

FROM (DEPT/ DIVISION): County Counsel

SUBJECT: Community Service Fee Distribution Agreement

<p>Background: As part of the Strategic Investment Program, the developer is to pay an annual community service fee, to be distributed as agreed to by the districts in the project area. For the Nolin Hills projects, both wind/solar and battery components, there are nine districts that potentially are within the tax code areas of the project. These districts have received a proposed agreement to distribute the fee based on portion of the project located in the district and the district tax rate. These agreements are before the Board for approval and signature. The Oregon Business Development Commission will be making the decision on the final distribution formula, and it will be requested to approve the formula based on the method approved by the districts.</p>	<p>Requested Action:</p> <ol style="list-style-type: none"> <li>1. Adopt Order No. BCC2024-024</li> <li>2. Adopt Order No. BCC2024-025</li> </ol>
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ATTACHMENTS: Proposed Orders and Agreements

\*\*\*\*\*For Internal Use Only\*\*\*\*\*

Checkoffs:

- ( ) Dept. Heard (copy)
- ( ) Human Resources (copy)
- ( ) Fiscal
- ( X ) Legal (copy)
- ( ) (Other - List:)

To be notified of Meeting:

Needed at Meeting:

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Scheduled for meeting on: February 21, 2024

Action taken:

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Follow-up:

THE BOARD OF COMMISSIONERS OF UMATILLA COUNTY

STATE OF OREGON

In the Matter of Allocation of )  
Nolin Hills Wind & Solar Energy ) Order No. BCC2024-024  
Project Community Service Fee )

WHEREAS pursuant to ORS 285C.609, Nolin Hills Wind, LLC Energy, LLC and Umatilla County, entered into an agreement that required, among other things, that the company pay a Community Service Fee to Umatilla County as part of the approval of the application for the wind and solar project for the Strategic Investment Program and eligibility for the property taxation exemption provided in ORS 307.123;

WHEREAS the nine local special districts within the tax code area of the project and Umatilla County entered into discussions regarding the distribution of the Community Service Fee for the project;

WHEREAS the portion attributable to Echo Cemetery District, Echo Rural Fire Protection District, Pilot Rock Cemetery District, Pilot Rock Parks & Recreation District, Pilot Rock Rural Fire Protection District, Umatilla County, Umatilla Special Library District, Umatilla-Morrow Radio District, Port of Umatilla and West Umatilla Mosquito Control District, is requested to be distributed by Umatilla County with each entity receiving its share based on its property tax rate in that tax code area and as set out in this order;

WHEREAS the deadline has passed for distribution determined by local agreement, and the Oregon Business Development Commission has the authority under ORS 285C.609(6)(b) to establish the distribution method for the Community Service Fee.

NOW THEREFORE the Board of Commissioners orders:

1. The payment of the Community Service Fee for the Nolan Hills Wind and Solar project is requested to be distributed by Umatilla County to the following entities based on the portion of the project located in the District and the District tax rate:

- Echo Cemetery District
- Echo Rural Fire Protection District
- Pilot Rock Cemetery District
- Pilot Rock Parks & Recreation District

Pilot Rock Rural Fire Protection District  
Port of Umatilla  
Umatilla County  
Umatilla Special Library District  
Umatilla-Morrow Radio District  
West Umatilla Mosquito Control District

2. Umatilla County requests that the Oregon Business Development Commission establish the distribution of the Community Service Fee as set out in paragraph 2.

3. The Board approves the Community Service Fee Distribution Agreement with the Districts and authorizes the signing of the agreement.

DATED this 21<sup>st</sup> day of February, 2024.

UMATILLA COUNTY BOARD OF COMMISSIONERS

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John M. Shafer, Chair

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Celinda A. Timmons, Commissioner

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Daniel N. Dorrان, Commissioner

ATTEST:  
OFFICE OF COUNTY RECORDS

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Records Officer

THE BOARD OF COMMISSIONERS OF UMATILLA COUNTY

STATE OF OREGON

In the Matter of Allocation of )  
Nolin Hills Battery Project ) Order No. BCC2024-025  
Community Service Fee )

WHEREAS pursuant to ORS 285C.609, Nolin Hills Wind, LLC Energy, LLC and Umatilla County, entered into an agreement that required, among other things, that the company pay a Community Service Fee to Umatilla County as part of the approval of the application for the battery project for the Strategic Investment Program and eligibility for the property taxation exemption provided in ORS 307.123;

WHEREAS the nine local special districts within the tax code area of the project and Umatilla County entered into discussions regarding the distribution of the Community Service Fee for the project;

WHEREAS the portion attributable to Echo Cemetery District, Echo Rural Fire Protection District, Pilot Rock Cemetery District, Pilot Rock Parks & Recreation District, Pilot Rock Rural Fire Protection District, Umatilla County, Umatilla Special Library District, Umatilla-Morrow Radio District, Port of Umatilla and West Umatilla Mosquito Control District, is requested to be distributed by Umatilla County with each entity receiving its share based on its property tax rate in that tax code area and as set out in this order;

WHEREAS the deadline has passed for distribution determined by local agreement, and the Oregon Business Development Commission has the authority under ORS 285C.609(6)(b) to establish the distribution method for the Community Service Fee.

NOW THEREFORE the Board of Commissioners orders:

1. The payment of the Community Service Fee for the Nolan Hills Battery project is requested to be distributed by Umatilla County to the following entities based on the portion of the project located in the District and the District tax rate:

- Echo Cemetery District
- Echo Rural Fire Protection District
- Pilot Rock Cemetery District
- Pilot Rock Parks & Recreation District

Pilot Rock Rural Fire Protection District  
Port of Umatilla  
Umatilla County  
Umatilla Special Library District  
Umatilla-Morrow Radio District  
West Umatilla Mosquito Control District

2. Umatilla County requests that the Oregon Business Development Commission establish the distribution of the Community Service Fee as set out in paragraph 2.

3. The Board approves the Community Service Fee Distribution Agreement with the Districts and authorizes the signing of the agreement.

DATED this 21<sup>st</sup> day of February, 2024.

UMATILLA COUNTY BOARD OF COMMISSIONERS

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John M. Shafer, Chair

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Celinda A. Timmons, Commissioner

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Daniel N. Dorrان, Commissioner

ATTEST:  
OFFICE OF COUNTY RECORDS

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Records Officer

**AGREEMENT**  
**Community Service Fee Distribution**  
**Nolin Hills Wind/Solar Project**

This contract is between UMATILLA COUNTY, acting by and through its Board of Commissioners (“County”), and \_\_\_\_\_ (“District”), acting by and through its board or commission, make this agreement for the purpose of the distribution of the Community Service Fee for the Nolin Hills Energy Project.

**1.0 Effective Date**

This agreement is dated and shall become effective on \_\_\_\_\_, 2023.

**2.0 Project**

2.1 Nolin Hills Wind, LLC (“Nolin Hills”) applied for and received property taxation exemption under the State of Oregon Strategic Investment Program (“SIP”) for its wind and solar energy generation project.

2.2 As part of the SIP tax exemption, Nolin Hills agreed to annually pay to the County a Community Service Fee, for 15 years, in an amount equal to 25% of the property taxes that would have been due on the exempt property for that year, not to exceed an aggregate of \$2,500,000 in any year.

2.3 Under ORS 285C.609(6), the Community Service Fee is to be distributed as agreed on by the County and the local taxing districts in the tax code area of the project. The project area covers approximately 48,000 acres and multiple tax code areas. It is unknown what portion of the project will be in each tax code area and what each district may receive, if any amount. The local taxing districts located within the project area are Echo Cemetery District, Echo Rural Fire Protection District, Pilot Rock Cemetery District, Pilot Rock Parks & Recreation District, Pilot Rock Rural Fire Protection District, Port of Umatilla, Umatilla County Special Library District, Umatilla-Morrow Radio & Data District, West Umatilla Mosquito Control District .

2.4 The 2023/24 tax rate for each entity is as follows:

Echo Cemetery District	.3816
Echo Rural Fire Protection District	.5853
Pilot Rock Cemetery District	.1741
Pilot Rock Parks & Recreation District	.0880
Pilot Rock Rural Fire Protection District	.7807
Port of Umatilla	.1539
Umatilla County	2.8470
Umatilla County Special Library District	.3682
Umatilla-Morrow Radio & Data District	.1700
West Umatilla Mosquito Control District	.2021

**3.0 Distribution**

The District and the County agree that the proportion of the Community Service Fee for the Nolin Hills Energy Project attributable to the District shall be distributed by the County based on the portion of the project located in the District and the District tax rate.

DISTRICT:

_____	_____
	Date
_____	_____
	Date
_____	_____
	Date

UMATILLA COUNTY

_____	_____
Daniel N. Dorran, Chair	Date
_____	_____
John M. Shafer, Commissioner	Date
_____	_____
Celinda M. Timmons, Commissioner	Date

ATTEST:  
Office of County Records

\_\_\_\_\_  
Records Officer

**AGREEMENT**  
**Community Service Fee Distribution**  
**Nolin Hills Battery Project**

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West Umatilla Mosquito Control District	.2021

**3.0 Distribution**

The District and the County agree that the proportion of the Community Service Fee for the Nolin Hills Energy Project attributable to the District shall be distributed by the County based on the portion of the project located in the District and the District tax rate.

DISTRICT:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

UMATILLA COUNTY

\_\_\_\_\_  
Daniel N. Dorran, Chair Date

\_\_\_\_\_  
John M. Shafer, Commissioner Date

\_\_\_\_\_  
Celinda M. Timmons, Commissioner Date

ATTEST:  
Office of County Records

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Records Officer