

# Developing a Picture of Solar Development 🛓



# Phase of Project:

DUE DILIGENCE	CONSTRUCTION	OPERATION

Farm Location: Manlius, Onondaga County, New York

## **Operations:**

Direct to consumer organic grains and specialty crops.

#### History:

Luke grew up on the farm, which has been in his family since 1969 when his father started it. In 2014, the farm was passed onto him and now he has a 1-year-old son who he hopes to pass the farm onto one day.

## Size of Project:

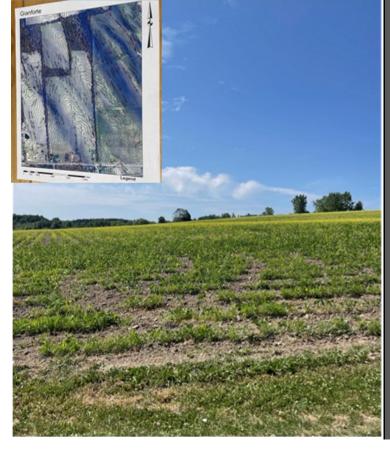
20 acres of an 800-acre farm.

#### Type of Land:

Farmable land (steep but cleared for farming purposes).

## Length of Lease:

25-year lease with two 5-year renewal options.



# Solar Leasing Experience:

Luke has been in the negotiation stage with this developer since 2021. The developer was initially interested in purchasing two parcels of land (50 and 80 acres), but one of the parcels has a conservation easement, and the other parcel is tillable land that Luke wasn't interested in selling. Together, Luke and the developers identified a parcel that they both agreed on and the developers ended up putting an option in for a 20-acre parcel of steep (but farmable) land.

Not the biggest fan of trading farmable land for solar, Luke had walked away from offers. However, being a prime location, the developer kept returning with better offers, and ultimately the lease payments were difficult to turn down as a source of additional income.

#### Advice:

- Do your homework and hire a lawyer.
- Don't sign anything until you are completely comfortable with it and that every detail is written in the contract.
- Work with the developer to find that parcel that works for everyone.
- Take the time to think 25+ years into the future and what you want your farm/land to be like.

# **Stipulations in Contract:**

- Escrow account to pay for farmer/landowner legal fees.
- Detailed decommissioning process (that incudes soil chemical and health tests, baseline and post decommissioning).
- A bond for the decommissioning process.
- Starting construction after the growing season as opposed to during the growing season.
- Lease payments to begin when construction begins (the developer wanted to start lease payments at operation).
- Include buffers and set-backs in the contract—if the landowner can't use it the developer should pay for it.

# Pros of Leasing Land for Solar:

- Lease payments
- Diversified income stream

## Cons of Leasing Land for Solar:

- Loss of farmable land
- Risk damaging soil composition
- Effects on the neighbors

#### **Town and Neighbor Response:**

The town and neighbors have yet to be notified of the possible project because a contract has not been signed yet, but Luke fears that there will be pushback from the neighbors.

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

Luke fears that using prime agricultural land for solar panels may cause issues in the future. He believes that solar should only be developed on marginal land.

# Where Farmer Gained Information on Solar:

Luke has been working with a lawyer provided by and paid for by the developer throughout the negotiation process. Along with that, he has educated himself by reading through the town of Cazenovia's guidebook that goes along with their solar law.

