



# CITY OF CONCORD

## REPORT TO MAYOR AND THE CITY COUNCIL

**FROM:** Jonathan Rice, Director of Assessing

**DATE:** August 25, 2025

**SUBJECT:** Payment in Lieu of Taxes Agreement between the City of Concord and Kearsarge Old Turnpike Road, LLC for 75 Old Turnpike Road

### **Recommendation**

Request that the Mayor and Council accept this report and schedule for public hearing the authorization of the City Manager to sign the attached payment in lieu of taxes (“PILOT”) agreement between the City of Concord and Kearsarge Old Turnpike Road, LLC (“Kearsarge”) for 75 Old Turnpike Road.

### **Background**

In July 2023, in response to a Request for Proposal (RFP 21-23), the City selected a proposal submitted by Kearsarge to install own, operate and maintain and ultimately decommission a fully ballasted ground-mounted solar photovoltaic system to be located at the capped landfill located at 75 Old Turnpike Road. The total capacity of the proposed solar installation is approximately 5.0 megawatt (MW) alternating current (AC), and it is planned to utilize approximately 23.36 acres of the 52.9 acre capped landfill. The project construction is expected to begin in September and to be completed by the end of 2025.

The proposal submitted by Kearsarge offered payments of approximately \$3 million over the next twenty years, which are split between lease payments and PILOT payments. There will also be annual payments resulting from a group net metering agreement.

With respect to the PILOT, RSA 72:74 allows municipalities to enter into PILOT agreements with renewable generation facilities. In accordance with the contract awarded to Kearsarge, and to provide both the City and Kearsarge with a reasonable level of assurance of an expected income/expenses for budgeting purposes, the parties have agreed upon the attached draft PILOT agreement. The PILOT agreement is for twenty years, which is the term of the lease agreement. In the event that the lease is renewed, a new PILOT will need to be negotiated.

The annual PILOT payments to the City are proposed to be a flat fee of \$98,729, unless adjusted due to changes in the project. In the event that the PILOT is adjusted due to costs of the project, the lease payments will be similarly adjusted to ensure that the City is receiving the full amount of anticipated payments (for example, if the PILOT is reduced by \$10,000, the rental payments will be increased by \$10,000).

The attached PILOT agreement between the City of Concord and Kearsarge has been reviewed and agreed upon by the parties and requires City Council approval to allow the City Manager to execute on behalf of the council. By statute, the City Council's acceptance of the proposed PILOT agreements must be made following a public hearing.

### **Discussion**

None.