

LOCAL LAW NO. 1 OF 2018A

**AMENDING ROME CODE OF ORDINANCES CHAPTER 66, ESTABLISHING
A PAYMENT-IN-LIEU-OF-TAXES (PILOT) FOR SOLAR ENERGY SYSTEMS
WITHIN THE CITY OF ROME, NEW YORK.**

By Councilor Rogers:

WHEREAS, Councilor Rick Dursi has opined that it is in the best interest of the City of Rome to amend Chapter 66, entitled "Taxation", of the Rome Code of Ordinances, to establish a payment in lieu of taxes (PILOT) schedule for solar energy systems; and

WHEREAS, Section 487(2) of the New York State Real Property Tax Law (RPTL), provides in part that "[r]eal property which includes a solar energy system... shall be exempt from taxation to the extent of any increase in the value thereof by reason of the inclusion of such solar energy system... for a period of fifteen (15) years..."; and

WHEREAS, Real Property Tax Law Section 487(8), states that a county, city, town or village may by local law provide that no exemption be applicable within its jurisdiction with respect to any solar energy system which began construction subsequent to January 1, 1991 or the effective date of such local law, ordinance or resolution, whichever is later; and

WHEREAS, Real Property Tax Law Section 487(9)(a) states that "[a] county, city, town, village or school district ... that has not acted to remove the exemption under this section may require the owner of a property which includes a solar energy system ... to enter into a contract for payments in lieu of taxes (PILOT)" and that "such contract may require annual payments in an amount not to exceed the amounts which would otherwise be payable but for the exemption..."; and

WHEREAS, Real Property Tax Law Section 487(9)(b) states that this PILOT shall not operate for a period of more than fifteen (15) years, commencing from the date on which the benefits of such exemption first become available and effective; and

WHEREAS, a public hearing was held on _____, 2018 regarding the establishment of a payment in lieu of taxes (PILOT) schedule for solar energy systems, and the addition of same to the Rome Code of Ordinances, Chapter 66, wherein all interested parties were given an opportunity to be heard, now, therefore,

BE IT ENACTED, by the Common Council of the City of Rome, that Article IV, entitled "Solar Energy System Payment in Lieu of Taxes (PILOT)", be and hereby is added to the Rome Code of Ordinances, Chapter 66, which shall read as follows:

Chapter 66 – TAXATION

Article IV. Solar Energy System Payment in Lieu of Taxes (PILOT)

§1. Title

This Local Law may be cited as the "Solar Energy System PILOT Law of the City of Rome, New York."

§2. 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) and §10 (1)(a)(8), and
4. New York Real Property Tax Law § 487(9).

§4. Definitions

1. "Annual Payment" means the payment due under a PILOT Agreement entered into pursuant to Real Property Tax Law § 487(9).
2. "Annual Payment Date" means January 1st of each year.
3. "Capacity" means the manufacturer's nameplate capacity of the Solar Energy System as measured in kilowatts (kW) or megawatts (MW) AC.
4. "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.
5. "Residential Solar Energy Systems" means a Solar Energy System with a nameplate generating capacity less than 20 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.
6. "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.
7. "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 City of Rome consistent with the terms of this Local Law, except for

a) Residential Solar Energy Systems

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).

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. Upon receipt of any notification from an owner or other person of intent to install a Solar Energy System, the Assessor's Office shall immediately, but in no case more than sixty days after receipt of the notification, notify the owner or other person of the mandatory requirements 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 to receive a tax exemption.

§6. Contents of PILOT Agreements

1. Each PILOT Agreement entered into shall include

a) Name and contact 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.

d) The Capacity of the Solar Energy System, and that if the Capacity is increased or decreased 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 the Solar Energy System shall be considered exempt from real property taxes for the fifteen-year life of the PILOT Agreement.

f) That the PILOT Agreement may not be assigned without the prior written consent of the City of Rome, 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 City of Rome 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 City of Rome shall cooperate in the execution of any Notices or Assignments with the Owner and its successors.

h) That the Annual PILOT Payment shall be made in accordance to the following:

- i) The PILOT schedule for commercial solar energy systems shall adhere to RPTL 487(9).
- ii) The annual payments under the PILOT shall not exceed the amounts that would otherwise be payable but for the exemption under RPTL 487.
- iii) The Annual PILOT Payment from the first (1st) through and including the fifth (5th) years shall be 25% of the amount of City taxes that would otherwise

- be payable, but for the exemption, due to the increase of assessed value attributable to the improvement.
- iv) The Annual PILOT Payment from the sixth (6th) through and including the tenth (10th) years shall be 50% of the amount of City taxes that would otherwise be payable, but for the exemption, due to the increase of assessed value attributable to the improvement.
 - v) The Annual PILOT Payment from the eleventh (11th) through and including the fifteenth (15th) years shall be 75% of the amount of City taxes that would otherwise be payable, but for the exemption, due to the increase of assessed value attributable to the improvement.
 - vi) If the Annual PILOT Payment is not paid when due, and upon failure to cure within thirty days, the City of Rome 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.

§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

1. 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.

BE IT FURTHER ENACTED, that this Local Law shall be effective, in accordance with Article 2 and Article 3 of the Municipal Home Rule Law and upon its filing in the Office of the Secretary of State and that the City of Rome Clerk is hereby authorized to forward such documentation as may be necessary for this Local Law to take effect in accordance with the Municipal Home Rule Law.

Seconded by Councilor Mortise.

New wording is **bold and underlined.**

Motion to insert word “of” into §2, insert word “decreased” into §6d, and to remove §8 #2 by Dursi, seconded by Rogers, and so ordered January 10, 2018.

Motion to Table by Rogers, seconded by Tracy, and so ordered January 10, 2018.

Motion to remove from Table by Rogers, seconded by Dursi, and so ordered February 14, 2018.

ROLL CALL VOTE

AYES: Tien, Mortise, Rogers, Smith, Dursi, Tracy

NAYS: Anderson

ADOPTED: February 14, 2018



Real Property Tax Law Section 487 NYSERDA

Submitted On:
May 23, 2024, 02:03PM EDT

Jurisdiction Name	City of Rome
Jurisdiction Type	City
Jurisdiction Website	romenewyork.com
County	Oneida
Street Address	198 N Washington St.
Street Address 2	
City	Rome
State	NY
Zip/Postal Code	13440
First and Last Name	Kristina Mosca
Title	Assessor's Aide
Email	kmosca@romecitygov.com
Phone Number	3153397615
Phone Extension	
Local law or resolution attachment	1-10M Loc. Law No. 1A.pdf LL1 filing.pdf
Type of Filing	Revision to a previously-submitted filing
Tracking ID	RPTL487_0000350
User's Session Information	IP Address: 209.217.213.90 Referrer URL: https://www.nyserda.ny.gov/