

# RESOLUTION

## ROCK COUNTY BOARD OF SUPERVISORS

Planning & Development Committee  
INITIATED BY

Phil Blazkowski, David Somppi  
DRAFTED BY



Planning & Development Committee  
SUBMITTED BY

June 7, 2004  
DATE DRAFTED

### Establishing a Rock County Housing Authority

1. WHEREAS, the County of Rock has applied for and received Housing and Community Development Grants  
2. from Federal and State Agencies since 1978, assisting about 800 families and providing over \$8m in housing  
3. rehabilitation, down payment, and emergency management assistance; and  
4.

5. WHEREAS, the HOME Program Consortium, one of the current sources of Rock County Community  
6. Development funds, was created in 2001 by the County with the Cities of Beloit and Janesville, and has received  
7. \$2.2 million for community development aid for Rock County since 2002; and  
8.

9. WHEREAS, according to the Office of the Corporation Counsel, counties do not have legislative authority to  
10. administer HOME Consortium funds without the utilization of a Housing Authority; and  
11.

12. WHEREAS, Sections 59.53(22) and 66.1201(4), Wisconsin Statutes, provide the authority for Counties to  
13. establish a County Housing Authority; and  
14.

15. WHEREAS, a Rock County Housing Authority would require the consent and approval from a  
16. municipality to conduct a project within that municipality if that municipality is already served by a  
17. housing authority; and  
18.

19. WHEREAS, the Planning and Development Committee has reviewed the need to establish a Housing  
20. Authority for Rock County, the proposed programs and the benefits to be gained therefrom, and have concluded  
21. that establishing a Housing Authority in Rock County is in the best interest of the County and can help address  
22. unsafe, unsanitary, and unaffordable housing conditions in Rock County.  
23.

24. NOW THEREFORE BE IT RESOLVED, that the Rock County Board of Supervisors on this  
25. 27<sup>th</sup> day of June, 2004, hereby declares there is need for a Housing Authority to function in Rock County  
26. to help address:

27. 1. Unsafe inhabited dwelling accommodations existing in the County
28. 2. The shortage of safe and sanitary dwelling accommodations available to persons of low- and  
29. moderate income for rents they can afford,
30. 3. The shortage of safe and sanitary dwelling accommodations available for first-time home buyers  
31. of low- to moderate income with mortgages they can afford; and  
32.

33. BE IT FURTHER RESOLVED, that the Rock County Board of Supervisors hereby establishes the  
34. Rock County Housing Authority; and  
35.

36. BE IT FURTHER RESOLVED, that the Rock County Board of Supervisors authorizes the County  
37. Board Chair and County Clerk to sign the respective documents on behalf of the County of Rock; and,  
38.

39. BE IT FURTHER RESOLVED, that authority is hereby granted to the Rock County Planning and  
40. Development Agency to take the necessary steps to prepare and file the required information to legally  
41. establish a Rock County Housing Authority.

Respectfully Submitted,

Charles Elliott - Chair

Eva Arnold - Vice Chair

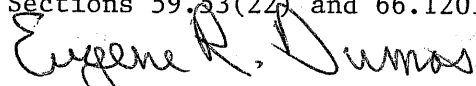
Absent  
Brad Adee

Joel Patch  
  
Jacquelin Wood

04-6B-038

LEGAL NOTE:

The County Board is authorized to take this action by Wisconsin Statutes Sections 59.53(22) and 66.1201 to 66.1211.

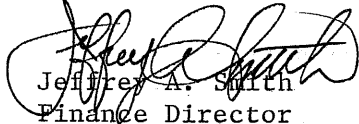


Eugene R. Dumas  
Deputy Corporation Counsel

FISCAL NOTE:

As stated in the Executive Summary, an Attorney General's opinion discloses that the county cannot use county funds or county employees in administering housing programs. For 2004, the county has two employees administering the county's housing program which are funded by administrative costs charged to the various housing grants (CDBG, HCRI and HOME Programs), fees from loan repayments and \$16,140 of tax levy.

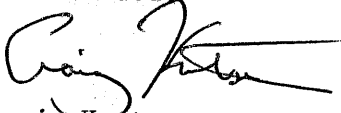
Section 66.1211(2), Wis. Stats. allows county's to advance housing authority funds necessary during the first year after creation of the housing authority. The amount of the advance needed, if any, for 2004 for the housing authority has not been determined at this time.



Jeffrey A. Smith  
Finance Director

ADMINISTRATIVE NOTE:

Recommended,



Craig Knutson  
County Administrator

## ESTABLISHING A ROCK COUNTY HOUSING AUTHORITY

### EXECUTIVE SUMMARY

**BACKGROUND:** One of the sources of funding for which Rock County is eligible to apply is the HOME Program Consortium. Created in 2001, the County of Rock, with the Cities of Beloit and Janesville, formed the Home Program Consortium to obtain HOME funds directly from the Department of Housing & Urban Development. From 2002-2004, this consortium has obtained \$2.2 million in housing rehabilitation funds for Rock County.

**NEED FOR HOUSING AUTHORITY:** This housing authority is required because, in the opinion of the Office of the Corporation Counsel, Rock County does not have the authority to administer HOME programs.

This is based on the following State Attorney General's opinion, which (paraphrased) reads:

"Housing: Municipalities - A county can not use county funds and county employees to improve, reconstruct, or repair homes of private citizens who do not qualify for aid under Ch. 49, Stats., without utilizing a housing authority pursuant to s. 59.075, 66.400-66.404, Stats" (Now s.59.53(22) and 66.1201). 1975

Absent obtaining the authority to administer HOME funds, Rock County is required to utilize a Housing Authority to administer these funds.

The Housing Authority would have policy authority for the HOME program loans, under an agreement with Rock County.

Under an agreement with the State of Wisconsin -Department of Commerce, Rock County does have the authority to administer the other funding components for Rock County's Community Development program. It is intended to have the Planning & Development Committee to continue to have policy authority and oversight, including loan approval, for the Community Development Block Grant (CDBG) and these remaining Programs.

**FINDING AND DECLARATION OF NECESSITY:** The purpose of a housing authority is to address unsafe, unsanitary, and unaffordable housing conditions for low- and moderate-income persons. The need for establishing a housing authority to address unsafe, unsanitary, and unaffordable housing conditions is based on the following for Rock County outside of the Cities of Beloit and Janesville, from the 2000 U.S. Census:

- There are 2,150 substandard housing units that are occupied by low- and moderate-income households,
- 6,135 rental housing units that are occupied by low- and moderate-income households were built before 1978 and may have lead paint hazards,
- 14.0% of owner-occupied housing units for low- and moderate-income households spend more than 30% of their income on housing,
- 28.7% of renter-occupied housing units for low- and moderate-income households spend more than 30% of their income on housing.

**HOUSING AUTHORITY ACTIVITIES:** A housing authority is a body corporate and politic, a separate corporation from County government.

A housing authority includes 5 members. They are appointed by the County for 5-year terms.

Rock County is eligible to apply for HOME Program funds. Rock County would contract with the housing authority to administer this program.

It must be stated that among the functions the housing authority can serve include:

- Go into debt for authorized projects without obligating (its parent) County,
- Prepare, implement, acquire, lease, and operate housing projects,
- Act as an agent to acquire, construct, operate, or manage housing projects,
- Furnish services or arrange to furnish services in connection with a housing project,
- Own, lease and/or rent housing,
- Investigate living conditions in areas within its jurisdiction,
- Own and sell property, have it insured, obtain mortgages,
- Invest obtained funds,
- Execute bonds, notes, debentures, and other forms of indebtedness, and
- Provide for housing for veterans and their families.

These functions will be addressed in a future County of Rock / Rock County Housing Authority agreement.

Housing authority debts are not an obligation of the County.

The Housing Authority would be established to administer the HOME funds obtained by Rock County as part of the existing and future HOME Program Consortium.