurred and is continuing.

Section 10. Survival of the Company's Obligations.


The obligations of the Company first arising under this PILOT Agreement shall survive the termination or expiration of the Lease Agreement, for whatever reason terminated or expired.

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IN WITNESS WHEREOF, the Agency and the Company have caused this PILOT Agreement to be executed by their Authorized Representatives as of the date(s) set forth below.

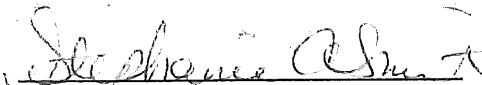
TOWN OF AMHERST INDUSTRIAL
DEVELOPMENT AGENCY

DATED: November 2, 2022

By: 
Kevin J. Zanner
Assistant Secretary

STATE OF NEW YORK)
) SS.:
COUNTY OF ERIE)

On the 2nd day of November, in the year 2022 before me, the undersigned, personally appeared Kevin J. Zanner, 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 he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.


Notary Public
Stephanie A. Smith
Notary Public, State of New York
Reg. No. 01SM6351652
Qualified in Erie County
Commission Expires December 12, 2021

SCHEDULE "A"

PROPERTY DESCRIPTION

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, being part of Lot No. 52, Township 13, Range 7 of the Holland Land Company's Survey, bounded and described as follows:

BEGINNING at a point in the center line of Schoelles Road (as 49.5 foot Right of Way), said point being the northeast corner of lands conveyed by Bruce Muck as Executor of the Estate of Larry H.C. Muggelberg, deceased, to Luther B. Meyer by deed recorded in Erie County Clerk's Office in Liber 11335 of Deeds at page 7359; thence southerly at an interior angle of $88^{\circ} 44' 30''$ and along the easterly line of lands of Meyer, a distance of 1404.21 feet to a point in the north line of lands appropriated by The People of the State of New York for the Lockport Expressway Extension, being more particularly described as Map No. 299 and Parcel No. 336 entitled "New York State Department of Transportation and Map for Acquisition of Property", as filed in the Erie County Clerk's Office; thence running northeasterly along the north line of said lands as appropriated by The People of The State of New York, a distance of 705.98 feet to a point in said north line of lands as appropriated by The People of The State of New York, thence running north along a line parallel to the east line of said lands of Meyer, a distance of 1357.50 feet to the center line of Schoelles Road, distant 705.00 feet easterly from the point of beginning as measured along the center line of Schoelles Road; thence running westerly along the center line of Schoelles Road 705.00 feet to the point or place of beginning.

SCHEDULE "B"

PAYMENT IN LIEU OF TAX SCHEDULE

PILOT invoices will be issued by the Agency on or about January 15 and will be due and payable on February 15 of each year this Agreement is in effect. PILOT Payments shall be calculated as follows:

The assessed value of the land and any pre-Project improvements will continue to be paid as real property taxes outside of the PILOT Agreement.

With respect to the assessed value added by the Project, the PILOT Agreement will provide for payments by the Company of \$4,500.00 per megawatt (MW) AC installed capacity, subject to an annual increase of two percent (2%) as shown on the table on the page which follows. The PILOT Agreement will have a term of twenty-five (25) years.

<u>TAX FISCAL YEAR</u>			<u>PER MEGAWATT CHARGE</u>
<u>Town</u>	<u>County</u>	<u>School</u>	
2024	2024	2023-2024	\$4,500.00
2025	2025	2024-2025	\$4,590.00
2026	2026	2025-2026	\$4,682.00
2027	2027	2026-2027	\$4,775.00
2028	2028	2027-2028	\$4,871.00
2029	2029	2028-2029	\$4,968.00
2030	2030	2029-2030	\$5,068.00
2031	2031	2030-2031	\$5,169.00
2032	2032	2031-2032	\$5,272.00
2033	2033	2032-2033	\$5,378.00
2034	2034	2033-2034	\$5,485.00
2035	2035	2034-2035	\$5,595.00
2036	2036	2035-2036	\$5,707.00
2037	2037	2036-2037	\$5,821.00
2038	2038	2037-2038	\$5,938.00
2039	2039	2038-2039	\$6,056.00
2040	2040	2039-2040	\$6,178.00
2041	2041	2040-2041	\$6,301.00
2042	2042	2041-2042	\$6,427.00
2043	2043	2042-2043	\$6,556.00
2044	2044	2043-2044	\$6,687.00
2045	2045	2044-2045	\$6,820.00
2046	2046	2045-2046	\$6,957.00
2047	2047	2046-2047	\$7,096.00
2048	2048	2047-2048	\$7,238.00