

Jamestown S'Klallam Tribal Cooperation Agreement

Tax Exempt and Payment in Lieu of Taxes (PILOT) to Be Paid

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Under Section 101 of the Native American Housing Assistance and Self Determination Act of 1996, 25 U.S.C. § 4111 (NAHASDA), Indian Housing Block Grant (IHBG) funds provided on behalf of an Indian tribe may not be used for rental or lease-purchase homeownership units that are owned by the IHBG recipient for the tribe and developed under NAHASDA or the United States Housing Act of 1937 (42 U.S.C. § 1437 et seq.) unless the governing body of the locality, within which the rental or lease-purchase homeownership units are or will be situated, has entered into an agreement with the recipient. With limited exception, the cooperation agreement must provide for local cooperation, tax-exemption of the units and the annual payments of user fees or payments in lieu of taxes to compensate such governments for the costs of providing governmental services (i.e., including police and fire protection, roads, water and sewerage systems, utilities systems and related facilities).

The annual payments of user fees or payments in lieu of taxes may be an amount equal to the greater of \$150 per dwelling unit or 10 percent of the difference between the shelter rent and the utility cost, or may be such lesser amount as: (a) is prescribed by State, tribal, or local law; (b) agreed to by the local governing body in the agreement; or (c) the recipient and the local governing body may agree that such user fees or payments in lieu of taxes shall not be made.

This Version 1: Tax Exempt and Payment in Lieu of Taxes (PILOT) to Be Paid may be used as a guide when the Tribal IHBG recipient and the Governing Body of the locality, in which the rental homeownership units are situated, have agreed that the rental units are tax exempt and the Tribal IHBG recipient will pay a user fee or Payments in Lieu of Taxes (PILOT) in accordance Section 101(d)(2) of NAHASDA.

COOPERATION AGREEMENT

This agreement entered into this 26th day of September, 2017, by and between the Jamestown S'Klallam Tribe (herein after called the Recipient), and Clallam County (hereinafter called the Local Governing Body”).

In consideration of the mutual covenants hereinafter set forth, the parties do hereby agree as follows:

1. Whenever used in this agreement:
 - a) The term “project(s)” shall mean any property previously or hereafter developed or acquired by the Recipient with financial assistance of the

United States of America, acting by and through the Secretary of the Department of Housing and Urban Development (hereinafter called the "Government"), and under the Native American Housing Assistance and Self Determination Act of 1996 or the United States Housing Act of 1937; and

b) The term "shelter rent" shall mean the total of all charges to all tenants of a project(s) for dwelling rents (excluding all other income of such project(s)), less the cost to the Recipient of all dwelling and non-dwelling utilities.

2. The Recipient shall endeavor to secure funding from the Government for the cost to develop, acquire and/or administer one or more low-income housing project(s), comprising any number of units, as rental or lease-purchase homeownership units. The project(s) is/are located within the jurisdictional limits of the Local Governing Body. The obligations of the parties hereto shall apply to each such project and any future project(s), and the units therein, within the jurisdictional limits of the Local Governing Body as those jurisdictional limits are delineated on the date of this agreement and hereafter may be modified.

3. Pursuant to this agreement, all such project(s) within the jurisdictional limits of the Local Governing Body are exempt from all real and personal property taxes levied or imposed by the Local Governing Body. So long as such project(s) is owned by the Recipient and is used for low-income rental or lease-purchase homeownership purposes, the Local Governing Body agrees that it will not levy or impose any real or personal property taxes upon such project(s) or upon the Recipient with respect thereto as required by Section 101(d) of the Native American Housing and Self Determination Act of 1996, 25 U.S.C. § 4111(d).

4. During such period in which the project(s) is exempt from all real and personal property taxes levied or imposed by the Local Governing Body, the Recipient shall make annual payments of either user fees or Payments in Lieu of Taxes (PILOT) instead of taxes in payment for public services furnished from time to time without other cost or charge to such project(s).

5. Each such annual payment of user fees or PILOT shall be made at the time when real property taxes on such project(s) would be paid if it were subject to taxation and shall be in an amount equal to \$150 per dwelling unit.

6. Notwithstanding the Recipient's agreement to pay user fees or a PILOT, the Local Governing Body agrees that no lien against any project(s) or assets of the Recipient shall attach, nor shall any interest or penalties accrue or attach on account thereof, for the failure to make such payments of user fees or PILOT.

7. During the period commencing with the date of the acquisition of any part of the site or sites of any project(s) and continuing so long as such project(s) is owned by the Recipient and used for low-income rental or lease-purchase homeownership purposes, the Local Governing Body, without cost or charge to the Recipient or the tenants of such

project(s) other than user fees or PILOT described above, shall furnish or cause to be furnished to the Recipient and the tenants of such project(s) any and all public services, facilities and infrastructure of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants within the Local Governing Body's jurisdictional limits.

8. With respect to any project(s) the Local Governing Body further agrees that, within a reasonable time after receipt of a written request from the Recipient, it shall:

- a) Accept the dedication of all interior streets, roads, alleys and adjacent sidewalks within the areas of such project(s), together with all storm and sanitary sewer mains in such dedicated areas after the Recipient, at its own expense, has completed the grading, improvement, paving and installation thereof in accordance with the specifications acceptable to the Local Governing Body;
- b) Accept necessary dedications of land for, and will grade, improve, pave, and provide sidewalks for, all streets bounding such project(s) or necessary to provide adequate access thereto (in consideration whereof the Recipient shall pay to the Local Governing Body such amount as would be assessed against the project(s) site for such work if such site were not subject to this agreement and owned by another inhabitant within the Local Governing Body's jurisdictional limits); and
- c) Provide or cause to be provided water mains and storm and sanitary sewer mains leading to such project(s) and serving the bounding streets thereof (in consideration whereof the Recipient shall pay to the Local Governing Body such amount as would be assessed against the project(s) site for such work if such site were not subject to this agreement and owned by another inhabitant within the Local Governing Body's jurisdictional limits).

9. If by reason of the Local Governing Body's failure or refusal to furnish or cause to be furnished any and all public services, facilities and infrastructure which it has agreed hereunder to furnish or to cause to be furnished to the Recipient or to the tenants of any project(s), the Recipient incurs any expense to obtain such services or facilities, then the Recipient may deduct the amount of such expense from any payment of user fees or PILOT due or to become due to the Local Governing Body with respect to any low-income housing project(s) owned by the Recipient.

10. No cooperation agreement previously entered into between the Local Governing Body and the Recipient shall be construed to apply to any project(s) covered by this agreement.

11. This agreement shall not be abrogated, changed, or modified without the consent of both the Local Governing Body and the Recipient. The privileges and obligations of the Local Governing Body hereunder shall remain in full force and effect with respect to each project(s) so long as the Recipient holds title to such project(s). However, if at any time the title to, or possession of, any project(s) is held by a public body or governmental agency, including the Government, the provisions hereto shall inure to the benefit of and may be enforced by such public body or governmental agency, including the Government.

IN WITNESS WHEREOF, the Local Governing Body and the Recipient have respectively signed this agreement and caused their seal to be affixed and attested as of the day and year first above written.

BOARD OF CLALLAM
COUNTY COMMISSIONERS

Mark Ozias 9-26-17
Mark Ozias, Chair Date

Randy Johnson 9-26-17
Randy Johnson Date

Bill Peach 9-26-17
Bill Peach Date

ATTEST:

Loni Gores
Loni Gores, Clerk of the Board

ATTEST:

Whe-Whe Olitza
Whe-Whe Olitza, Admin Asst.

Jamestown S'Klallam Tribe

W. Ron Allen
W. Ron Allen, CEO/Tribal Chairman Date

