



FINANCE COMMITTEE
Minutes – October 3, 2019

Call to Order. Chair Mawhinney called the meeting of the Finance Committee to order at 7:30 A.M. on Thursday, October 3, 2019 in Conference Room N-1, Fifth Floor, Rock County Courthouse-East.

Committee Members Present. Supervisors Mawhinney, Beaver, Yeomans and Podzilni.

Committee Members Excused: Supervisor Fox.

Staff Members Present. Sherry Oja, Finance Director; Josh Smith, County Administrator; Bridget Laurent, Deputy Corporation Counsel; Rich Greenlee, Corporation Counsel; Michelle Roettger, County Treasurer; Randy Terronez, Assistant to the County Administrator; Brent Sutherland, Facilities Management Director; Jim Sandvig, Information Technology Director; Jodi Millis, Purchasing Manager.

Others Present: None.

Approval of Agenda. Chair Mawhinney said that items 8.A. and 8.B. will be moved after item 6. Supervisor Podzilni moved approval of the amended agenda, second by Supervisor Yeomans. ADOPTED.

Approval of Minutes – September 19, 2019. Supervisor Yeomans moved approval of the minutes of September 19, 2019 as presented, second by Supervisor Beaver. ADOPTED.

Citizen Participation, Communications and Announcements. None.

Transfers and Appropriations. None.

Committee Review and Approval of Per Meeting Allowances. Supervisor Yeomans moved approval of per meeting allowances in the amount of \$13,016.48, second by Supervisor Podzilni. ADOPTED.

Discussion and Possible Action.

Request for Authorization to Contract with Brabazon Title Team Group for Foreclosure of Tax Lien Searches Supervisor Podzilni moved approval to contract with Brabazon Title Team Group for foreclosure of tax lien searches at a cost of \$65 per parcel in 2020 and 2021 and \$70 in 2022, second by Supervisor Yeomans.

Ms. Roettger said the cost went up a little but they do good work.
ADOPTED.

Greenway Properties Opening Bid Pricing Ms. Roettger informed the Committee: the partial lots have been combined; and the house sold on the surplus auction website.

Discussion on taxes, interest and penalties on these properties and what needs to be paid in these situations. The purchase price can be set at a lower price, but the taxes would still need to be paid and this would be up to the owner.

Mr. Greenlee said he could meet with Mr. Godek, City of Janesville, to see if they would come down on the specials.

Supervisor Podzilni moved to table this item until after Mr. Greenlee speaks to the City of Janesville Clerk, second by Supervisor Yeomans. TABLED.

Resolutions and Committee Endorsement.

Approving and Authorizing the Execution of the Joint Exercise of Powers Agreement Relating to Wisconsin PACE Commission

“NOW, THEREFORE, BE IT RESOLVED, that the Rock County Board of Supervisors duly assembled this ____ day of _____ 2019 does hereby approve the draft Commission Agreement, a copy of which is attached to this Resolution, and authorizes and directs the Rock County Board Chair to sign such document after receipt of preliminary approval from the other participating municipalities, approval from the Rock County official duly-appointed to approve the final form of the Commission Agreement and approval of the Rock County Corporation Counsel; and

BE IT FURTHER RESOLVED, that the Chair of the Rock County Board of Supervisors is hereby directed to appoint a board supervisor to act as Rock County’s official representative in relation to the final approval of the form of the Commission Agreement and to otherwise take all action necessary to effectuate the intent of this Resolution.”

Supervisor Beaver moved approval of the above resolution, second by Supervisor Yeomans.

The Committee discussed liability, incentives, would not be a second mortgage, there are already a few interested, there are about 10-20 in Wisconsin so far, and if the County could be included in the settlement process.

ADOPTED.

Creating Section 2.204 of the Rock County Ordinances

“CREATING SECTION 2.204 OF THE ROCK COUNTY ORDINANCES

The Board of Supervisors of the County of Rock, at its regular meeting this ____ day of _____, 2019, does ordain as follows:

I. Section 2.204 of the Rock County Ordinances is created to read as follows:

2.204 Property Assessed Clean Energy Financing

(1) Purpose. The County finds that renovations or additions to premises located in the County made to improve energy efficiency, improve water efficiency, and/or use renewable resource applications, increase property values, stimulate local economic activity, provide local and global environmental benefits, and promote the general welfare of the County residents. The purpose of this Section is to facilitate loans arranged by property owners or lessees to make such improvements by treating loan principal and interest, fees, and other charges as special charges eligible for inclusion on the tax roll of these properties.

(2) Statutory Authority. This ordinance is enacted pursuant to Wis. Stats. § 66.0627, as amended, which authorizes a County to make a loan or enter into an agreement regarding loan repayments to a third party for owner-arranged or lessee-arranged financing, to an owner or lessee of a premises located in the County for making or installing an energy efficiency improvement, a water efficiency improvement or a renewable resource application to a premises.

(3) Definitions. In this section:

(A) Annual installment – means the portion of the PACE loan that is due and payable for a particular year under the supplemental agreement.

(B) Borrower - means the property owner or lessee of the subject property that borrows the proceeds of a PACE loan.

(C) Default loan balance – means the outstanding balance, whether or not due, of a PACE loan at the time that the County receives foreclosure proceeds.

(D) Foreclosure proceeds – means the proceeds received by the County from the disposition of a subject property through an *in rem* property tax foreclosure.

(E) Loan amount – means the principal, interest, administrative fees (including the Program Administrator’s fees) and other loan charges to be paid by the borrower under the PACE loan.

(F) PACE – means the acronym for property assessed clean energy.

(G) PACE default provisions – means:

1. The delinquent annual installment(s) due when the County initiates the *in rem* property tax foreclosure on the subject property;

2. Any additional annual installment(s) that become due between the time that the County initiates *in rem* property tax foreclosure on the subject property and the date the County receives the foreclosure proceeds;

3. Any default interest charges applied to unpaid annual installments referenced in subs. 1. and 2. above, as provided in the supplemental agreement; and

4. Any default loan balance.

(H) PACE lender – means any person that makes a PACE loan, and which may include an affiliate of the borrower.

(I) PACE loan – means a loan made by a PACE lender to a borrower under this Section for energy efficiency improvements, water efficiency improvements, or renewable resource applications made to or installed on a subject property.

(J) Person – means any individual, association, firm, corporation, partnership, limited liability company, trust, joint venture or other legal entity, or a political subdivision as defined in Wis. Stat. § 66.0627.

(K) Program Administrator – means the person retained by the Wisconsin PACE Commission as provided in subsection (5)(B).

(L) Subject property – means any premises located in the County on which an energy efficiency improvements, water efficiency improvements, or renewable resource applications are being or have been made and financed through an outstanding PACE loan.

(M) Supplemental agreement – means a written agreement among a borrower, a PACE lender and the County, as provided for in subsection (7).

(N) Wisconsin PACE Commission – means the Wisconsin PACE Commission formed under Wis. Stats. § 66.0301, as amended, by the County and one or more other political subdivisions as defined in Wis. Stats. § 66.0627, pursuant to a Joint Exercise of Powers Agreement relating to the Wisconsin PACE Commission.

(4) Pace Loans as Special Charges; Delinquent Amounts as Liens. Any PACE loan made and secured pursuant to this Section shall be considered a special charge on the subject property. Any annual installment or portion of a PACE loan made and secured pursuant to the Section that becomes delinquent according to the terms of the PACE loan shall be a lien against the subject property and placed on the tax roll, as permitted pursuant to Wis. Stat. § 66.0627 as amended.

(5) Wisconsin Pace Commission.

(A) Any of the powers and duties of the County under this Section, except for those under subsection (9) may (but are not required to) be delegated to the Wisconsin PACE Commission.

(B) The Wisconsin PACE Commission is further authorized to retain a Program Administrator to act as its agent and administer the PACE program, subject to adherence with PACE program requirements set forth in this Section and in Wis. Stat. § 66.0627 as amended.

(6) Loan Approval.

(A) A prospective borrower applying for a PACE loan shall comply with the loan application process set forth in the program manual approved by the County.

(B) The County shall approve the financing arrangements between a borrower and PACE lender.

(7) Supplement Agreement.

(A) The County, the borrower and the PACE lender shall execute the supplemental agreement which, without limitation:

1. Shall inform the participants that the PACE loan amount shall be imposed as and considered a special charge, and each year's annual installment may be included on the property tax roll of the subject property as a special charge and an annual installment that is delinquent shall be a lien against the subject property pursuant to Wis. Stat. § 66.0627, as amended;

2. Shall recite the amount and the term of the PACE loan;

3. Shall provide for the amount, or a method for determining the amount, of the annual installment due each year;

4. Shall provide whether default interest may be applied to unpaid annual installments;

5. Shall require the PACE lender and the borrower to comply with all federal, state and local lending and disclosure requirements;

6. Shall provide for any fees payable to the County and/or Program Administrator;

7. Shall recite that the supplemental agreement is a covenant that runs with the land;

8. May provide for prepayments of annual installments by the borrower with a resulting reduction in the special charge for the prepayment, subject to any prepayment premium charged by the PACE lender, if any; and

9. May allow for amendment by the parties.

(B) Prior to executing the supplemental agreement, the owner of the subject property, if different from the borrower, and any existing mortgage holder(s) on the subject property must have executed a separate writing acknowledging the borrower's use of PACE financing for the subject property and the special charge that will be imposed under this Section and its consequences, including the remedies for collecting the special charge.

(C) Each PACE loan shall be amortized over the term of the PACE loan as provided in the supplemental agreement.

(D) The annual payments of a PACE loan may be payable in installments as authorized by Wis. Stat. § 66.0627, as amended.

(8) Annual Installments Added to Tax Rolls. Upon the request of the Program Administrator, the County shall place each year's annual installment on the tax roll for the subject property as permitted pursuant to Wis. Stat. § 66.0627, as amended.

(9) Remittance of Special Charges. The County shall promptly remit to the Wisconsin PACE Commission any payment(s) for a special charge imposed under this Section, including penalties and charges thereon, it may receive from any taxing district or the County Treasurer pursuant to Wis. Stat. Ch. 74 as amended.

(10) Property Tax Foreclosure Procedures.

(A) The County elects to utilize the provisions of Wis. Stat. § 75.521, as amended, for the purpose of enforcing tax liens if a subject property owner fails to pay any special charges imposed on the subject property under this Section as required.

(B) The County shall begin an *in rem* property tax foreclosure proceeding on the subject property at the earliest time allowed under Wisconsin Statutes, unless the County determines that subject property is a "brownfield" (as defined in Wis. Stat. § 75.106, as amended) or that *in rem* property tax foreclosure is not in the best interests of the County due to the condition of the property or for other reasons.

(C) If the County has determined that it will not commence an *in rem* property tax foreclosure proceeding, then the PACE lender may request that the County, pursuant to Wis. Stat. § 75.106, as amended, assign the County's right to take judgment against the subject property, provided that the PACE lender and the County fully comply with all provisions of Wis. Stat. § 75.106, as amended, concerning the subject property and the PACE lender agrees to pay the amounts required by Wis. Stat. § 75.36(3)(a)1 and 1m, as amended.



(11) Sale of Foreclosed Property. If the County prevails in an *in rem* property tax foreclosure action against a subject property, the County shall diligently proceed to sell the subject property pursuant to the procedures set forth in Wis. Stat. § 75.69, as amended.

(12) Distribution of Foreclosure Proceeds. The County treasurer shall follow the procedures set forth in Wis. Stat. § 75.36, as amended, to distribute the proceeds from the sale of a subject property.

II. Section 2.204 shall be effective upon publication.”

Supervisor Podzilni moved approval of the above resolution, second by Supervisor Yeomans. ADOPTED.

Amending the 2019 Human Services Department Budget to Accept a Community Mental Health Services Block Grant Supplemental Award for FFY 2019

“NOW, THEREFORE, BE IT RESOLVED that the Rock County Board of Supervisors duly assembled this ____ day of _____, 2019 does hereby authorize the acceptance of the Community Mental Health Services Block Grant Supplemental Award for FFY 2019; and

BE IT FURTHER RESOLVED, that the Human Services Department budget for 2019 be amended as follows:

..”

Supervisor Yeomans moved approval of the above resolution contingent on Human Services approval, second by Supervisor Beaver. ADOPTED.

Accepting United States Food and Drug Administration (FDA) ‘Additional’ Training Grant and Amending the 2019 Rock County Public Health Department Budget

“NOW, THEREFORE, BE IT RESOLVED that the Rock County Board of Supervisors duly assembled this ____ day of _____, 2019 does hereby authorize the Rock County Public Health Department to accept this grant in the amount of \$2,275, and amend the 2019 Rock County Public Health Department budget as follows:

..”

Supervisor Beaver moved approval of the above resolution, second by Supervisor Podzilni. ADOPTED.

Amending the 2019 Council on Aging Budget to Accept Medicare Improvements for Patients/Providers Act Grant Award

“NOW, THEREFORE, BE IT RESOLVED that the Rock County Board of Supervisors duly assembled this ____ day of _____, 2019 does hereby amend the 2019 Rock County Council on Aging budget as follows:

...”

Supervisor Yeomans moved approval of the above resolution contingent on Education, Veterans and Aging Services approval, second by Supervisor Beaver. ADOPTED.

Adjournment. Supervisor Beaver moved adjournment at 8:05 A.M., second by Supervisor Podzilni. ADOPTED.

Respectfully submitted,

Marilyn Bondehagen
Office Coordinator

NOT OFFICIAL UNTIL APPROVED BY COMMITTEE.