

<p>Board Approval: September 1, 2022</p>	<p>Subject: Community Economic Development Program Policy</p>
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The purpose of this Host Community Agreement Policy (the “Policy”) is to establish procedures relating to seeking funds from Renewable Energy Projects (the “Projects”) by the Lewis County Development Corporation (the “LCDC”) for the Community Economic Development Program (the “CEDP”).

- I. **Qualifying Projects** – A Project may qualify for a Host Community Agreement (the “HCA”) where:
 - a. The Project is a Renewable Energy Project as defined in [Section 854(21) of the General Municipal Law of the State of New York (the “GML”)]. Generally, Renewable Energy Projects include wind, solar, hydropower, biomass or battery storage related businesses; and
 - b. the Project seeks Financial Assistance (as defined in Section 854(14) of the GML) from the County of Lewis Industrial Development Agency (the “LCIDA”); and
 - c. The Project’s energy production is expected to exceed 5 megawatts; and
 - d. The Project is fully or partially located in Lewis County, New York.

- II. **Process for Requesting an HCA for CEDP Funding**
 - a. Upon receipt of an application by the LCIDA for Financial Assistance, the LCIDA will provide the Project Applicant and the LCDC with a draft Memorandum of Understanding related to the collection of funds under an HCA to be entered into by and between LCDC and the Project Applicant. The HCA shall govern annual payments to be made by the Project Applicant into the CEDP for the duration of the Project Term.
 - b. The LCDC Board of Directors (the “Board”) will request monthly updates from the LCIDA on Project Applications.
 - c. The LCDC, coordinating with the LCIDA, will work with the Project Applicant and any affected taxing jurisdictions (as defined in Section 854(16) of the GML) to negotiate HCA payments. After approval, LCDC will work with legal counsel to draft an HCA.
 - i. The HCA shall identify:
 1. the amounts of annual payments to be made under the HCA; and
 2. when such annual payments are due; and
 3. any other benefits to be provided by the Project Applicant to the host community, as agreed to b
 - ii. The HCA shall specifically define how any CEDP funding will be utilized by the Project if the use is expected to differ from the CEDP Program [Requirements]/[Guidelines], as outlined by the Board.
 - iii. The HCA shall specify that the Project Applicant’s investment into the community is intended for the purposes outlined in the HCA.
 - iv. Payments made pursuant to the HCA will be used to support local economic and community development initiatives and will be overseen by a to-be-appointed LCDC committee (the “CEDP Committee”) and Board.
 - d. The final HCA shall require that the Project Applicant make annual payments to the LCDC for the benefit of the CEDP.

III. LCDC to hold CEDP Funds.

- a. The LCDC shall establish a separate bank account for the CEDP.
- b. Funds in the CEDP account may be commingled and held in a community pool. The LCDC shall not be required to distinguish between payments made by individual Project Applicants once the payment is deposited into the CEDP account.
- c. The LCDC shall maintain proper records demonstrating payments made by Project Applicants prior to depositing the payment into the CEDP account.

IV. Donations from Other Private Sources/Gift Acceptance Policy

- a. The LCDC shall endeavor to maintain its tax-exempt 501(c)(3) and charitable statuses in order to facilitate tax-deductible donations to the CEDP.
- b. Donations shall not be accepted if:
 - i. Accepting such donation would compromise the LCDC's tax-exempt or charitable statuses; or
 - ii. Accepting such donation would not align with LCDC's Mission, Purpose, or Policies; or
 - iii. Such donation is conditioned on or earmarked for specific purposes. Conditional donations cannot be properly maintained due to the communal structure of the CEDP account.
- c. **Donations not requiring advance Board Approval** - The following types of donations do not require formal Board review and/or approval before they can be accepted into the CEDP:
 - i. Monetary donations of amounts totaling an amount less than or equal to \$10,000.00 from any individual or entity in any one calendar year; or
 - ii. Donations in-kind which have a total value of less than or equal to \$1,000.00 from any individual or entity in any one calendar year.
- d. **Donations requiring advance Board Approval** - The following types of donations shall require Board review and approval before they can be accepted into the CEDP:
 - i. Monetary donations totaling an amount in excess of \$10,000.00 from any individual or entity in any one calendar year; or
 - ii. Donations in-kind which have a total value in excess of \$1,000.00 from any individual or entity in any one calendar year; or
 - iii. Any donations whose purpose is unclear or which does not clearly satisfy or further the LCDC's exempt Mission, Purpose, or Policies, for example, if:
 - 1. There is no ready market to liquidate the donation for deposit into the CEDP account; or
 - 2. The value of an item is difficult to ascertain or is speculative.
- e. The LCDC, in its absolute and sole discretion, may:
 - i. require advance Board review and/or approval for any donation, notwithstanding Section IV(c) above; or
 - ii. establish further conditions and requirements on donations.
- f. Within ten (10) business days of accepting a donation, the LCDC and/or CEDP Committee shall:
 - i. Determine whether the donation qualifies the donor for a tax-deduction; and
 - ii. Issue a written communication to the donor to facilitate the donor's effort to claim a tax deduction for the donation. Such written communication shall include:
 - 1. The name of the LCDC;

2. The amount of the donation;
3. The date of the contribution; and
4. Any required tax forms.

V. **Amendments.** This Policy may be amended only with the approval of at least the majority of all of the members of the Board.