

**RESOLUTION #2023-003**

**APPROVING A PAYMENT IN LIEU OF TAXES (“PILOT”) AGREEMENT  
FOR CHERRYWOOD SOLAR**

**WHEREAS:**

The County Commissioners of Caroline County (the “County Commissioners” or the “County”) have been approached by a solar project developer, Cherrywood Solar I, LLC (“Developer”) and requested to enter into a PILOT Agreement.

The Developer intends to construct a solar energy generating facility to generate approximately 145 MW of electricity in Caroline County (“Project”); and

Section 7-514(a) of the Tax-Property Article of the Annotated Code of Maryland (“PILOT Statute”) provides that the governing body of a county may enter into an agreement with the owner of a facility for the generation of electricity that is located or locates in the county for a negotiated payment by the Developer in lieu of taxes on the facility; and

Because both Developer and the County need an accurate projection of their respective expenses and revenues with respect to the personal property that is taxable under law, the parties believe that it is in their mutual best interests to enter into an agreement fixing the payments that will be made with respect to all taxable personal property incorporated within the Project for a specified term; and

The County desires to accept the negotiated payments in lieu of the payment of any and all personal property taxes due and payable with respect to the Project for so long as the Project is being operated; and

The Project, known as “Cherrywood Solar”, is approved by a Certificate of Public Convenience and Necessity issued by the Maryland Public Service Commission in Case No. 9477 and by certain special use exception approvals by Caroline County Board of Zoning Appeals in Application No. 201800006; and

Nothing in this resolution shall be construed as limiting County’s authority for siting and construction of the Cherrywood Solar project, which is subject to all applicable federal, State, and local laws and regulations, including but not limited to the County’s final site plan review and zoning and building laws and regulations.

**NOW THEREFORE, IT IS HEREBY RESOLVED BY THE COUNTY COMMISSIONERS OF CAROLINE COUNTY, MARYLAND, that**

**Section 1.** Pursuant to the PILOT Statute, provided that the Developer makes the payments to the County as set forth in Section 2 hereof, the County shall abate one hundred percent (100%) of all personal property taxes that are assessed and payable on the Project for the term of the PILOT Agreement hereby authorized.

**Section 2.** Subject to the terms and conditions of the PILOT Agreement attached hereto and incorporated herein as *Exhibit A*, Developer shall make equal semi-annual payments to the County in the aggregate amount of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) annually, or such adjusted amount as provided by the PILOT Agreement, for a period of time commencing on the July 1<sup>st</sup> after the Project begins commercial operation and continuing until the earlier of: (i) thirty (30) years, or (ii) the date decommissioning of the Project is completed. This amount constitutes the actual taxes due over the term of the agreement and does not constitute a reduction in taxes payable by the Developer.

**Section 3.** The PILOT Agreement attached as *Exhibit A* is hereby approved by the County Commissioners and the President of the County Commissioners is authorized and directed to execute and deliver the PILOT Agreement, notice of which shall be recorded among the Land Records for Caroline County, Maryland.

**BE IT FURTHER RESOLVED** by the County Commissioners of Caroline County, Maryland that the provisions of this Resolution are declared to be severable. If any section, subsection, sentence, clause, phrase, or portion of this Resolution is for any reason held invalid or unconstitutional by any court of competent jurisdiction, the same shall be deemed separate, distinct, and independent from, and such holding shall not affect the validity of, the remaining portions of this Resolution, it being the intent of the County Commissioners that this Resolution shall stand, notwithstanding the invalidity of any section, subsection, sentence, clause, phrase, or portion hereof.

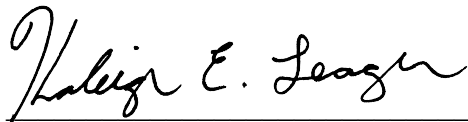
**BE IT FURTHER RESOLVED** by the County Commissioners of Caroline County, Maryland that the foregoing recitals are adopted as if fully rewritten herein.

**BE IT FURTHER RESOLVED** by the County Commissioners of Caroline County, Maryland that this Resolution shall be effective upon recordation without publication of a fair summary, and shall have an effective date of May 2, 2023.

**AND BE IT FURTHER RESOLVED** that this Resolution shall take effect immediately upon adoption.

**ADOPTED/EFFECTIVE:** May 2, 2023

**ATTEST:**



Kaleigh Leager, Executive Assistant

**COUNTY COMMISSIONERS OF  
CAROLINE COUNTY, MARYLAND**



J. Travis Breeding, President




Larry C. Porter, Vice - President



N. Franklin Bartz III, Commissioner

**APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:**



Stewart Barroll, County Attorney