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PATRICIA GIBBONS, SUPERINTENDENT

March 2023

To the Lyme Central School District Community:

On behalf of the Lyme Central Board of Education and myself, we would like to update you on an exciting development for our District. Over the past 2+ years, a number of developers have built, or are building, solar array projects in our District. These projects can and have varied in size and scale, and they can also present unique challenges to our community. One of the unique challenges of these projects is the potential property tax impact that these projects could have on the local school district. Depending on the circumstances between a local school district and a developer, these projects can sometimes result in agreements called Payment In Lieu Of Tax agreements, otherwise known as "PILOTs" which can be for upwards of 15 or 20 years. However, for a school district whose budget from year to year is subject to New York State's property tax cap law, PILOTs can also have unintended consequences years down the road once the PILOT agreement expires.

At this time, the District is excited to announce that we have reached an agreement with a local developer, Convergent Energy, regarding their large solar array project at 12625 Morris Tract Road in Chaumont. This agreement includes a 15-year PILOT whereby Convergent has agreed to continue to pay property taxes substantially equivalent to the property taxes that existed for the Morris Tract property prior to the development of their solar project. More importantly, in addition to the PILOT, Convergent also agreed to an additional one-time lump-sum payment for the benefit of the District, our students, and our community.

Accordingly, I am equally excited and pleased to announce that the District, in partnership with the Northern New York Community Foundation ("NNYCF"), has approved a companion agreement to the above-mentioned PILOT whereby Convergent will be making a \$770,000 donation payment to the NNYCF for the benefit of the Lyme Central School District to support senior scholarships *AND* other community use improvement projects for the District. While the NNYCF will hold the funds in trust for the benefit of the Lyme Central School District, these funds will be available exclusively for the Lyme Central School District's use to dramatically increase the number of opportunities for financial assistance and scholarships for our graduating seniors' post-graduation plans.

Over the coming weeks, the District will be working with our Board of Education, our staff, and our community to establish a scholarship committee of the Board of Education. While the Board of Education will have the ultimate decision on scholarship committee's duties and responsibilities, the expectation is that the committee in consultation with the NNYCF will help establish the rules and guidelines for our new scholarship funds and opportunities for our graduating seniors.

We would like to express our sincere and deepest gratitude to the Northern New York Community Foundation and its Executive Director, Rande Richardson, for their tireless efforts working with the District to bring these agreements to fruition. We would also like to thank Convergent Energy for their willingness to work with the District to reach an agreement that provides outstanding opportunities for our students while protecting our taxpayers and our community.

Warmest regards, Pat