

# HANCOCK COUNTY ORDINANCE NO. 16

## **TITLE: SPECIAL VALUATION FOR WIND ENERGY EQUIPMENT**

WHEREAS, Iowa Code Section 427B.26 permits special valuation for wind energy conversion equipment; and

WHEREAS, use of wind energy conversion equipment to generate electricity by "farming" the wind benefits the citizens of Hancock County and the State of Iowa by providing non polluting, economical, domestically produced power for use by the citizens of Hancock County and the surrounding area; and

WHEREAS, construction and operation of a wind farm in Hancock County will create jobs, supplement the income of the owners of farm land in the county and provide other economic benefits to citizens of the County; and

WHEREAS, FPL Energy Hancock County Wind, LLC proposes to develop a wind farm in Hancock County selling the electricity produced on a price competitive basis and needs the special property tax treatment allowed by law to compete effectively in the market for power sales;

THEREFORE, BE IT RESOLVED that the following ordinance is enacted by the Board of Supervisors of Hancock County, Iowa:

### **Title: Assessment of Wind Energy Conversion Property**

#### **Section 1: Purpose**

The purpose of this ordinance is to provide for the special valuation of wind energy conversion property pursuant to Iowa Code Chapter 427B.26.

#### **Section 2: Definitions**

For use in this ordinance, certain terms and words used herein shall be interpreted or defined as follows:

1. NET ACQUISITION COST means the acquired cost of the property including all foundations and installation cost less any excess cost adjustment.
2. WIND ENERGY CONVERSION PROPERTY means the entire wind plant including, but not limited to, a wind charger, windmill, wind turbine, tower and electrical equipment, pad mount transformers, power lines, and substation.

#### **Section 3: Authority to Establish**

The Board of Supervisors is authorized, pursuant to Iowa Code Chapter 427B.26 to provide by ordinance for special valuation of wind energy conversion property as provided in Section 4.

#### **Section 4: Establishment**

Pursuant to Iowa Code Chapter 427B.26, a special valuation of wind energy conversion property is allowed in lieu of the valuation assessment provisions in Iowa Code Chapter 441.21(8)(b) and (c) and

Iowa Code Chapters 428.24 to 428.29. The special valuation shall only apply to wind energy conversion property first assessed on or after January 1, 1994, and on or after the effective date of this ordinance.

#### **Section 5: Amount of Valuation**

Wind energy conversion property first assessed on or after the effective date of the ordinance shall be valued by the county assessor for property tax purposes as follows:

1. For the first assessment year, at zero percent (0%) of the net acquisition cost.
2. For the second through sixth assessment years, at a percent of the net acquisition cost which rate increases by five percent (5%) each assessment year.
3. For the seventh and succeeding assessment years, at thirty percent (30%) of the net acquisition cost.

#### **Section 6: Declaration of Special Valuation**

The taxpayer shall file with the county assessor by February 1 of the assessment year in which the wind energy conversion property is first assessed for property tax purposes, a declaration of intent to have the property assessed at the value determined under Section 5 in lieu of the valuation assessment provisions in Iowa Code Chapter 44 1.21 (8)(b) and (c), and Iowa Code Chapters 428.24 to 428.29.

If the taxpayer does not file with the county assessor by February 1 of the assessment year for which the person files a declaration of intent to have the property assessed as provided above, then the declaration of intent shall be considered as a declaration filed for the following year .

#### **Section 7: Reporting Requirements**

The following reports shall be filed annually with the county assessor by the taxpayer; in the first year, with the declaration of intent prescribed in Section 6; and by February 1 of each year thereafter:

1. Copy of Asset ledger sheet to IRS;
2. Engineering breakdown of component parts;
3. Tower numbering system;
4. Name of contact person, phone number, FAX number, and mailing address;
5. Report of all leased equipment, the name(s) of the company(s) it is leased from, and the agreement between the lessor and the lessee regarding who is responsible for the property tax on the leased equipment.

#### **Section 8: Repeal of Special Valuation**

If in the opinion of the Board of Supervisors continuation of the special valuation provided under Section 4 ceases to be of benefit to the county, the Board of Supervisors may repeal the ordinance. Property specially valued under Section 4 prior to repeal of the ordinance shall continue to be valued under

Section 4 until the end of the nineteenth (19) assessment year following the assessment year in which the property was first assessed.

**Section 9: Repealer**

All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

**Section 10: Severability Clause**

If any section, provision, or other part of this ordinance shall be adjudged invalid or unconstitutional, said adjudication shall not affect the validity of the ordinance as a whole or any section, provision, or other part thereof not adjudged invalid or unconstitutional.

**Section 11: Penalty**

Any person, firm or corporation violating any regulation in or any provision of this ordinance, or of any amendment or supplement thereto, shall be guilty of a simple misdemeanor which is punishable by a fine of not more than One Hundred Dollars (\$100.00) or by imprisonment of not more than thirty (30) days and shall be guilty of a County infraction punishable by a civil penalty of not more than One Hundred Dollars (\$100.00), or if the infraction is a repeat offense, by a civil penalty not to exceed Two Hundred Dollars (\$200.00). Each day that a violation occurs or is permitted by the Defendant to exist, constitutes a separate offense.

**Section 12: When Effective**

This ordinance shall be in effect upon its final passage, approval and publications as provided by law.

Motion by Supervisor Paca and seconded by Supervisor Torkelson to approve the final reading of Hancock County Ordinance No. 16 entitled "Assessment of Wind Energy Conversion Property." Said hearing being held November 6, 2000 and after the first reading held October 23, 2000.

Vote taken resulted as follows: Ayes, Paca, Reibsamen, Torkelson. Nays, none. Absent, none.

PASSED AND APPROVED THIS 6TH DAY OF NOVEMBER, 2000 WITH ORDINANCE TO BE ENACTED 30 DAYS AFTER THE PUBLIC HEARING, ALL ACCORDING TO IOWA CODE 427B.26(1)(a).

Signed by:

Robert Reibsamen, Chair  
Hancock County Board of Supervisors

Attested by:

Debra Bellinghausen, Auditor  
Hancock County, Iowa

Notice of hearing and published summary - October 30, 2000

First consideration - October 23, 2000

Second consideration - November 6, 2000

Public hearing - Passed and Approved \_ November 6, 2000

Full and Final Publication - November 13, 2000

Final passage - December 11, 2000