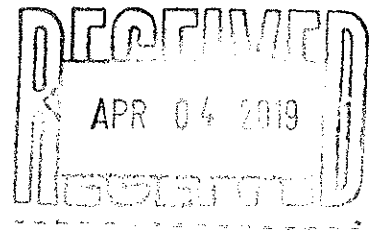


4-22-19 Submitted by
Councilor Thompson



Town Manager's Office
Town of Hopkinton
1 Town House Road
Hopkinton, Rhode Island 02833



April 2nd, 2019

TO: Hopkinton Town Council Members
FROM: William A. McGarry, Town Manager
SUBJECT: ANTICIPATED REVENUE FOR
SKUNK HILL SOLAR LLC PROJECT

At the request of the Town Council, I am forwarding these two memoranda, regarding the Skunk Hill Solar LLC project:

- Memorandum from Tax Assessor Liz Monty, regarding estimated property and tangible tax revenue;
- Memorandum from Deputy Zoning Official Sherri Desjardins, regarding estimated building permit fee revenue.

Respectfully submitted,

William A. McGarry
Town Manager



TOWN OF HOPKINTON, RHODE ISLAND OFFICE OF THE TAX ASSESSOR

1 TOWN HOUSE ROAD HOPKINTON, RI 02833

April 2, 2019

Honorable Town Council
1 Town House Rd.
Hopkinton, R.I. 02833

REFERENCE: Solar Energy: Hopkinton Land, LLC + Gordon Land
(a.k.a Skunk Hill Solar I + II)

Honorable Town Council:

I have been asked to analyze the Taxable Income to the Town both before and after the potential development of the Hopkinton Land Solar Development proposed as located at 145 Skunk Hill (AP 18, Lot 14) Road and 0 Lisa Ln (AP 18, Lots 8+13). (a.k.a. A. Old Tefft property and B. Gordon property, respectively)

A. Old Tefft property:

- a. Currently the old Tefft Property has a tax assessment of \$561,100, and will produce \$11,261 in tax revenue for the 2019 tax roll, based on a mil rate of \$20.07 per \$1,000 of assessment. These bills will be mailed in July 2019, and are based on a date of assessment of 12/31/2018. This value includes the dwelling, built in 1995 and the barns as well as the land. The condition of the house is listed as being in average condition. The barns, however, are close to the end of their useful life in condition.
- b. Potential Solar Development will change this property, whereas all buildings will be demolished and the Solar array will be constructed on initial plans of 26 acres. This construction will change the Assessed value, two-fold (1. Real property value and 2. Tangible value). Depending on how the approval is granted, the range in value for the new tax valuation could be between \$1,449,880 and \$2,267,800. In turn these amounts could bring the Town a range of tax dollars between \$29,100 and \$45,515 based on a mil rate of \$20.07 per \$1,000 of assessment. The difference is if the entire lot is changed to a commercial zone or if only the acreage required for the solar array is changed to a commercial zone. Overall the average estimated tax revenue for the real property would be approximately \$37,300. This is an increase of \$26,000.
- c. Part two of the increase in tax revenue comes from this project's Tangible tax, and is estimated at \$81,375. The project was initially estimated to produce 16,275 kW AC capacity. This Tangible tax is based on the RI State mandated rate of \$5.00 per kW of AC capacity from the nameplate of the system. These are new Tax Dollars.
- d. TOTAL tax dollar increase for the old Tefft property is estimated at \$107,375 pending any alterations to the plans initially noted at the Special Town Council meeting on March 25, 2019.

B. Gordon Property:

- a. Currently the Gordon Property consists of two contiguous lots on AP 18, known as Lots 8 and 13. The properties have a combined tax assessment of \$380,800 and will produce \$7,643 in tax revenue for the 2019 tax roll, based on a mil rate of \$20.07 per \$1,000 of assessment. These bills will be mailed in July 2019, and are based on a date of assessment of 12/31/2018. This value includes the total value of the two vacant parcels plus a small shed of limited value on one of the two parcels. It is assumed that this shed will be demolished for purposes of this analysis.
- b. Solar Development will potentially be constructed per initial plans on 21 acres. This construction will change the Assessed value, two-fold (1. Real property value and 2. Tangible value). Depending on how the approval is granted, the range in value for the new tax valuation could be between \$1,260,000 and \$1,870,000. In turn these amounts could bring the Town a range of tax dollars between \$25,300 and \$37,500 based on a mil rate of \$20.07 per \$1,000 of assessment. The difference is if the entire lot is changed to a commercial zone or if only the acreage required for the solar array is changed to a commercial zone. Overall the average estimated tax revenue for the real property would be approximately \$31,425. This is an increase of approximately \$23,700.
- c. Part two of the increase in tax revenue comes from this project's Tangible Tax, and is estimated at \$34,520. The project was initially estimated to produce 6,904 kW AC capacity. This Tangible tax is based on the RI State mandated rate of \$5.00 per kW of AC capacity from the nameplate of the system. These are new Tax Dollars.
- d. TOTAL tax dollar increase for the Gordon property is estimated at \$58,300 pending any alterations to the plans initially noted at the Special Town Council meeting on March 25, 2019.

If developed as SOLAR, the combined project (a.k.a. Skunk Hill Solar) could potentially bring in an estimated increase of \$165,600 (RD) in tax dollars (\$49,700 for Real Property and \$115,895 for Tangible).

I trust this information is of assistance to you. Should you have any questions or concerns, please do not hesitate to contact me. Thank you.

Respectfully submitted,

Elizabeth J. Monty

Elizabeth Monty
Tax Assessor

Also for your records if this information is of any relevance, the following are actual fees that have already been collected for permitted solar projects to date;

Bank Street	\$4,742.50
722 Main Street	\$3,605.00
34 Kenyon Ln	\$3,605.00
916 Main Street	\$4,130.00
95 High Street	\$7,923.00
65 Palmer Circle	\$9,048.00
Tomaquag Rd	\$3,605.00
15 James Road	\$3,605.00
Arcadia Road	\$3,605.00
Gray Lane Phase I	\$49,862.00

If I can provide you with any additional information please do not hesitate to ask.