

# FISCAL IMPACT REPORT

OF

## *HCE REAMS SOLAR I*

# CONDITIONAL USE PERMIT

PREPARED FOR:

## DINWIDDIE COUNTY, VA

Prepared by:

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## Project Introduction

Reams Solar I is a proposed 5MWac, 6.5MWdc photovoltaic solar facility located near the intersection of Old Vaughan Road and Old Stage Road in Dinwiddie County Virginia. The project will be built on land owned by Rose Smith, Parcel ID 47-74. The property is currently zoned A1 (agriculture) and is requesting to be rezoned to M2 (manufacturing). The project will be interconnected to Southside Electric Cooperative's distribution grid and will delivery renewable energy to the neighboring community.

As requested by the Dinwiddie County Planning Commission, Holocene Clean Energy is submitting this Fiscal Impact Analysis in conjunction with a request for Rezoning and Conditional Use Permit. This report assesses the economic and fiscal contribution that the proposed Reams Solar I facility would make to Dinwiddie County.

## Fiscal and Economic Impact

The Reams Solar I facility will make a positive fiscal and economic impact in Dinwiddie County compared to current undeveloped land use.

### Fiscal Impact

The proposed facility will make a significant fiscal contribution to Dinwiddie County. Based on preliminary conversations in 2018, the project was expected to owe \$5,372.85 in rollback taxes if the project were to be removed from the land use program. Additionally, once reassessed, the local tax revenue is estimated to be \$4,740 annually from real estate tax from the project, totaling \$142,200 over a 30-year period. The exact value will depend on the reassessed property value and acreage determination by the County Revenue Department. The project is exempt from all personal property tax and machinery/ tools tax under VA Code § 58.1-3660, and HB 1297, respectively.

### Economic Impact

Reams Solar I will make significant economic contribution to the county, via jobs through construction and then through operational lifetime. An estimated one-time pulse of economic activity will occur during construction phase up to 5 full time equivalent jobs in Dinwiddie County and \$30,000 associated labor income, and additional economic output in Dinwiddie County. Accounting for per diem, hotel expenditures, and other local spending, projected economic impact in the county is \$58,080.

### Explanation of Methodology

This report only accounts for direct impact and does not include any economic multipliers into the analysis. This leads the applicant to believe that the estimates included in this report are extremely conservative of the true county and regional impact that this facility will have as the Reams I solar facility purchases goods and employs local laborers.

The fiscal impact calculations are based on our good faith best estimate of the reassessed value of the property, \$10,000/acre. Many neighboring counties use this value for the reassessment of solar facilities already constructed in their jurisdictions. For this facility, the parcel acreage is 60 acres, and is subject to Dinwiddie County Real Estate Tax Rate of \$0.79/ \$100.

<b>Affected Sector</b>	<b>people</b>	<b>cost</b>	<b>hours/we</b>	<b>weeks</b>	<b>total</b>
Employment	5	\$ 15.00	40	10	\$ 30,000.00
retail	8	\$ 40.00	1	18	\$ 5,760.00
gas	8	\$ 35.00	1	18	\$ 5,040.00
hospitality	8	\$ 90.00	1	18	\$ 12,960.00
Food/ Drink	8	\$30	1	18	\$ 4,320.00
					\$ 58,080.00

## Remediation Fund

To secure the availability of funds to decommission the facility in accordance with Virginia Code § 15.2-2241.2, Holocene Clean Energy shall either (a) provide a parent guarantee satisfactory to the County or (b) make annual deposits to a reserve fund to be held by Dinwiddie County or its designee. If the applicant fails to uphold its decommissioning obligation, the County shall have the authority to use these funds to decommission the facility. If the funds are not called upon by Dinwiddie County for decommissioning, the county may keep the funds. Deposits shall be made in accordance with the following schedule upon commissioning of the project:

Year	Reams Solar I Payment
1	\$ 13,402
2	\$ 12,974
3	\$ 12,261
4	\$ 11,976
5	\$ 12,261
6	\$ 11,834
7	\$ 11,548
8	\$ 10,693
9	\$ 9,838
10	\$ 8,840
11	\$ 7,699
12	\$ 6,701
13	\$ 5,560
14	\$ 4,562
15	\$ 3,564

16	\$ 3,564
17	\$ 3,564
18	\$ 3,564
19	\$ 3,564
20	\$ 3,564
21	\$ 3,564
22	\$ 3,564
23	\$ 3,564
24	\$ 3,564
25	\$ 3,564
26	\$ 3,564
27	\$ 3,564
28	\$ 3,564
29	\$ 3,564
30	\$ 3,564
31	\$ 3,564
32	\$ 3,564
33	\$ 3,564
34	\$ 3,564
35	\$ 3,564
<b>Total</b>	<b>\$ 215,000</b>

Additional details regarding decommissioning can be found in the applicant’s Decommissioning Plan, also included with this application.