

# Developing a Picture of Solar Development 🛓



# Phase of Project:

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NEGOTIATIONS	DUE DILIGENCE	CONSTRUCTION	🔶 OPERATION

#### Farm Location: Dix, Schuyler County, New York

#### **Operations:**

65-head beef operation and hay crops.

#### **History:**

Joe has been farming since 2014 when he started this farm on his own. However, he did grow up around horses and his family partook in farming-related hobbies. Now he has a young daughter who he hopes to pass the farm onto.

#### Size of Project:

24 acres of a 300-acre farm.

# Type of Land:

Combination of marginal and farmable land (but would require tile to get it into farmable condition).

#### Length of Lease:

30-year lease.



#### Solar Leasing Experience:

In 2014, Joe had just bought the property when he was approached by a solar developer. This particular portion of the land would have required a lot of work to get it in farmable condition (it was very wet and overgrown), so Joe was happy to have another option to diversify his farm income.

Due diligence took over two years (Joe's farm was the first in the town to consider solar). During this time he received due diligence payments. Construction started in early 2019 and the array has been operational since early 2022.

The most challenging part of the process, according to Joe, was siting, as it had to satisfy the town, farm, and developer's needs. This particular developer was responsive and a good communicator so it made the process easier. While Joe wanted to use local labor, the developer had a contracted team come in and do all of the work.

### Advice:

- Be aware that you'll be losing access to the land for the length of the lease.
- Work with a developer who is a good communicator.
- Check to see if there a difference in the leased land and the amount of land the project takes up?

## **Stipulations in Contract:**

The developer was planning to run a fence through a field that Joe grew hay on; Joe negotiated a redesign to the plan so he could farm the field more easily. He also negotiated the lease to include the land on the other side of the fence that he would not be able to farm but wasn't in the original agreement. Joe wanted to have the ability to graze sheep underneath the panels; while the developer did not agree they did state that they may consider this opportunity in the future. Finally, negotiating the correct amount for the decommissioning bond was very important to Joe and his wife.

# Pros of Leasing Land for Solar:

# r: Cons of Leasing Land for Solar:

- Lease payments
- Diversified income
- Cheaper way to utilize the land that produces a larger income than farming it would
- No access to the land for the duration of the lease
- Affects the local wildlife (acts as a barrier in the middle of a field)

#### Town and Neighbor Response:

The town was incredibly reluctant, but eventually they did approve the project. One of the neighbors has complained about the new utility poles installed and the panels are an eye sore. And another neighbor has expressed concern about her exposure to an increasing amount of electricity moving through the lines near her property.

#### **Opinion towards Increasing Solar Presence:**

Both Joe and his wife like the idea of solar, since it is a renewable energy source. Additionally, they think it is an incredibly useful option for farmers to keep their properties from going bankrupt (going so far as to recommend that when looking for land they recommend looking for south-facing land with access to 3-phase lines, which may increase income diversification opportunities through solar).

### Where Farmer Gained Information on Solar:

In order to educate himself on the process, Joe turned to a family friend who was currently leasing land for solar. They did not use a lawyer and instead decided to review the contract themselves.

