

2022-23 Property Tax Morrow County Health District

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2022-23 Values

- ▶ Taxable Value - \$3,759,690,030
- ▶ Market Value - \$9,228,177,745

- ▶ Exemptions (SIP and EZ)
 - ▶ SIP - \$1,269,106,755
 - ▶ EZ - \$4,033,767,140

(Taxable and Market values are rounded)

2022-23 Tax Amounts

- ▶ Total Certified Property Taxes to Collect - \$54,070,119.75
 - ▶ Health District's Regular Levy - \$2,238,318.93
 - ▶ Health District's Local Option - \$1,239,628.90
 - ▶ As of January 25, a balance of \$1.83 Million of current year Taxes left to collect. (about 96% collected)
 - ▶ \$2.55 Million for all years left to collect
 - ▶ The Health Dist's property tax distribution % for 2022-23 is .0643229170

▶ (Property Tax Amounts Rounded)

Current - Previous Year Value and Tax Amounts 2022-23

- ▶ Taxable Value - \$3,759,690,030
 - ▶ An increase of \$823,696,830
 - ▶ Which is mostly due to expiring exemptions.
 - ▶ Residential, commercial and industrial new construction along with the statutory 3% increase in assessed value does contribute, just not to the level of Amazon's expired EZ exemptions.
- ▶ Market Value - \$9,228,177,745
 - ▶ An increase of \$1,099,435,000
- ▶ Certified Tax (Both Regular and Local Opt)- \$3,477,947.83
 - ▶ An increase of \$826,548.66.

2022-23 Property Taxes - Generally

- ▶ Boardman City Limits - The combined total tax rate for properties inside the Boardman City Limits is lower this year due to the City levied a much lower Bond amount. 2021 Bond Rate - \$1.99/\$1,000 and 2022 - \$.44/\$1,000
- ▶ Outer Boardman and Irrigon Areas - A few cents lower than last year.
- ▶ Heppner City Limits - Tax rate decreased a little, but Market Values increased 30% resulting in many properties having compression reduced due to the City of Heppner's high tax rate. \$10.6209/\$1,000 (Total Tax Rate \$24.0856)
- ▶ Lone School District - Properties within the Lone School District Boundary have an increased tax rate of about \$.42 due to an appeal by Pacific Gas Transmission, which is a major contributor of value for the school district.
- ▶ Rural South County - A few cents lower than last year.

2022 SIP Properties

Willow Creek Energy

- ▶ 2022 SIP CSF Payment - \$81,569.68
 - ▶ The Health Dist's portion of the payment is \$5,088.64
- ▶ Exempt Tax Amount - \$320,081.85
- ▶ Exempt Value - \$19,931,990
- ▶ We share this project with Gilliam County
 - ▶ 37.5% allocated to Gilliam and 62.5% allocated to Morrow
 - ▶ This agreement included a \$40,000/year School Grant Payment for the first 5 years. (\$200,000)
 - ▶ This project only has 1 year left on its exemption.

2022 SIP Properties

Echo Winds

- ▶ 2022 SIP Payment - \$80,029.32
 - ▶ The Health Dist's portion of the payment is \$7,468.05.
- ▶ Exempt Tax Amount - \$77,974.77
- ▶ Exempt Value - \$6,331,845
- ▶ We share this project with Umatilla County
 - ▶ 50% allocated to Umatilla and 50% allocated to Morrow
 - ▶ This agreement included a \$80,000/year Local Improvement Payment for the first 5 years. (\$400,000)
 - ▶ This project only has 1 year left.

2022 SIP Properties

Shepard Flats

- ▶ 2022 SIP Payment - \$1,504,466.56
 - ▶ Community Service Fee of \$500,000 and Additional Amount of \$1,004,466.56
 - ▶ The Health Dist's portion of the CSF is \$30,391.75.
- ▶ Exempt Tax Amount - \$3,844,611.44
- ▶ Exempt Value - \$239,409,880.
- ▶ This project has 4 years remaining.
- ▶ Caithness sold this project to Brookfield Renewables, a Canadian company, in 2020. Brookfield Renewables have invested in a “repower” of new blades and gearboxes.

2022 SIP Properties

PGE Carty Co-Gen Plant

- ▶ 2022 SIP Payment - \$2,170,073.00
 - ▶ Community Service Fee of \$500,000.00 and an additional amount of \$1,670,073
 - ▶ The Health Dist's portion of the CSF is \$110,230.99.
- ▶ Exempt Tax Amount - \$5,106,584.80
- ▶ Exempt Value - \$409,283,140
- ▶ This SIP agreement has a pre-determined payment schedule.

PGE SIP Payment Schedule

<u>Year</u>	<u>Total SIP PMT</u>
2017	\$2,075,211
2018	\$2,147,194
2019	\$2,224,294
2020	\$2,306,877
2021	\$2,395,330
2022	\$2,170,073
2023	\$2,271,553
2024	\$2,380,247
2025	\$2,496,669
2026	\$2,421,369
2027	\$2,554,936
2028	\$2,697,999
2029	\$2,851,233
2030	\$3,015,363
2031	\$3,191,162

2022 SIP Properties

Wheatridge Wind PGE Portion

- ▶ 2022 SIP Payment - \$694,728.25
 - ▶ Community Service Fee of \$165,000.00 and an additional amount of \$529,728.25
 - ▶ The Health Dist's portion of the CSF is \$35,092.88.
- ▶ Exempt Tax Amount - \$1,744,213.79
- ▶ Exempt Value - \$140,795,250

2022 SIP Properties

Wheatridge Wind NextEra Portion

- ▶ 2022 SIP Payment - \$1,805,496.37
 - ▶ Community Service Fee of \$335,000.00 and an additional amount of \$1,037,996.37 for the wind portion and \$432,500.00 for the solar portion that came on line this year.
 - ▶ The Health Dist's portion of the CSF is \$71,249.17.
- ▶ Exempt Tax Amount - \$4,445,941.24
- ▶ Exempt Value - \$413,867,520

2022 SIP Properties Orchard Wind Project

- ▶ 2022 SIP Payment - \$129,887.48
 - ▶ Community Service Fee of \$125,037.48 and an additional amount of \$4,850.00
 - ▶ The Health Dist's portion of the CSF amount is \$41,589.99.
- ▶ Exempt Tax Amount - \$487,873.37
- ▶ Exempt Value - \$39,487,130

Additional Amount per SIP Agreement	
Year	Add'l Amount
2021	\$2,600.00
2022	\$4,850.00
2023	\$7,100.00
2024	\$9,350.00
2025	\$11,600.00
2026	\$13,850.00
2027	\$16,100.00
2028	\$18,350.00
2029	\$20,600.00
2030	\$22,850.00
2031	\$25,100.00
2032	\$27,350.00
2033	\$29,600.00
2034	\$31,850.00
2035	\$159,100.00
Total	\$400,250.00

2022 SIP Properties - Additional Payment totals and Community Service amounts distributed to Districts

- ▶ 2022 Total Additional Payments - \$4,739,657.66
- ▶ 2022 CSF Totals - \$1,726,593.00
 - ▶ Total Health Dist. CSF Amount - \$237,011.47
- ▶ 2022 Total SIP Exempt Taxes - \$16,700,937.00
- ▶ 2022 Total Exempt Value - \$1,269,106,755

2022 Enterprise Zone Exemptions Columbia River Technologies

- ▶ 2022 EZ payment to CREZ II - \$822,128.50
 - ▶ \$47,128.50 of that payment is for the BMCC, Boardman Park and the new Boardman Fire & Rescue District Bonds and \$875,000 goes to CREZ II.
- ▶ Exempt Tax Amount - \$1,000,731.08
- ▶ Exempt Value - \$76,071,150
- ▶ This is a 10 year exemption and has 1 year remaining and has a predetermined payment schedule.
- ▶ CRT has opportunity for \$100,000 for a “Buy Back Option”

Columbia River Technologies EZ Payment Schedule

Columbia River Technologies (10 Year)		
	Year	EZ Payment (To EZ II Board)
	2014	\$125,000.00
	2015	\$250,000.00
	2016	\$350,000.00
	2017	\$425,000.00
	2018	\$425,000.00
	2019	\$425,000.00
	2020	\$425,000.00
	2021	\$575,000.00
	2022	\$875,000.00
	2023	\$1,000,000.00

2022 Enterprise Zone Exemptions Lamb Weston

- ▶ 2022 EZ payment to CREZ II - \$1,130,857.99
 - ▶ \$180,857.99 of that payment is for the BMCC, Boardman Park, Boardman Fire and City of Boardman Bonds and \$950,000 goes to CREZ II.
- ▶ Exempt Tax Amount - \$2,734,347.73
- ▶ Exempt Value - \$169,407,010
- ▶ This is a 15 year exemption, has 6 years remaining and has a predetermined payment schedule of \$950,000.00 for each year of the exemption.
- ▶ Lamb Weston has opportunity for \$100,000 for a “Buy Back Option”

2022 Enterprise Zone Exemptions Morrow County Grain Growers

- ▶ This is a 5 year standard EZ Exemption for MCGG's rail grain car unloading facility at the PoM.
- ▶ The total investment was about \$7 Million.
- ▶ 2022 Exempt Tax Amount - \$88,499.23
- ▶ Exempt Value - \$6,637,320
- ▶ This is their third year claiming the exemption.
- ▶ MCGG was billed \$1,051.89 for the Boardman Fire Bond
- ▶ Per the EZ Agreement, a payment of \$30,000 in years 4 and 5 is to be made to CREZ II, all of which can be utilized as a "Buy Back Option"

2022 Enterprise Zone Exemptions WOF PNW Threemile Project

- ▶ This is a 5 year standard EZ Exemption for a methane digester and pumping facility to PGE'S Carty Co-Gen Plant.
- ▶ The total investment of about \$37 Million.
- ▶ Resilient IG purchased a portion from Threemile in 2020.
- ▶ 2022 Exempt Tax Amount - \$447,065.20.
- ▶ This is their Third year claiming the exemption.
- ▶ Per the EZ Agreement, a payment of \$61,684.70 in each year is to be made to CREZ II, which 50% of that payment can be utilized as a "Buy Back Option". \$3,596.40 was billed for the Boardman Fire Bond

2022 Enterprise Zone Exemptions Amazon L&C I and Rippee Rd

- ▶ Amazon currently has 5 separate sites or locations.
- ▶ The first two sites, I refer to as Lewis & Clark I and Rippee Rd, both sites have multiple Standard EZ exemptions each.
 - ▶ These Standard EZ exemptions are from agreements made in 2013, 2014 and 2016.
 - ▶ The 2013 and 2014 exemptions have expired and the 2016 agreements still have a substantial amount of exemption and will expire in 2023.
 - ▶ Amazon wanted a graduated payment schedule with the payments to CREZ II to increase during the exemption.

2022 Enterprise Zone Exemptions

Amazon L&C I and Rippee Rd Standard EZ

Payments to EZ Board

- ▶ **L & C I**
 - ▶ **EZ Payment - \$804,807.03**
 - ▶ **Bond Amount - \$29,986.48**
- ▶ **Rippee Rd**
 - ▶ **EZ Payment - \$791,873.99**
 - ▶ **Bond Amount - \$16,874,80**

2022 Enterprise Zone Exemptions

Amazon L&C II, Olson Rd and Gar Swanson Rd

- ▶ The remaining three sites, I refer to as Lewis & Clark II, Olson Rd and Gar Swanson Rd, These sites all have 15 year Long Term Rural EZ exemptions.
 - ▶ The L & C II agreement was finalized in 2017 and began its exemption in 2019.
 - ▶ The Olson Rd agreement was finalized in 2018 and began its exemption in 2020.
 - ▶ The Gar Swanson Rd agreement was finalized in 2020 and this is the first year of its exemption.

2022 Enterprise Zone Exemptions

Amazon L&C II, Olson Rd and Gar Swanson Rd

- ▶ All three of these LTR EZ agreements have a payment schedule of \$1 million per building or data center located at that site, with a minimum payment of \$2 million per year.
- ▶ There is also an additional payment calculation of \$25 million x the property tax rate for that area in that year. (The \$25 million is indexed 3% per year, similar to the Community Service Fee related to the SIP Program)

Amazon L&C II, Olson Rd and Gar Swanson Rd LTR EZ Payments to EZ Board

- ▶ Lewis & Clark II Site
 - ▶ EZ Fee - \$5,060,000
 - ▶ Additional Amount - \$363,225.25
- ▶ Olson Rd Site
 - ▶ EZ Fee - \$2,000,000
 - ▶ Additional Amount - \$480,587.70
- ▶ Gar Swanson Rd Site
 - ▶ EZ Fee - \$2,000,000
 - ▶ Additional Amount - \$332,402.50

Amazon L&C II, Olson Rd and Gar Swanson Rd LTR EZ Additional Payments

- ▶ The CREZ II Board, at their meeting on January 23, 2022, voted to distribute the sum of the additional payments from Amazon's three LTREZ Exemption sites to the affected districts.
- ▶ Morrow Co. Health Dist's portion from those three additional payments is: \$143,217.06
- ▶ At that same meeting, the CREZ II Board also voted to grant the Morrow Co. Health Dist. \$150,000.00 as part of their "Public Safety" commitment.

2022 Enterprise Zone Exemptions

- ▶ Standard EZ Exemptions (3-5 years) tend to have a larger exemption percentage than LTR EZ Exemptions.
- ▶ Analyzing a particular company's percent of exemption on a given year can be misleading due to each individual payment structure, valuation, either from the DOR or local assessment and the actual tax rates.
- ▶ The percent of exemption will change from year to year.
- ▶ A full analysis should be performed at the end of the exemption period.

2022 Enterprise Zone Exemptions Total Payments

- ▶ 2022 EZ Payments to the CREZ II Board - \$13,729,646.92
- ▶ 2022 EZ Bond Payments - \$279,111.31
- ▶ 2022 EZ Exempt Tax Amount - \$57,169,499.88
- ▶ 2022 EZ Exempt Value - \$4,033,767,140

- ▶ *EZ Payment Amounts do not have “Buyback Amounts” removed

2022 Top 20 Tax Payors

NAME	TAX_AMOUNT	RMV*	AV
AMAZON DATA SERVICES, INC	\$20,691,726.33	\$4,021,943,860	\$1,561,640,110
AVISTA CORPORATION	\$3,343,707.42	\$207,160,000	\$207,160,000
THREEMILE CANYON FARMS, LLC	\$3,140,766.73	\$292,521,899	\$246,859,935
LAMB WESTON, INC	\$2,545,166.24	\$3,361,544,150	\$157,528,390
PORTLAND GENERAL ELECTRIC CO	\$2,149,638.54	\$684,611,000	\$139,896,860
GAS TRANSMISSION NORTHWEST CORP	\$1,210,341.60	\$81,353,112	\$81,353,112
COLUMBIA RIVER PROCESSING, INC	\$746,573.28	\$56,560,870	\$56,518,670
PORT OF MORROW	\$515,423.04	\$41,905,245	\$36,298,039
PORT VIEW APARTMENTS, LLC	\$433,010.87	\$28,410,010	\$23,942,920
FARMLAND RESERVE, INC	\$388,722.99	\$50,732,338	\$29,503,233
UNION PACIFIC RAILROAD CO	\$378,472.86	\$128,676,273	\$29,355,290
RDO/CALBEE FOODS LLC	\$343,977.29	\$26,147,630	\$26,147,630
OREGON POTATO COMPANY	\$292,854.56	\$18,471,139	\$18,092,471
ALTO COLUMBIA, LLC	\$285,092.53	\$21,671,470	\$21,671,470
WILLOW CREEK ENERGY LLC	\$276,017.09	\$37,120,000	\$17,188,010
ORCHARD WIND PROJECT	\$257,763.49	\$60,350,000	\$20,862,870
PACIFICORP (PP&L)	\$245,434.68	\$18,694,000	\$18,694,000
LUMEN TECHNOLOGIES INC	\$233,898.48	\$15,842,000	\$15,842,000
TIDEWATER BARGE LINES INC	\$217,307.10	\$9,320,000	\$9,320,000
EASTERDAY DAIRY, LLC	\$191,634.06	\$15,513,059	\$15,222,723

Morrow County Values and Taxes 2013-Current

Year	RMV	AV	Certified Tax
2013	\$2,877,019,573	\$1,682,426,033	\$27,133,187.16
2014	\$3,089,994,545	\$1,774,504,324	\$27,839,804.90
2015	\$3,625,832,410	\$2,043,538,478	\$32,228,046.43
2016	\$4,078,799,116	\$2,256,129,368	\$32,711,386.09
2017	\$4,700,766,633	\$2,069,395,917	\$31,885,372.64
2018	\$5,114,350,191	\$2,248,142,683	\$35,192,765.05
2019	\$5,786,369,143	\$2,470,622,726	\$37,334,205.53
2020	\$6,414,500,000	\$2,752,050,000	\$39,558,815.40
2021	\$8,128,742,740	\$2,935,993,206	\$43,706,964.97
2022	\$9,228,177,745	\$3,759,690,030	\$54,070,119.75
	Percentage of Increase		
	221%	123%	99%

Value Increases

- ▶ The increase in Real Market Value (RMV) is mostly from new industrial and utility value. The reason the taxable value increase (AV) is not proportional to RMV is because a number of the new industrial and utility properties have received a property tax exemption, either through the Enterprise Zone Program or the Strategic Investment Program. Those exemptions last from 3-15 year and are unique to each property, after which those properties will added to the AV. Several food processing plants, ethanol producing plants and data centers contribute to the industrial growth. 4 major wind production projects and a large scale gas fired power plant contribute to the utility component of value. The 2017 decrease in AV is due to Portland General Electric's Carty Plant starting its 15 year SIP Exemptpion. The increases from 2018-Current is mostly due to Amazon's expiring EZ Exemptions. Amazon contiuniues to invest and construct new data centers in Morrow County. There has been substantial residential and commercial value growth throughout the North end of the County but not to the extent of the industrial and utility value growth.

What can we expect in 2023?

- ▶ Values should continue to increase from new residential, commercial and industrial development as well as expiring exemptions.
- ▶ The amount of preliminary partition and subdivision plats have not decreased.

Whew!

▶ Questions??