

## TAX AGREEMENT

**THIS TAX AGREEMENT**, dated as of the 1<sup>st</sup> day of July, 2022 (the "**Tax Agreement**"), is by and between the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices located at Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, New York 12553 (the "**Agency**") and **WEST WARWICK ENERGY STORAGE 3 LLC**, a limited liability company organized under the laws of the State of Delaware, authorized to do business in the State of New York, with an office at 7 Times Square Tower, Suite 3504, New York, New York 10036 (the "**Company**").

### WITNESSETH:

CAPITALIZED TERMS USED HEREIN WHICH ARE  
NOT OTHERWISE DEFINED HEREIN SHALL HAVE THE  
MEANINGS ASCRIBED TO SUCH TERMS IN THE SUBLEASEBACK AGREEMENT

**WHEREAS**, the Agency was created by Chapter 390 of the Laws of 1972 of the State of New York pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York (collectively, the "**Act**") as a body corporate and politic and as a public benefit corporation of the State of New York (the "**State**"); and

**WHEREAS**, the Company submitted an application (the "**Application**") to the Agency requesting the Agency's assistance with respect to a certain project (the "**Project**") which consists of: (A)(i) the acquisition of a (sub)leasehold interest in an approximately 10,410.37 sq.ft. of land located at 28 Church Street, Warwick, New York (the "**Land**") which is a portion of a larger approximately 29.2 acre parcel (bearing tax map no. 208-2-10); (ii) the construction of an approximate 17,500 sq.ft. 4MW/17.9MWh battery storage system, including an auxiliary switchboard and a metal enclosed switchgear located on the Land to service the local distribution grid, and provide improvements to the distribution systems' reliability and resiliency, as well as providing emission free energy to the residents of Orange County (collectively, the "**Facility**"); and (iii) the acquisition and installation in and on the Facility of furniture, fixtures and equipment, (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and real property tax (collectively, the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, equipping and completion of the Project Facility; and (D) the acquisition of an interest in the Land and Facility by the Agency pursuant to a sublease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the (sub)sublease of the Project Facility back to the Company pursuant to a subleaseback agreement. The stored energy from the Project Facility will be utilized by Orange and Rockland Utilities, Inc.; and

**WHEREAS**, West Warwick Valley BBA LLC (the "**Owner**") is the current fee owner of the Land. The Company leases the Land from the Owner pursuant to a long-term Energy Storage Lease Agreement, dated March 23, 2021, with an initial term of 12 years with the option of two

renewal terms of 10 years each (the "**Ground Lease**") and upon construction will be the fee owner of the Facility and the operator of the Project Facility; and

**WHEREAS**, for the duration of the term hereof, the Company shall ensue the Ground Lease remain in full force and effect, the term of which shall be extended for at least as long as the term of the Subleaseback Agreement, and shall operate the Project Facility as the Project Facility for the purposes presented herein and in accordance with the Application and Plans and Specifications presented to the Agency; and

**WHEREAS**, in order to induce the Company to acquire, construct, renovate and equip the Project Facility, the Agency is willing to take a subleasehold interest in the Land, the Project Facility, the Equipment and personal property (excluding any and all materials and/or products manufactured at the Facility) constituting the Facility pursuant to the terms and conditions of a certain Sublease Agreement, dated as of the date hereof (the "**Sublease Agreement**"), and sub-sublease said Land, Facility, Equipment and personal property (excluding any and all materials and/or products manufactured at the Facility) back to the Company pursuant to the terms and conditions of a certain Subleaseback Agreement, dated as of the date hereof (the "**Subleaseback Agreement**"); and

**WHEREAS**, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

**WHEREAS**, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the Agency for the benefit of Orange County (the "**County**"), the Town of Warwick (the "**Town**"), the Village of Warwick (the "**Village**") and the Warwick Valley Central School District (the "**School District**"; and, collectively with the County, the Town and the Village, the "**Affected Tax Jurisdictions**").

**NOW, THEREFORE**, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

**Section I. Payment in Lieu of Ad Valorem Taxes:**

1.0. The forgoing recitals are incorporated herein by reference as if fully set forth hereinbelow.

1.1. (A) Subject to the completion and filing by the Village taxable status date (January 1, 2024) (the "**Taxable Status Date**") of the New York State Form RP-412-a Application For Real Property Tax Exemption (the "**Exemption Application**") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act, and the approval of the Exemption Application by the appropriate assessors or Board of Assessment Review, the Facility shall be exempt from Real Estate Taxes (as defined below) commencing

with the 2024/2025 Village fiscal tax year and the 2024/2025 School District fiscal tax year and the 2025 County Town and County calendar tax year. For purposes of the foregoing, "**Real Estate Taxes**" means all general levy real estate taxes levied against the Project Facility by the Affected Tax Jurisdictions, including any School District library taxes that would have been levied by the School District on behalf of the library if the project was not deemed exempt. The Company shall provide to the Agency the information necessary for the completion and timely filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Subleaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the Agency, the Company may in good faith contest the denial of the Exemption Application, provided that: (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency, after timely receiving all information requested from the Company, to file the Exemption Application with the appropriate assessors or Board of Assessment Review by the Taxable Status Date. Notwithstanding anything herein to the contrary, the Company shall be responsible for providing the Agency with the appropriate tax parcel identification number for the Project Facility prior to the taxable status date.

(B) Agreement to Make Payments. The parties agree and acknowledge that payments made under this Tax Agreement are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions might otherwise lose because the subject parcels are not on the tax rolls. The Company shall pay annually to the Affected Tax Jurisdictions as a payment in lieu of taxes (i) on or before June 1 of each calendar year for Village Taxes, (ii) on or before September 1 of each calendar year for School District taxes; and (iii) on or before January 1 of each calendar year for County and Town taxes, an amount equal to the Total Tax Payment (as described on **Schedule B** attached hereto, and in accordance with the other provisions set forth in this Tax Agreement). The first such Total Tax Payments shall be due on **June 1, 2024, September 1, 2024 and January 1, 2025**, respectively, and on each June 1, September 1 and January 1 thereafter for the term of this Tax Agreement. Upon the expiration of this Tax Agreement, the Company shall pay the County, Town Village and School District tax bills in the amounts and on the dates when due as if the Agency were not in title.

1.2. Allocation. The Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder, if any, within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes would have been allocated but for the Agency's involvement, and as if the Project Facility were subject to ad valorem taxes, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

1.3. Tax Rates. For purposes of determining the allocation of the Total Tax Payment among the Affected Tax Jurisdictions, the Agency shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For the County, the Town and the Village and special district purposes, the tax rates used to determine the allocation of the Total Tax Payment shall be the tax rates relating to the calendar year which includes the Tax Payment due date. For School District and School District library purposes, the tax rates used to determine the allocation of the Tax Payment shall be the rates relating to the School District year which includes the Tax Payment due date.

1.4. Valuation of Future Additions to the Facility. If there shall be a future addition to the Facility constructed or added in any manner after the completion of all phases of the Project, the Company shall notify the Agency of such future addition ("**Future Addition**"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the Agency may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Total Tax Payment. The Agency shall notify the Company of any proposed increase in the Total Tax Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the Agency, then and in that event that valuation shall be fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the Agency, the Company shall pay the increased Tax Payment until a different Total Tax Payment shall be established. If a lesser Total Tax Payment is determined in any proceeding or by subsequent agreement of the parties, the Total Tax Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next succeeding Tax Payment(s).

1.5. Period of Benefits/Term. The tax benefits provided for herein should be deemed to include: (i) the 2024/2025 Village fiscal tax year through and including the 2038/2039 Village fiscal tax year, (ii) the 2024/2025 School District fiscal tax year through and including the 2038/2039 School District fiscal tax year; and (iii) the 2025 County and Town calendar tax year through and including the 2039 County and Town calendar tax year. This Tax Agreement shall expire on December 31, 2039; provided, however, the Company shall pay the 2039/2040 Village tax bill, the 2039/2040 School District tax bill and the 2039 County and Town tax bills on the due dates and in the amounts as if the Agency were not in title on the tax status date with respect to said tax years (the "**Term**"). In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this Tax Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of years elapsed under the Subleaseback Agreement), supersede and are in substitution of the exemptions provided by Section 485-b of the New York Real Property Tax Law ("**RPTL**"). It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

## **Section II. Special District Charges, Special Assessments and Other Charges.**

2.1. Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are to be paid in full in accordance with normal billing practices as if the Agency had no interest in the Project, and as if the Project were subject to ad valorem taxes.

## **Section III. Transfer of Facility.**

3.1. In the event that the Facility is transferred from the Agency to the Company (the Sublease/Subleaseback Agreements are terminated), and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption results in a payment to the Affected Tax Jurisdictions in excess of the payment described in Section I hereof, or this Tax Agreement terminates and the property is not timely transferred back to the Company, the Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

## **Section IV. Assessment and Assessment Challenges.**

4.1. The Company shall have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility, and the Agency had no interest therein, with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Affected Tax Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

4.2. The Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this Tax Agreement, as if and to the same extent as if the Company were the owner of the Facility.

4.3. The Company shall: (i) cause the appropriate real estate tax assessment office and tax levy officers to assess the Facility and apply tax rates to the respective assessments as if the Facility were owned by the Company and the Agency had no interest therein; and (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

## **Section V. Changes in Law.**

5.1. To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent

jurisdiction, the obligations of the Company and the Agency hereunder shall, to such extent, be null and void.

## **Section VI. Events of Default and Remedies.**

6.1. The following shall constitute "*Events of Default*" hereunder. The failure by the Company to: (i) make the payments described in Section I within thirty (30) days of the Payment Date (the "*Delinquency Date*"); (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any events of default under the Company Documents after any applicable cure periods. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to Section 874(6) of the General Municipal Law and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2. If payments pursuant to Section I hereof are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows: (a) with respect to payments to be made pursuant to Section I hereof, if said payment is not received by the Delinquency Date defined in Section 6.1 hereof, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due; and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month; and (b) with respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, if any, the Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

6.3. Whenever any Event of Default under Section VI shall have occurred and be continuing and/or the Company shall be in default under the Subleaseback Agreement or any Company Document, the Agency may take whatever action at law or in equity, including but not limited to recapture in accordance with the agency's recapture policy as outlined in the Agency's Uniform Tax Exemption Policy, or pursuant to the terms of any Company Document, following applicable notice, as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Tax Agreement, the Subleaseback Agreement and/or the Company Documents. Notwithstanding anything herein to the contrary, if the Subleaseback Agreement is terminated for any reason, this Tax Agreement shall automatically terminate without any further

notice or action required hereunder and the Project Facility shall immediately become taxable and revert to the tax roll as if the Agency had no interest in the Project.

## **Section VII. Assignment.**

7.1. No portion of any interest in this Tax Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency.

## **Section VIII. Miscellaneous.**

8.1. This Tax Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

8.2. All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, return receipt requested, or by a nationally recognized overnight courier service, addressed as follows:

To the Agency:                   Orange County Industrial Development Agency  
Orange County Business Accelerator  
4 Crotty Lane, Suite 100  
New Windsor, New York 12553  
Attn: Chairman

With a copy to:               Susan R. Katzoff, Esq.  
Bousquet Holstein PLLC  
110 W. Fayette Street, Suite 1000  
Syracuse, New York 13202

To the Company:               West Warwick Energy Storage 3 LLC  
7 Times Square Tower, Suite 3504  
New York, New York 10036  
Attn: Frank Genova

With a copy to:               Hodgson Russ LLP  
140 Pearl Street, Suite 100  
Buffalo, New York 14202  
Attn: Daniel Spitzer, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when: (a) personally delivered; (b) on the first business day following deposit thereof with a nationally recognized overnight courier service; or (c) three (3) business days after deposit in the United States Mail.

8.3. This Tax Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the Federal or state courts located in Orange County, New York.

8.4. Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. None of the members of the Agency nor any person executing this Tax Agreement on its behalf shall be liable personally under this Tax Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Tax Agreement.

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*[Signature Page to Tax Agreement]*

IN WITNESS WHEREOF, the parties hereto have executed this Tax Agreement as of the day and year first above written.

**ORANGE COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By: 

William Fioravanti, Chief Executive Officer

**WEST WARWICK ENERGY STORAGE 3 LLC**

By: Convergent West Warwick LLC  
its sole member

By: Convergent Energy and Power LP,  
its sole member

By: \_\_\_\_\_

Frank Genova, President

*[Signature Page to Tax Agreement]*

IN WITNESS WHEREOF, the parties hereto have executed this Tax Agreement as of the day and year first above written.

**ORANGE COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By: \_\_\_\_\_  
William Fioravanti, Chief Executive Officer

**WEST WARWICK ENERGY STORAGE 3 LLC**

By: Convergent West Warwick LLC  
its sole member

By: Convergent Energy and Power LP,  
its sole member

By: \_\_\_\_\_  
Frank Genova, President

## SCHEDULE A

### LEGAL DESCRIPTION FOR PROPOSED LEASE AREA 'ES3'

TAX NO. 208-2-10

VILLAGE & TOWN OF WARWICK, COUNTY OF ORANGE, STATE OF NEW YORK  
WARWICK VALLEY BBA, LLC  
(REPUTED OWNERS)

#### Lease Area – ES3

All that certain tract or piece of land situate in the Village & Town of Warwick, County of Orange, State of New York, intended to describe a proposed lease area over the lands now or formerly of Warwick Valley BBA, LLC (reputed owner) by deed recorded on April 19, 2012 in Liber 13338 of deeds at Page 1292, designated as Tax No. 208-2-10, bounded and described as follows:

Commencing at a point in the east right of way line Forester Avenue (60' wide) at the intersection of lands belonging to said Warwick Valley BBA, LLC (reputed owner) on the south, and lands belonging to ANDI 3, LLC (reputed owner) (L.14523, P.186) (Tax No. 208-2-7.22) on the north;

Thence North 74°40'51" East, through the lands of said Warwick Valley BBA, LLC (reputed owner) a distance of 1150.06 feet to the Point of Beginning, being the southwest corner of the proposed lease parcel;

Thence through the lands of said Warwick Valley BBA, LLC (reputed owner) the following four (4) courses and distances:

1. North 16°24'12" West, a distance of 81.95 feet to a point;
2. North 73°35'48" East, a distance of 127.03 feet to a point;
3. South 16°24'12" East, a distance of 81.95 feet to a point;
4. South 73°35'48" West, a distance of 127.03 feet to the Point of Beginning, containing 10,410.37 square feet, more or less

## SCHEDULE B

### West Warwick Energy Storage 3 LLC Town of Warwick S.B.L. No. 208-2-10.2

"Total Tax Payment" shall be the amount set forth below:

<u>Tax Year</u>	<u>County and Town Tax Year</u>	<u>Village Tax Year</u>	<u>School District<sup>1</sup> Tax Year</u>	<u>School Allocation</u>	<u>Town Allocation</u>	<u>County Allocation</u>	<u>Village Allocation</u>	<u>Total Tax Payment</u>
1	2025	2024-2025	2024-2025	\$3,936.96	\$586.82	\$649.16	\$827.06	\$6,000.00
2	2026	2025-2026	2025-2026	\$4,015.70	\$598.55	\$662.14	\$843.60	\$6,120.00
3	2027	2026-2027	2026-2027	\$4,096.02	\$610.52	\$675.38	\$860.47	\$6,242.40
4	2028	2027-2028	2027-2028	\$4,177.94	\$622.73	\$688.89	\$877.68	\$6,367.25
5	2029	2028-2029	2028-2029	\$4,261.50	\$635.19	\$702.67	\$895.24	\$6,494.59
6	2030	2029-2030	2029-2030	\$4,346.73	\$647.89	\$716.72	\$913.14	\$6,624.48
7	2031	2030-2031	2030-2031	\$4,433.66	\$660.85	\$731.06	\$931.41	\$6,756.97
8	2032	2031-2032	2031-2032	\$4,522.33	\$674.07	\$745.68	\$950.03	\$6,892.11
9	2033	2032-2033	2032-2033	\$4,612.78	\$687.55	\$760.59	\$969.03	\$7,029.96
10	2034	2033-2034	2033-2034	\$4,705.04	\$701.30	\$775.80	\$988.41	\$7,170.56
11	2035	2034-2035	2034-2035	\$4,799.14	\$715.32	\$791.32	\$1,008.18	\$7,313.97
12	2036	2035-2036	2035-2036	\$4,895.12	\$729.63	\$807.15	\$1,028.35	\$7,460.25
13	2037	2036-2037	2036-2037	\$4,993.02	\$744.22	\$823.29	\$1,048.91	\$7,609.45
14	2038	2037-2038	2037-2038	\$5,092.88	\$759.11	\$839.76	\$1,069.89	\$7,761.64
15	2039	2038-2039	2038-2039	\$5,194.74	\$774.29	\$856.55	\$1,091.29	\$7,916.87
				\$68,083.57	\$10,148.04	\$11,226.17	\$14,302.71	\$103,760.50

For the term of this Tax Agreement, the Company shall continue to pay full taxes based on the assessed value of the Land and any existing improvements before the completion of any Project improvements and prior to the taxable status date in March 2024.

<sup>1</sup> The applicable tax rate for the School District shall include School District library taxes that would have been levied by the School District if the project were not deemed tax exempt.