



Finance/Administration Committee  
Agenda  
Kenosha County Administration Building  
1010 56th Street, Kenosha, WI 53140  
2nd Floor Committee Room  
Thursday, October 26, 2017, 6:00 p.m.

NOTE: UNDER THE KENOSHA COUNTY BOARD RULES OF PROCEDURE ANY REPORT, RESOLUTION, ORDINANCE OR MOTION APPEARING ON THIS AGENDA MAY BE AMENDED, WITHDRAWN, REMOVED FROM THE TABLE, RECONSIDERED OR RESCINDED IN WHOLE OR IN PART AT THIS OR AT FUTURE MEETINGS. NOTICE OF SUCH MOTIONS TO RECONSIDER OR RESCIND AT FUTURE MEETINGS SHALL BE GIVEN IN ACCORDANCE WITH SECTION 2 C OF THE COUNTY BOARD RULES. ANY ITEM RELATED TO THE BUDGET MAY BE DISCUSSED AT ANY BUDGET HEARING. FURTHERMORE, ANY MATTER DEEMED BY A MAJORITY OF THE BOARD TO BE GERMANE TO AN AGENDA ITEM MAY BE DISCUSSED AND ACTED UPON DURING THE COURSE OF THIS MEETING AND ANY NEW MATTER NOT GERMANE TO AN AGENDA ITEM MAY BE REFERRED TO THE PROPER COMMITTEE. ANY PERSON WHO DESIRES THE PRIVILEGE OF THE FLOOR PRIOR TO AN AGENDA ITEM BEING DISCUSSED SHOULD REQUEST A COUNTY BOARD SUPERVISOR TO CALL SUCH REQUEST TO THE ATTENTION OF THE BOARD CHAIRMAN

All meetings will be held in the KCAB Committee room. Quorums of other Board Committees may be present during the budget hearings. Times are approximate. As one hearing is completed, the next scheduled hearing will begin immediately. Accounts included in the Executive proposed budget will be reviewed in these budget hearings. The department names and budget times are listed for information only. Any item related to the Budget may be discussed at any budget hearing. Any matter germane to the budget may be considered during these hearings. Budgets will be tentatively adopted by Department.

**1. CALL TO ORDER**

**2. ANY REMAINING 2018 DEPARTMENTAL/DIVISIONAL BUDGET ITEMS**

Budget finalization

- An Initial Resolution Authorizing the Issuance of Not to Exceed \$13,100,000 General Obligation Promissory Notes for Budget Capital Projects Including Road and Highway Improvements
- An Initial Resolution Authorizing the Issuance of Not to Exceed \$2,040,000 General Obligation Promissory Notes for Grants to the Kenosha Area Business Alliance
- A Resolution Authorizing Entry into the PACE (Property Assessed Clean Energy) Commission
- An Ordinance to Create Chapter 3.70 Entitled "Property Assessed Clean Energy Financing" of the Municipal Code of Kenosha County
- POLICY RESOLUTION – 2018 Kenosha County Budget

Documents:

[PRESALEREPORT.KENOSHACOUNTY.2018A.PDF](#)

[KENOSHA COUNTY - 2017 INITIAL RESOLUTION RE 2018 CAPITAL  
PROJECTS-ROAD-HIGHWAY.PDF](#)  
[KENOSHA COUNTY - 2017 INITIAL RESOLUTION RE GRANTS TO THE  
KENOSHA AREA BUSINESS ALLIANCE.PDF](#)  
[RESOLUTION 10-11-17 PACE.PDF](#)  
[ORDINANCE 10-11-17 PACE.PDF](#)  
[PACE COMISSION AGREEMENT 10-11-17.PDF](#)  
[PACE WI - OVERVIEW 09202017.PDF](#)

### **3. ADJOURN**

October 26, 2017

## Pre-Sale Report for

Kenosha County, Wisconsin

\$15,375,000 General Obligation Promissory Notes,  
Series 2018A



**Prepared by:**

Michael Harrigan, CIPMA  
Senior Municipal Advisor/Chairman of the Board

And

Dawn Gunderson-Schiel, CPFO, CIPMA  
Senior Municipal Advisor/Vice President

And

Todd Taves, CIPMA  
Senior Municipal Advisor/Principal

## Executive Summary of Proposed Debt

Proposed Issue:	\$15,375,000 General Obligation Promissory Notes, Series 2018A
Purposes:	<p>The proposed issue includes financing for the following purposes: Capital Projects (Roads, Equipment), KABA, Law Enforcement Enhancements, ERP Project</p> <ul style="list-style-type: none"> <li>Debt service will be paid from general property tax levy.</li> </ul>
Authority:	<p>The Notes are being issued pursuant to Wisconsin Statute:</p> <ul style="list-style-type: none"> <li>67.12(12)</li> </ul> <p>The Notes will be general obligations of the County for which its full faith, credit and taxing powers are pledged.</p> <p>The Notes count against the County's General Obligation Debt Capacity Limit of 5% of total County Equalized Valuation. Following issuance of the Notes, the County's total General Obligation debt principal outstanding will be approximately \$139 million, which is 19% of its limit. Remaining General Obligation Borrowing Capacity will be approximately \$593 million.</p>
Term/Call Feature:	<p>The Notes are being issued for a 10-year term. Principal on the Notes will be due on August 1 in the years 2019 through 2028. Interest is payable every six months beginning February 1, 2019.</p> <p>The Notes maturing on and after August 1, 2027 will be subject to prepayment at the discretion of the County on August 1, 2026 or any date thereafter.</p>
Bank Qualification:	Because the County is issuing, or expects to issue, more than \$10,000,000 in tax-exempt obligations during the calendar year, the County will be not able to designate the Notes as "bank qualified" obligations.
Rating:	<p>The County's most recent bond issues were rated "AA+" by Standard &amp; Poor's and "AA+" by FitchRatings. The County will request a new rating for the Notes.</p> <p>If the winning bidder on the Notes elects to purchase bond insurance, the rating for the issue may be higher than the County's bond rating in the event that the bond rating of the insurer is higher than that of the County.</p>
Basis for Recommendation:	Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of Notes as a suitable option based on:



	<ul style="list-style-type: none"> <li>• The expectation this form of financing will provide the overall lowest cost of funds while also meeting the County's objectives for term, structure and optional redemption.</li> <li>• The County having adequate General Obligation debt capacity to undertake this</li> <li>• The nature of the projects being financed, which will not generate user or other fees, that could be pledged to secure a revenue obligation.</li> <li>• The County's current Financial Management Plan/Capital Improvements Plan which identified issuance of General Obligation Notes to finance these projects.</li> <li>• The existing General Obligation pledge securing the obligations to be refunded.</li> </ul>
Method of Sale/Placement:	<p>In order to obtain the lowest interest cost to the County, we will competitively bid the purchase of the Notes from local and national underwriters/banks.</p> <p>We have included an allowance for discount bidding equal to 1.00% of the principal amount of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.</p> <p>If the Notes are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to lower your borrowing amount.</p> <p><b>Premium Bids:</b> Under current market conditions, most investors in municipal bonds prefer "premium" pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered "reoffering premium."</p> <p>For this issue of Notes, any premium amount received that is in excess of the underwriting discount and any capitalized interest amounts must be placed in the debt service fund and used to pay a portion of the interest payments due on the Notes. The County may apply premiums received to future years' debt service payments. Any premium not applied to debt service would be used to reduce the size of the issue.</p> <p>The amount of premium allowed can be restricted in the bid specifications. Restrictions on premium may result in fewer bids, but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Notes intended to achieve the County's objectives for this financing.</p>
Other Considerations:	<p>The Notes will be offered with the option of the successful bidder utilizing a term bond structure. By offering underwriters the option to "term up" some of the</p>



	<p>maturities at the time of the sale, it gives them more flexibility in finding a market for your Notes. This makes your issue more marketable, which can result in lower borrowing costs. In the event that the successful bidder utilizes a term bond structure, we recommend the County retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.</p>
Review of Existing Debt:	<p>We have reviewed all outstanding indebtedness for the County and find that there are no refunding opportunities at this time.</p> <p>We will continue to monitor the market and the call dates for the County's outstanding debt and will alert you to any future refunding opportunities.</p>
Continuing Disclosure:	<p>Because the County has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the County will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The County is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.</p>
Arbitrage Monitoring:	<p>Because the Notes are tax-exempt obligations/tax credit obligations, the County must ensure compliance with certain Internal Revenue Service (IRS) rules throughout the life of the issue. These rules apply to all gross proceeds of the issue, including initial bond proceeds and investment earnings in construction, escrow, debt service, and any reserve funds. How issuers spend bond proceeds and how they track interest earnings on funds (arbitrage/yield restriction compliance) are common subjects of IRS inquiries. Your specific responsibilities will be detailed in the Tax Certificate prepared by your Bond Attorney and provided at closing. We recommend that you regularly monitor compliance with these rules and/or retain the services of a qualified firm to assist you.</p>
Risk Factors:	<p><b>GO with Planned Abatement:</b> The County expects to abate a portion of the County debt service with revenues from the City of Kenosha for costs associated with a jointly used public safety building as well as from revenues from its Brookside nursing home facility for construction of improvements thereto. In the event these revenues are not available, the County is obligated to levy property taxes in an amount sufficient to make all debt payments.</p>
Other Service Providers:	<p>This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, so</p>



	<p>their final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.</p> <p><b>Bond Attorney:</b> Foley &amp; Lardner LLP</p> <p><b>Paying Agent:</b> Issuer, unless term bonds offered, then Bond Trust Services Corp.</p> <p><b>Rating Agencies:</b> Standard &amp; Poor's Global Ratings (S&amp;P) and FitchRatings</p>
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This presale report summarizes our understanding of the County's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the County's objectives.



## Proposed Debt Issuance Schedule

Pre-Sale Review by County Board:	October 26, 2017
Distribute Official Statement:	Week of July 16, 2018
Conference with Rating Agency:	Week of July 23, 2018
County Board Meeting to Award Sale of the Bonds:	August 1, 2018
Estimated Closing Date:	August 23, 2018

### Attachments

Sources and Uses of Funds

Proposed Debt Service Schedule

Bond Buyer Index

### Ehlers Contacts

Municipal Advisors:	Michael Harrigan	(262) 796-6165
	Dawn Gunderson-Schiel	(262) 796-6166
	Todd Taves	(262) 796-6173
Disclosure Coordinator:	Sue Porter	(262) 796-6167
Financial Analyst:	Mary Zywiec	(262) 796-6171

The Official Statement for this financing will be mailed to the County Board at their home address or e-mailed for review prior to the sale date.





# Kenosha County Five Year Capital Outlay/Projects

PROJECT TITLE	Detail Reference Number	2018 Proposed Capital
ERP Replacement	Info-Tech 1	\$ 1,500,000
County-Wide - Computer and Telecommunications	Info-Tech 2	1,925,077
KABA- Economic Development	KABA-1	250,000
Residential Facilities and Equipment	Brookside-1	97,000
Brookside Improvements	Brookside-2	400,000
Snow Removal Equipment	Facilities-1	34,000
Replace UPS System	Facilities-2	34,000
Preventive Maintenance Software	Facilities-3	34,300
Replace Automatic Transfer Switches	Facilities-4	53,000
Mini-Loader and Attachments	Facilities-5	55,000
Fire Control Panels	Facilities-6	90,000
Plumbing System Replacement - KCDC	Facilities-7	150,000
Replace Joint Sealants, Floor Drains, Decking - Parki	Facilities-8	150,000
Renovation of Courtrooms	Facilities-9	250,000
Civic Center Development Project	Facilities-10	300,000
Roof Replacements	Facilities-11	400,000
Repave North Parking Lot	Fac Saf Bldg-1	85,000
Roof Replacement	Fac Saf Bldg-2	365,000
Replace Golf Carts	Golf-1	200,000
Mower Replacements	Golf-2	258,000
Playground Equipment	Parks-1	35,000
Mower Replacements	Parks-2	48,000
Kemper Center Capital Projects	Parks-3	50,000
Purchase Flood Plain Property	Parks-4	50,000
Fox River Restroom Renovation	Parks-5	50,000
Park Buildings Roofs Replacements	Parks-7	158,000
KD Park Improvements	Parks-8	80,000
Petrifying Springs Parking Lot Upgrades	Parks-9	180,000
New Restrooms - Petrifying Springs	Parks-10	100,000
Pike River Shoreline Stabilization	Parks-11	100,000
Anderson Arts Center Renovation	Parks-12	400,000
Single Axle Trucks	Highway-1	210,000
Tri-Axle Trucks	Highway-2	225,000
Sign Truck	Highway-3	225,000
Countywide Bicycle Route & Guide Signing	Highway-25	64,000
Pike River Multi-Use Trail	Highway-26	122,000
Highway E Multi-Use Trail	Highway-27	170,000
Highway C Multi-Use Trail	Highway-28	300,000
Highway W - Curve Near Fox River	Highway-29	540,000
Local Road Improvement Program (LRIP)	Highway-30	312,500
Highway F - Hwy O to Hwy KD	Highway-31	710,000
Transportation Infrastructure Improvements	Highway-33	2,000,668
Hazard Mitigation Grant Program	Planning-1	100,000
Energy Efficiency Projects	Cap Proj-1	150,000
Law Enforcement Enhancements	Cap Proj-2	300,000
HVAC Equipment Replacements	Cap Proj-3	440,000
Cube Trucks	Sheriff-1	35,000

Rigid Mount Washers	Sheriff-2	92,000
PLC Control Systems	Sheriff-3	450,000
Marked/Unmarked Fleet With Up-Fitting	Sheriff-4	653,455
Steam Kettle	Sheriff-10	30,000
Item Greater than \$5,000 less than \$25,000	Other - 1	114,000

Total County Projects                      \$    15,125,000  
Issue Size    \$15,375,000

2018 Portion of KABA Economic Development in Initial Resolution 2014-#66 (from below)                      (\$255,000)  
2018 Portion of Law Enforcement Enhancements Project 2016-#62    (\$305,000)  
2018 Portion of Budgeted Capital Projects 2014 #65    (\$190,000)  
2018 Portion of ERP Project 2016-#64    (\$1,525,000)

**2017 Initial Resolution Amount for 2018 Capital Projects                      \$13,100,000**

Capacity of Initial Resolution 2014-#66 KABA Economic Development	\$2,040,000
Borrowed Amount in 2016 for Project - 2016A	(\$255,000)
Additional Amount Borrowed in 2016 for Project - 2016A	(\$505,000)
Borrowed Amount in 2017 for Project (see above)	(\$255,000)
Additional Amount Borrowed in 2017 for Project - 2017A	(\$510,000)
Borrowed Amount in 2018 for Project (see above)	<u>(\$255,000)</u>
Remaining Capacity of Initial Resolution 2014-#66 Available for Future Years	<b>\$260,000</b>

Capacity of Initial Resolution 2015-#53- Public Safety Building Remodeling	\$4,400,000
Borrowed Amount in 2016 for Project- 2016A	(\$300,000)
Borrowed Amount in 2017 for Project (see above)	<u>\$0</u>
Remaining Capacity of Initial Resolution 2015-#53 Available for Future Years	<b>\$4,100,000</b>

Capacity of Initial Resolution 2016-#62- Law Enforcement Enhancements	\$12,050,000
Residual Amount in 2017 for Project (\$5,200,000 Law Enforcement Enhancement 2017 Budget)	<b>(\$5,315,000)</b>
Borrowed Amount in 2018 for Project (See Above)	<u>(\$305,000)</u>
Remaining Capacity of Initial Resolution 2016-#62 Available for Future Years	<b>\$6,430,000</b>

Capacity of Initial Resolution 2016-#64- ERP Project	\$3,075,000
Borrowed Amount in 2018 for Project (See Above)	<u>(\$1,525,000)</u>
Remaining Capacity of Initial Resolution 2016-#64 Available for Future Years	<b>\$1,550,000</b>

### **Proposed Initial Resolutions**

<b>1) 2018 Budgeted Capital Projects (including Road &amp; Highway Projects)</b>	<b>\$13,100,000</b>
<b>2) 2018 KABA Economic Development Initial Resolution</b>	<b>\$2,040,000</b>

	2018	2019		2020		2021		2022		TOTAL
	NOTES	NOTES	BONDS	NOTES	BONDS	NOTES	BONDS	NOTES	BONDS	
Capital Projects	13,075,000	12,680,000		9,850,000		7,700,485		11,700,000		55,005,485
Law Enforcement Enhancements	300,000		3,300,000		3,000,000					6,600,000
Highway S between Hwy 31 to I 94					3,000,000		9,159,515		5,800,000	17,959,515
Highway F -Hwy O to Hwy KD										0
KABA Economic Development	250,000	500,000		500,000		500,000		500,000		2,250,000
ERP Replacement	1,500,000	1,700,000								
Brookside	0									0
<b>Total County Projects</b>	<b>\$15,125,000</b>	<b>\$14,880,000</b>	<b>\$3,300,000</b>	<b>\$10,350,000</b>	<b>\$6,000,000</b>	<b>\$8,200,485</b>	<b>\$9,159,515</b>	<b>\$12,200,000</b>	<b>\$5,800,000</b>	<b>\$81,815,000</b>
Amount available for additional projects										
Bid Premium/Funds Deposited to Debt Service Fund										
Underwriter's Discount	\$153,750	\$151,200	\$42,375	\$105,300	\$76,750	\$83,600	\$116,750	\$124,000	\$74,063	927,788
Premium Bid (Built into Rates)										
Costs of Issuance	\$126,350	\$115,695	\$53,175	\$92,405	\$73,715	\$88,435	\$79,915	\$104,675	\$62,900	797,265
<b>TOTAL CAPITAL REQUIRED</b>	<b>\$15,405,100</b>	<b>\$15,146,895</b>	<b>\$3,395,550</b>	<b>\$10,547,705</b>	<b>\$6,150,465</b>	<b>\$8,372,520</b>	<b>\$9,356,180</b>	<b>\$12,428,675</b>	<b>\$5,936,963</b>	<b>83,540,053</b>
Less Interest Earnings/Rounding	(\$30,100)	(\$26,895)	(\$5,550)	(\$17,705)	(\$10,465)	(\$12,520)	(\$16,180)	(\$28,675)	(\$11,963)	(\$119,415)
<b>TOTAL ISSUE</b>	<b>\$15,375,000</b>	<b>\$15,120,000</b>	<b>\$3,390,000</b>	<b>\$10,530,000</b>	<b>\$6,140,000</b>	<b>\$8,360,000</b>	<b>\$9,340,000</b>	<b>\$12,400,000</b>	<b>\$5,925,000</b>	<b>\$86,580,000</b>
	<b>\$15,375,000</b>	<b>\$18,510,000</b>		<b>\$16,670,000</b>		<b>\$17,700,000</b>		<b>\$18,325,000</b>		

<sup>2</sup> Includes FA Fee, Bond Counsel, and Rating Agency Costs (Fitch and S&P)



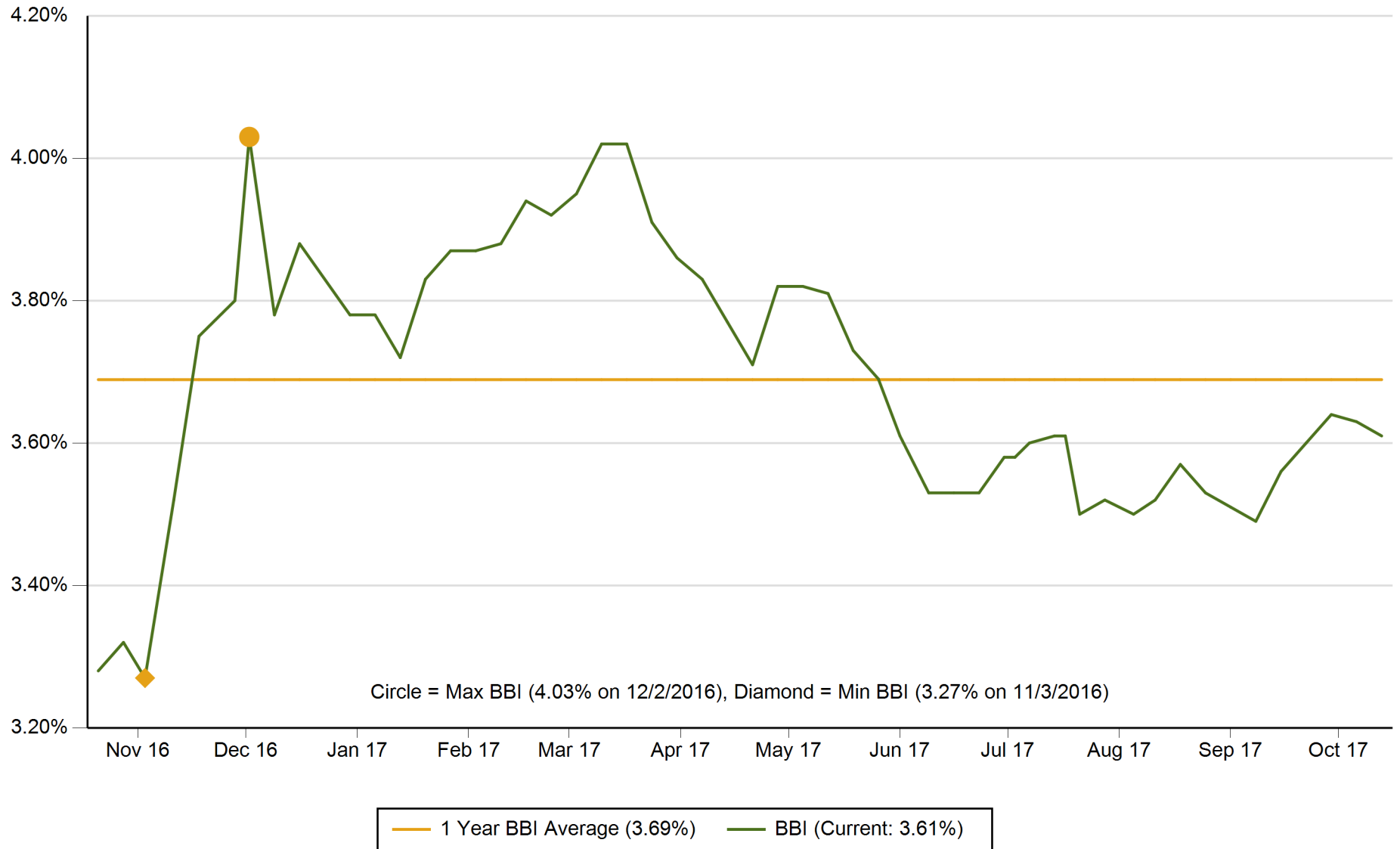
Year	Total General Obligation P&I	\$15,375,000		\$15,120,000		\$3,390,000	\$10,530,000		\$9,340,000		\$8,360,000		\$9,340,000		\$12,750,000		\$13,000,000		TOTAL PRINCIPAL	TOTAL INTEREST	TOTAL DEBT SERVICE	Funds available from County (Reserves)	Less Debt issued on behalf of City of Kenosha 2009 and 2010	Less: Brookside Revenues <sup>+</sup>	Funds Available from Levy/ Prem Bid Dep to DS 2014/15/16	Total Proposed Levy for Debt	TID Out Equalized Value Projection w/Actual 2014 EV and 2015, 2016 Values	Change in TID out EV	Eq Rate For Debt Pmts target 1.50	G.O. Principal Outstanding At Year End	Year
		Capital Budget Notes Dated 8/1/18		Capital Budget Notes Dated 8/1/19		Law Enforceme nt Bonds Dated 8/1/19	Capital Budget Notes Dated 8/1/20		Highway & Law Enforcement Bonds Dated 8/1/20		Capital Budget Notes Dated 8/1/21		Highway Bonds Dated 8/1/21		Capital Budget Notes Dated 8/1/22		Capital Budget Notes Dated 8/1/23														
		Princ (8/1)	Est. Int. 3.75%	Princ (8/1)	Est. Int. 4.00%	Princ (8/1)	Princ (8/1)	Est. Int. 4.75%	Princ (8/1)	Est. Int. 5.00%	Princ (8/1)	Est. Int. 4.90%	Princ (8/1)	Est. Int. 5.25%	Princ (8/1)	Est. Int. 4.95%	Princ (8/1)	Est. Int. 5.00%													
2017	16,318,096																		13,185,000	3,133,096	16,318,096		(342,562)	0	(1,079,919)	14,895,616	12,652,208,000	4.42%	1.18	127,745,000	2017
2018	18,263,916																		14,740,000	3,523,916	18,263,916	(413,020)	(345,818)	(638,800)	(1,532,726)	15,333,552	13,233,219,300	4.59%	1.16	128,380,000	2018
2019	16,479,464	570,000	576,563																13,855,000	3,771,026	17,626,026	(300,000)	(359,202)	(638,800)		16,328,025	13,299,385,397	0.50%	1.23	129,645,000	2019
2020	15,689,457	675,000	555,188	90,000	604,800	50,000													13,660,000	4,156,994	17,816,994		(369,230)	(638,800)		16,808,964	13,499,875,294	0.50%	1.25	132,655,000	2020
2021	15,790,949	725,000	529,875	120,000	601,200	75,000	140,000	500,175	150,000	307,000									14,520,000	4,569,499	19,089,499		(378,955)	(1,603,800)		17,106,744	13,567,374,670	0.50%	1.26	135,835,000	2021
2022	14,464,363	825,000	502,688	545,000	596,400	100,000	245,000	493,525	150,000	299,500	240,000	409,640	100,000	490,350					14,560,000	5,048,390	19,608,390		(379,934)	(1,609,850)		17,618,606	13,635,211,544	0.50%	1.29	134,025,000	2022
2023	12,411,825	1,025,000	471,750	800,000	574,600	125,000	645,000	481,888	185,000	292,000	545,000	397,880	125,000	485,100	400,000	631,125			14,490,000	5,248,593	19,738,593		(395,973)	(1,609,850)		17,732,769	13,703,387,601	0.50%	1.29	132,535,000	2023
2024	10,857,406	1,325,000	433,313	1,550,000	542,600	150,000	800,000	451,250	190,000	282,750	645,000	371,175	125,000	478,538	500,000	611,325	250,000	650,000	14,940,000	5,410,156	20,350,156		(397,273)	(1,608,950)		18,343,933	13,771,904,539	0.50%	1.33	117,595,000	2024
2025	9,008,044	1,875,000	383,625	1,800,000	480,600	150,000	1,050,000	413,250	200,000	273,250	750,000	339,570	150,000	471,975	1,000,000	586,575	725,000	637,500	15,510,000	4,914,439	20,424,439		(403,448)	(1,607,150)		18,413,841	13,840,764,062	0.50%	1.33	102,085,000	2025
2026	7,456,906	2,675,000	313,313	2,055,000	408,600	160,000	1,300,000	363,375	210,000	263,250	850,000	302,820	150,000	464,100	1,000,000	537,075	1,000,000	601,250	15,960,000	4,373,989	20,333,989		(410,159)	(1,609,450)		18,314,380	13,909,967,882	0.50%	1.32	86,125,000	2026
2027	5,263,219	2,780,000	213,000	2,555,000	326,400	170,000	1,355,000	301,625	220,000	252,750	950,000	261,170	150,000	456,225	1,500,000	482,625	1,275,000	551,250	15,390,000	3,789,364	19,179,364		(406,276)	(1,610,700)		17,162,388	13,979,517,722	0.50%	1.23	70,735,000	2027
2028	3,595,581	2,900,000	108,750	2,785,000	224,200	175,000	1,555,000	237,263	255,000	241,750	1,055,000	214,620	175,000	448,350	1,500,000	408,375	1,500,000	487,500	14,805,000	3,169,839	17,974,839		(402,190)	(1,605,900)		15,966,748	14,049,415,310	0.50%	1.14	55,930,000	2028
2029	3,632,181			2,820,000	112,800	180,000	1,660,000	163,400	265,000	229,000	1,080,000	162,925	200,000	439,163	1,500,000	334,125	1,500,000	412,500	12,245,000	2,546,669	14,791,669		(408,032)	(1,609,250)		12,774,387	14,119,662,387	0.50%	0.90	43,685,000	2029
2030	3,227,444					185,000	1,780,000	84,550	275,000	215,750	1,110,000	110,005	200,000	428,663	1,600,000	259,875	1,500,000	337,500	9,400,000	2,006,261	11,406,261		(264,323)	(1,606,025)		9,535,914	14,190,260,699	0.50%	0.67	34,285,000	2030
2031	2,440,756					190,000			310,000	202,000	1,135,000	55,615	225,000	418,163	1,800,000	180,675	1,500,000	262,500	7,215,000	1,588,859	8,803,859			(1,606,400)		7,197,459	14,261,212,002	0.50%	0.50	27,070,000	2031
2032	2,227,369					200,000			320,000	186,500			225,000	406,350	1,850,000	91,575	1,800,000	187,500	6,315,000	1,254,894	7,569,894			(1,608,600)		5,961,294	14,332,518,062	0.50%	0.42	20,755,000	2032
2033	2,019,175					200,000			350,000	170,500			250,000	394,538			1,950,000	97,500	4,530,000	968,313	5,498,313			(1,608,600)		3,889,713	14,404,180,653	0.50%	0.27	16,225,000	2033
2034	2,031,475					200,000			365,000	153,000			250,000	381,413					2,675,000	763,488	3,438,488			(1,606,400)		1,832,088	14,476,201,556	0.50%	0.13	13,550,000	2034
2035	2,025,356					200,000			400,000	134,750			275,000	368,288					2,800,000	651,994	3,451,994			(1,612,000)		1,839,994	14,548,582,564	0.50%	0.13	10,750,000	2035
2036	426,638					200,000			400,000	114,750			275,000	353,850					1,275,000	534,838	1,809,838					1,809,838	14,621,325,477	0.50%	0.12	9,475,000	2036
2037						225,000			450,000	94,750			300,000	339,413					1,410,000	478,900	1,888,900					1,888,900	14,694,432,104	0.50%	0.13	8,065,000	2037
2038						225,000			475,000	72,250			325,000	323,663					1,025,000	416,388	1,441,388					1,441,388	14,767,904,264	0.50%	0.10	7,040,000	2038
2039						230,000			475,000	48,500			400,000	306,600					1,105,000	365,450	1,470,450					1,470,450	14,841,743,786	0.50%	0.10	5,935,000	2039
2040									495,000	24,750			450,000	285,600					945,000	310,350	1,255,350					1,255,350	14,915,952,505	0.50%	0.08	4,990,000	2040
2041													4,990,000	261,975					4,990,000	261,975	5,251,975					5,251,975	14,990,532,267	0.50%	0.35	0	2041
2042																										0	0				
2043																										0	0				
Total	163,629,619	15,375,000	4,088,063	15,120,000	4,472,200	3,390,000	10,530,000	3,490,300	6,140,000	3,858,750	8,360,000	2,625,420	9,340,000	8,002,313	12,750,000	4,123,350	13,000,000	4,225,000	231,545,000	63,257,677	294,802,677	(713,020)	(5,263,374)	(26,039,325)	(2,612,645)	260,174,312					

<sup>2</sup> 2015 Brookside Debt Service based on Final Sale Results  
<sup>3</sup> Rebate for 2015 levy (2014 rebate) has been reduced by 7.2%, Rebate for 2016 levy (2015 rebate) has been reduced by 7.30%  
<sup>4</sup> Offsetting Revenues based on spreadsheet provided to County 8/17/14, may be adjusted in future

Year	G.O. Principal Outstanding At Year End	Subtraction of City Portion of 2009 and 2010 Issues (33.76%) Assumes Restructure of City Note	Subtraction of Economic Development Principal	Subtraction of Brookside (2015 and 2016 bond issues)	Adjusted G.O. Principal Outstanding At Year End	Adjusted Debt Burden (0.80% Max)	Remaining Debt Burden Capacity	Adjusted Direct Debt Per Capita (550 target)	Equalized Value TID In End of Year	Change in EV	5% of TID IN Borrowing Capacity	Unused Statutory Debt Capacity	% of Debt Capacity Available	Population Estimate with 2% Growth	Total Expenditures with 2% Growth	% of Expnditures for Debt (Gross) 15% max	Year
2017	127,745,000	(4,068,839)	(2,979,469)	(18,290,000)	102,406,692	0.70%	0.10%	597	14,655,093,000	5.27%	732,754,650	605,009,650	82.57%	171,547	183,477,225	8.12%	2017
2018	128,380,000	(3,824,033)	(2,846,162)	(18,290,000)	103,419,805	0.70%	0.10%	591	14,728,368,465	0.50%	736,418,423	608,038,423	82.57%	174,978	187,146,770	8.41%	2018
2019	129,645,000	(3,565,721)	(2,990,069)	(18,290,000)	104,799,210	0.71%	0.09%	587	14,802,010,307	0.50%	740,100,515	610,455,515	82.48%	178,477	190,889,705	8.71%	2019
2020	132,655,000	(3,292,214)	(2,561,812)	(18,290,000)	108,510,974	0.73%	0.07%	596	14,876,020,359	0.50%	743,801,018	611,146,018	82.17%	182,047	194,707,499	8.63%	2020
2021	135,835,000	(3,003,512)	(2,098,207)	(17,325,000)	113,408,281	0.76%	0.04%	611	14,950,400,461	0.50%	747,520,023	611,685,023	81.83%	185,688	198,601,649	8.61%	2021
2022	134,025,000	(2,708,057)	(1,630,000)	(16,325,000)	113,361,943	0.75%	0.05%	599	15,025,152,463	0.50%	751,257,623	617,232,623	82.16%	189,401	202,573,682	8.70%	2022
2023	132,535,000	(2,390,654)	(1,230,000)	(15,295,000)	113,619,346	0.75%	0.05%	588	15,100,278,225	0.50%	755,013,911	622,478,911	82.45%	193,189	206,625,156	8.58%	2023
2024	117,595,000	(2,064,809)	(810,000)	(14,235,000)	100,485,191	0.66%	0.14%	510	15,175,779,616	0.50%	758,788,981	641,193,981	84.50%	197,053	210,757,659	8.70%	2024
2025	102,085,000	(1,725,458)	(565,000)	(13,145,000)	86,649,542	0.57%	0.23%	431	15,251,658,514	0.50%	762,582,926	660,497,926	86.61%	200,994	214,972,812	8.57%	2025
2026	86,125,000	(1,370,912)	(320,000)	(12,020,000)	72,414,088	0.47%	0.33%	353	15,327,916,807	0.50%	766,395,840	680,270,840	88.76%	205,014	219,272,268	8.35%	2026
2027	70,735,000	(1,009,612)	(150,000)	(10,860,000)	58,715,388	0.38%	0.42%	281	15,404,556,391	0.50%	770,227,820	699,492,820	90.82%	209,114	223,657,713	7.67%	2027
2028	55,930,000	(641,560)	(60,000)	(9,670,000)	45,558,440	0.29%	0.51%	214	15,481,579,173	0.50%	774,078,959	718,148,959	92.77%	213,297	228,130,868	7.00%	2028
2029	43,685,000	(256,624)		(8,435,000)	34,993,376	0.22%	0.58%	161	15,558,987,069	0.50%	777,949,353	734,264,353	94.38%	217,563	232,693,485	5.49%	2029
2030	34,285,000			(7,160,000)	27,125,000	0.17%	0.63%	122	15,636,782,004	0.50%	781,839,100	747,554,100	95.61%	221,914	237,347,355	4.02%	2030
2031	27,070,000			(5,840,000)	21,230,000	0.14%	0.66%	94	15,714,965,914	0.50%	785,748,296	758,678,296	96.55%	226,352	242,094,302	2.97%	2031
2032	20,755,000			(4,465,000)	16,290,000	0.10%	0.70%	71	15,793,540,744	0.50%	789,677,037	768,922,037	97.37%	230,879	246,936,188	2.41%	2032
2033	16,225,000			(3,035,000)	13,190,000	0.08%	0.72%	56	15,872,508,448	0.50%	793,625,422	777,400,422	97.96%	235,497	251,874,912	1.54%	2033
2034	13,550,000			(1,550,000)	12,000,000	0.08%	0.72%	50	15,951,870,990	0.50%	797,593,549	784,043,549	98.30%	240,207	256,912,410	0.71%	2034
2035	10,750,000				10,750,000	0.07%	0.73%	44	16,031,630,345	0.50%	801,581,517	790,831,517	98.66%	245,011	262,050,658	0.70%	2035
2036	9,475,000				9,475,000	0.06%	0.74%	38	16,111,788,496	0.50%	805,589,425	796,114,425	98.82%	249,911	267,291,671	0.68%	2036
2037	8,065,000				8,065,000	0.05%	0.75%	32	16,192,347,439	0.50%	809,617,372	801,552,372	99.00%	254,909	272,637,505	0.69%	2037
2038	7,040,000				7,040,000	0.04%	0.76%	27	16,273,309,176	0.50%	813,665,459	806,625,459	99.13%	260,007	278,090,255	0.52%	2038
2039	5,935,000				5,935,000	0.04%	0.76%	22	16,354,675,722	0.50%	817,733,786	811,798,786	99.27%	265,208	283,652,060	0.52%	2039
2040	4,990,000				4,990,000	0.03%	0.77%	18	16,436,449,101	0.50%	821,822,455	816,832,455	99.39%	270,512	289,325,101	0.43%	2040
2041									16,518,631,346								

# 1 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates October, 2016 - October, 2017



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

***Kenosha***



***County***

***BOARD OF SUPERVISORS***

**RESOLUTION NO. 2017-\_\_\_\_\_**

Subject:		An Initial Resolution Authorizing the Issuance of Not to Exceed \$13,100,000 General Obligation Promissory Notes for Budgeted Capital Projects Including Road and Highway Improvements	
Original <input checked="" type="checkbox"/>	Corrected <input type="checkbox"/>	2nd Correction <input type="checkbox"/>	Resubmitted <input type="checkbox"/>
Date Submitted: October 26, 2017		Dates Resubmitted:	
Submitted By: Finance/Administration Committee			
County Board Meeting Date: November 8, 2017			
Fiscal Note Attached <input type="checkbox"/>		Legal Note Attached <input type="checkbox"/>	
Prepared By: Foley & Lardner LLP		Signature:	

**COUNTY BOARD OF SUPERVISORS  
OF  
KENOSHA COUNTY, WISCONSIN**

November 8, 2017

Resolution No. 2017-\_\_\_\_\_

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**An Initial Resolution  
Authorizing the Issuance of Not to Exceed  
\$13,100,000 General Obligation Promissory Notes  
for Budgeted Capital Projects  
Including Road and Highway Improvements**

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BE IT RESOLVED, by the County Board of Supervisors of Kenosha County, Wisconsin (the “**County**”), that under and by virtue of the provisions of Section 67.12(12) of the Wisconsin Statutes, the County shall issue its negotiable, general obligation promissory notes, on one or more dates and in one or more series, in an aggregate principal amount of not to exceed \$13,100,000 for budgeted capital projects, including road and highway improvements, and grants as described in the County’s capital improvement budget, including but not limited to, technology upgrades, the purchase of trucks and equipment in multiple County departments, improvements to parks and County buildings, and construction of and improvements to County roads, highways, bridges, paths, and related transportation infrastructure, and acquisition of land, property, and right-of-way; *provided, however*, that said notes shall be sold and issued in whole or in part from time to time in such amount or amounts as shall be within the limits provided by law.

\*\*\*\*\*

Adopted:        November 8, 2017

\_\_\_\_\_  
County Board Chairperson

\_\_\_\_\_  
County Clerk

\_\_\_\_\_  
County Executive



Subject:

An Initial Resolution  
Authorizing the Issuance of Not to Exceed  
\$13,100,000 General Obligation Promissory Notes  
for Budgeted Capital Projects  
Including Road and Highway Improvements

Approved by:

**FINANCE/ADMINISTRATION COMMITTEE:**

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Excused</u>
_____ Terry Rose, Chairman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Ronald J. Frederick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Edward Kubicki	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Greg Retzlaff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Daniel Esposito	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Jeffrey Gentz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Rick Dodge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

***Kenosha***



***County***

***BOARD OF SUPERVISORS***

**RESOLUTION NO. 2017 - \_\_\_\_\_**

Subject:		An Initial Resolution Authorizing the Issuance of Not to Exceed \$2,040,000 General Obligation Promissory Notes for Grants to the Kenosha Area Business Alliance	
Original <input checked="" type="checkbox"/>	Corrected <input type="checkbox"/>	2nd Correction <input type="checkbox"/>	Resubmitted <input type="checkbox"/>
Date Submitted:	October 26, 2017	Dates Resubmitted:	
Submitted By:	Finance/Administration Committee		
County Board Meeting Date:	November 8, 2017		
Fiscal Note Attached <input type="checkbox"/>		Legal Note Attached <input type="checkbox"/>	
Prepared By:	Foley & Lardner LLP	Signature:	

**COUNTY BOARD OF SUPERVISORS  
OF  
KENOSHA COUNTY, WISCONSIN**

**November 8, 2017**

**Resolution No. 2017 - \_\_\_\_\_**

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**An Initial Resolution  
Authorizing the Issuance of Not to Exceed  
\$2,040,000 General Obligation Promissory Notes  
for Grants to the Kenosha Area Business Alliance**

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BE IT RESOLVED, by the County Board of Supervisors of Kenosha County, Wisconsin (the “**County**”), that under and by virtue of the provisions of Section 67.12(12) of the Wisconsin Statutes, the County shall issue its negotiable, general obligation promissory notes, in one or more series, in an aggregate principal amount of not to exceed \$2,040,000 for grants to the Kenosha Area Business Alliance; *provided, however*, that said notes shall be sold and issued in whole or in part from time to time in such amount or amounts as shall be within the limits provided by law.

\*\*\*\*\*

Adopted:      November 8, 2017

\_\_\_\_\_  
County Board Chairperson

\_\_\_\_\_  
County Clerk

\_\_\_\_\_  
County Executive

Subject:

An Initial Resolution  
Authorizing the Issuance of Not to Exceed  
\$2,040,000 General Obligation Promissory Notes  
for Grants to the Kenosha Area Business Alliance

Approved by:

FINANCE/ADMINISTRATION COMMITTEE:

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Excused</u>
_____ Terry Rose, Chairman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Ronald Frederick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Edward Kubicki	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Greg Retzlaff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Daniel Esposito	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Jeffrey Gentz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Rick Dodge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# County of Kenosha

## Board of Supervisors

Resolution No. \_\_\_\_

### A RESOLUTION AUTHORIZING ENTRY INTO THE PACE (PROPERTY ASSESSED CLEAN ENERGY) COMMISSION

Original <u>X</u> Corrected <u>  </u> 2 <sup>nd</sup> Correction <u>  </u> Resubmitted <u>  </u>			
Date Submitted:      Date resubmitted:			
Submitted by: Finance/Administration Committee			
Fiscal Note Attached: <u>  </u> Legal Note Attached: <u>  </u>			
Prepared By: Joseph M. Cardamone III, Corporation Counsel and Barna Benc, Budget Director			

**WHEREAS**, pursuant to Wis. Stat. § 66.0301, two or more municipalities of the State of Wisconsin, may by contract create a commission for the joint exercise of any power or duty required or authorized by law; and

**WHEREAS**, Kenosha County is a “municipality” as that term is defined in Wis. Stat. § 66.0301 and a political subdivision located in the State; and

**WHEREAS**, Kenosha County is empowered by law to promote economic, cultural and community development, including, without limitation, the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity, the increase of the tax base, and the promotion of opportunities for education, cultural improvement and public health, safety and general welfare, which may be accomplished by various means; and

**WHEREAS**, Wis. Stat. § 66.0627(8) authorizes a city, a village, a town and a county in this State to, among other things, make a loan to or otherwise arrange, participate in or facilitate the financing of an energy improvement, a water efficiency improvement or a renewable resource application to a real property within its jurisdiction and to provide for such financing through the imposition of a special charge against the property benefitted by the energy or water efficiency improvement or renewable resource project; and

**WHEREAS**, such financings are commonly referred to as “Property Assessed Clean Energy” or “PACE” financings; and

**WHEREAS,** Kenosha County has determined that it is in the public interest to provide real property owners, lessees, lenders and other transaction parties in Kenosha County with access to a uniformly-administered program for PACE financing; and

**WHEREAS,** Kenosha County and other counties, with the support and counsel of the Wisconsin Counties Association, League of Wisconsin Municipalities, Green Tier Legacy Communities and other stakeholders, have studied the possibility of creating a commission pursuant to Wis. Stat. § 66.0301 to be known as the Wisconsin PACE Commission (“Commission”); and

**WHEREAS,** the Wisconsin PACE Commission would be formed and operated in accordance with a Joint Exercise of Powers Agreement Relating to Wisconsin PACE Commission (“Commission Agreement”) of which a substantially final draft is attached to this Resolution; and

**WHEREAS,** it is in Kenosha County’s best interests to join the Wisconsin PACE Commission and authorize the execution of the Commission Agreement; and

**WHEREAS,** in accordance with Wis. Stat. § 66.0627 and the provisions of the Commission Agreement, Kenosha County must adopt an Ordinance relating to the administration of PACE financings in Kenosha County and throughout the State (“PACE Ordinance”); and

**WHEREAS,** attached to this Resolution is the proposed ordinance which will be considered at the same meeting at which this Resolution is being considered (“PACE Ordinance”); and

**WHEREAS,** adoption of the PACE Ordinance is a necessary condition to Kenosha County entering into the Commission Agreement; and

**WHEREAS,** it is the intent of this Resolution to authorize Kenosha County to become a member of the Commission and authorize a duly-appointed representative of Kenosha County to finalize and execute the final Commission Agreement in substantially the form of the draft Commission Agreement attached to this Resolution;

**THEREFORE, BE IT RESOLVED:**

That the Kenosha County Board of Supervisors hereby approves the draft Commission Agreement, a copy of which is attached to this Resolution, and authorizes and directs the Kenosha County Executive to sign such document after receipt of preliminary approval from the other participating municipalities, approval from the Kenosha County official duly-appointed to approve the final form of the Commission Agreement and approval of the Kenosha County Corporation Counsel; and

**BE IT FURTHER RESOLVED:**

That the County Executive is hereby directed to act as Kenosha 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; and

**AND BE IT FINALLY RESOLVED:**

That the County Executive is hereby directed to designate a Kenosha County “Representative Director” of the Board of Directors of the Commission in accordance with the Commission Agreement, said “Representative Director” to be either the County Executive or a member of the County Board of Supervisors who shall serve at the pleasure of the County Executive.

All of which is respectfully submitted this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

Approved by:

Finance and Administration Committee

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Excused</u>
_____ Terry Rose, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Ronald Frederick, Vice-Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Daniel Esposito	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Greg Retzlaff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Rick Dodge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Jeffrey Gentz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Edward Kubicki	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# County of Kenosha

## Board of Supervisors

Ordinance No. \_\_\_\_

### AN ORDINANCE TO CREATE CHAPTER 3.70 ENTITLED “PROPERTY ASSESSED CLEAN ENERGY FINANCING” OF THE MUNICIPAL CODE OF KENOSHA COUNTY

Original <u>X</u> Corrected ____      2 <sup>nd</sup> Correction ____      Resubmitted ____			
Date Submitted:      Date resubmitted:			
Submitted by: Finance/Administration Committee			
Fiscal Note Attached: ____      Legal Note Attached: _			
Prepared By: Joseph M. Cardamone III, Corporation Counsel and Barna Benc, Budget Director			

The County Board of Supervisors of the County of Kenosha does ordain as follows:

**Section 1.**      Section 3.70 is created to read:

3.70      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 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 for these properties.

(2)      STATUTORY AUTHORITY. This ordinance is enacted pursuant to Wis. Stat. § 66.0627, as amended, which authorizes a County to make a loan or enter into an agreement regarding loan repayments to a 3rd party for owner-arranged or lessee-arranged financing, to an owner or a 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. Stat. § 66.0301, as amended, by the County and one or more other political subdivisions as defined in Wis. Stat. § 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) SUPPLEMENTAL 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.

**Section 2.** This Ordinance shall take effect the day after passage and publication as required by law.

All of which is respectfully submitted this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

Approved by:

Finance and Administration Committee

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Excused</u>
_____ Terry Rose, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Ronald Frederick, Vice-Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Daniel Esposito	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Greg Retzlaff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Rick Dodge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Jeffrey Gentz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____ Edward Kubicki	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## JOINT EXERCISE OF POWERS AGREEMENT

relating to

### WISCONSIN PACE COMMISSION

a Joint Powers Commission under Section 66.0301 of the Wisconsin Statutes

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**THIS AGREEMENT** (“*Agreement*”), dated as of \_\_\_\_\_, 2016 among the parties hereto (all such parties, except those which have withdrawn as provided herein, being referred to as the “*Members*” and those parties initially executing this Agreement being referred to as the “*Initial Members*”):

#### WITNESSETH

**WHEREAS**, pursuant to Section 66.0301 of the Wisconsin Statutes (as in effect as of the date hereof and as the same may from time to time be amended or supplemented, the “*Joint Powers Law*”), two or more municipalities of the State of Wisconsin (the “*State*”), may by contract create a commission for the joint exercise of any power or duty required or authorized by law; and

**WHEREAS**, each of the Members is a “municipality” as that term is defined in the Joint Powers Law and a political subdivision located in the State; and

**WHEREAS**, each of the Members is empowered by law to promote economic, cultural and community development, including, without limitation, the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity, the increase of the tax base, and the promotion of opportunities for education, cultural improvement and public health, safety and general welfare, which may be accomplished by various means; and

**WHEREAS**, Section 66.0627(8) of the Wisconsin Statutes (as the same may from time to time be amended or supplemented, the “*PACE Statute*”) authorizes a city, a village, a town (a “*Municipality*”) or a county (a “*County*”) in this State to, among other things, make a loan to or otherwise arrange, participate in or facilitate the financing of an energy efficiency improvement, a water efficiency improvement or a renewable resource application to a real property within its jurisdiction and to provide for such financing through the imposition of a special charge against the property benefitted by the energy or water efficiency improvement or renewable resource project; and

**WHEREAS**, such financings are commonly referred to as “Property Assessed Clean Energy” or “PACE” financings; and

**WHEREAS**, the Members have determined that it is in the public interest to provide real property owners, lessees, lenders and other transaction parties (collectively, “*Participants*”) in their respective jurisdictions with access to a uniformly-administered program for PACE financing; and

**WHEREAS**, each Member has authorized entering into this Agreement by its governing body.

**NOW, THEREFORE**, the Members, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

**Section 1.      Creation.** Pursuant to the Joint Powers Law, there is hereby created a commission to be known as the “**Wisconsin PACE Commission**” (the “*Commission*”).

**Section 2.      Purpose.** This Agreement is a contract entered into pursuant to the provisions of the Joint Powers Law. The purpose of this Agreement is to establish a joint powers commission for the joint exercise of any power or duty of the Members under applicable law. In particular, the purpose of the Commission is to adopt, implement and administer a uniform program for the qualification for, and approval, granting, administration and collection of, PACE loans (the “*PACE Program*”). Such purposes shall be accomplished in the manner provided in this Agreement.

**Section 3.      Effectiveness; Term.** This Agreement shall become effective and be in full force and effect and a legal, valid and binding agreement of each of the Members on the date that the Board shall have received from at least two of the Initial Members an executed counterpart of this Agreement, together with a certified copy of a resolution of the governing body of each such Initial Member approving this Agreement and the execution and delivery hereof. This Agreement shall continue in full force and effect until such time as it is terminated by written instrument executed by all of the Members.

**Section 4.      Powers.** The Commission shall have the power, in its own name, to exercise any powers or duties of the Members required or authorized by law and to exercise all additional powers given to a joint powers commission under any law, including, but not limited to, the Joint Powers Law, for any purpose authorized under this Agreement. Such powers shall include the power to make loans or otherwise arrange, participate in or facilitate the financing of energy or water efficiency improvement projects or renewable resource applications as provided in the PACE Statute including, without limitation, the exercise of the power and authority, without further action by the Member, to impose special charges pursuant to the PACE Statute on real property within the Members’ jurisdictions. The Commission is hereby authorized to do all acts necessary or convenient for the exercise of such power and authority, including, but not limited to, any or all of the following: (i) to make and enter into contracts; (ii) to employ agents and employees; (iii) to acquire, construct, provide for maintenance and operation of, or maintain and operate, any buildings, works, improvements, equipment or furnishings; (iv) to acquire, hold or dispose of property wherever located; (v) to incur debts, liabilities or obligations; (vi) to receive gifts, contributions and donations of property, funds, services, and other forms of assistance from persons, firms, corporations or any governmental entity; (vii) to sue and be sued in its own name; (viii) to make grants to governmental and nonprofit organizations to accomplish any of its purposes; (ix) to establish and collect fees; and (x) generally to do any and all things necessary or convenient to accomplish its purposes.

**Section 5. Contractors and Subcontractors.** The Commission may enter into a contract with a third-party contractor for the provision of services related to the PACE Program. Such contractor shall be a nonstock corporation organized under Ch. 181 of the Wisconsin Statutes with its principal place of business located in the State of Wisconsin. The participant fee schedule established by the Board (as defined below) shall make provision for reasonable compensation and payment of the expenses of such contractor as may be set forth in the contract. A contractor may subcontract for any of its services to the extent permitted by the contract. The Board is also authorized to hire counsel or other consultants or advisers as it deems necessary in carrying out his functions.

**Section 6. Members' Obligations.** Each Member by its execution hereof acknowledges and agrees that it shall do all things necessary and appropriate in respect of the collection of special charges (or installments thereof), the certification of special charges on the tax rolls, the remittance of special charges collected as directed by the Commission and otherwise as such Member would perform in connection with special charges imposed by it on real property within its jurisdiction; and further shall cooperate with the Commission in respect of the enforcement of the liens of special charges on such properties.

**Section 7. Governance; Administration**

(a) **Board of Directors.** The Commission shall be governed by a Board of Directors (the "Board"). The Board shall oversee all functions of the Commission under this Agreement and, as such, shall be vested with the powers set forth herein, shall administer this Agreement in accordance with the purposes and functions provided herein and shall otherwise exercise all powers set forth in the Joint Powers Law on the Commission's behalf.

(b) **Classes of Directors.** The Board shall be divided into two classes known as the "Representative Director Class" and the "Nominee Director Class" consisting of the number of members (each a "Director") serving for the terms as provided in this Section 7. In this Agreement, the term "Board" shall mean the entire Board (comprising all Representative Directors and Nominee Directors) and the term "Director" shall be used to refer generally to either a Representative Director or a Nominee Director).

(1) ***Representative Directors.*** The number of Representative Directors shall correspond to the number of Members of the Commission from time to time. Each Member of the Commission shall designate, by name or *ex officio*, one public official to serve as its representative on the Board. The term "public official" means an individual who holds a local public office, as that term is defined in Section 19.42(7w) of the Wisconsin Statutes, for the Member of the Commission designating him or her as its Representative Director. Each Representative Director shall serve at the pleasure of the Member designating him or her to such position; *provided*, that a Representative Director shall be deemed to have resigned upon withdrawal from the Commission of the Member designating him or her to such position. A majority of the Directors shall at all times be Representative Directors except that such requirement shall not apply until the Commission has at least four (4) Members.

(2) *Nominee Directors.*

(i) The number of Nominee Directors shall initially be three (3), nominated one each by the Wisconsin Counties Association, the League of Wisconsin Municipalities and the Green Tier Legacy Communities (the “Supporting Organizations”). Thereafter, so as to insure that at all times Representative Directors comprise a majority of the Board, at such time as the Commission has at least seven (7) Members, the number of Nominee Directors shall be increased to six (6) and at such time as the Commission has at least ten (10) Members, the number of Nominee Directors shall be increased to nine (9), in each case with the additional directors nominated by the Sponsoring Organizations as provided above.

(ii) Nominee Directors may but need not be public officials.

(iii) Each Nominee Director shall serve for an initial term expiring at the first annual Board meeting held after December 31, 2016. The successors to such Nominee Directors shall be selected by majority vote of the entire Board consistent with a nomination process to be established by the Board. Thereafter, Nominee Directors shall serve staggered three (3) year terms expiring at the Annual Board Meeting in every third year or until their respective successors are appointed. Any appointment to fill an unexpired term, however, shall be for the remainder of such unexpired term. The term of office specified herein shall be applicable unless the term of office of a Nominee Director is terminated as hereinafter provided, and provided that the term of any Nominee Director shall not expire until a successor thereto has been appointed as provided herein.

(iv) The number of Nominee Directors may be increased or decreased by resolution adopted by the Board from time to time, *provided*, that any decrease in the number of Nominee Directors shall not decrease the term of any current director at the time of such decrease.

(v) A Nominee Director may be removed and replaced at any time by a majority vote of the Board.

(3) *Executive Committee.* The Board shall by resolution create an Executive Committee which shall be charged with carrying out the supervisory functions of the Board in such manner as the Board so directs. A majority of the members of the Executive Committee shall be Representative Directors.

(4) *Expenses.* Directors shall be entitled to reimbursement for any actual and necessary expenses incurred in connection with serving as a Director, if the Board shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose. The Board may establish a per diem and/or expense reimbursement policy by resolution.



(c) Meetings of the Board.

(1) *Meetings Generally.* All meetings of the Board, including, without limitation, regular, adjourned regular, special, and adjourned special meetings shall be called, noticed, held and conducted in accordance with the provisions of the Wisconsin Open Meetings Law, Wis. Stat. § 19.81 *et seq.* (the “Open Meetings Law”). To the extent permitted by the Open Meetings Law, Board meetings may be held by telephone conference or other remote access technology as approved by the Board. A director shall be “present” at any regular or special meeting if he or she participates in person or telephone conference or other remote access technology as approved by the Board.

(2) *Proxy Voting.* Directors may not vote by proxy.

(3) *Regular Meetings.* The Board shall from time to time establish a schedule for its regular meetings; *provided, however*, it shall hold at least one regular meeting each year. The date, hour and place of the holding of regular meetings shall be fixed by resolution of the Board.

(4) *Special Meetings.* Special meetings of the Board may be called in accordance with the provisions of the Open Meetings Law. The date, hour and place of the holding of special meetings shall be fixed by resolution of the Board

(5) *Minutes.* The Secretary of the Commission shall cause to be kept minutes of the regular, adjourned regular, special, and adjourned special meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director.

(6) *Quorum and Voting, Generally.* Except as provided in Sub. 6, below: (i) a majority of the Directors shall constitute a quorum for the transaction of business; (ii) Representative Directors and Nominee Directors shall vote as a single class on all matters to come to a vote of the Board; and (iii) no action may be taken by the Board except upon the affirmative vote of a majority of the Directors present (or, with respect to any matter, such greater number as may be provided by the By-Laws or resolution of the Board), except that less than a quorum may adjourn a meeting to another time and place.

(7) *Special Quorum and Voting Requirements.* With respect to any vote to approve the imposition of a special charge on real property pursuant to the PACE Statute, the following shall apply:

(i) A quorum with respect to such vote shall exist only if (A) a majority of the Directors are present, and (B) a majority of the Directors who are present are Representative Directors.

(ii) No imposition of a special charge on real property shall be approved except upon the affirmative vote of (A) a majority of the Directors present and (B) a majority of the Representative Directors present.

(d) Officers; Duties; Official Bonds. The officers of the Commission shall be the Chair, Vice-Chair, Secretary and Treasurer, such officers to be elected by the Board from among the Directors, each to serve until such officer is re-elected or a successor to such office is elected by the Board. Each officer shall have the following general duties and responsibilities in addition to any further specific duties and responsibilities set forth herein, in the By-Laws or by resolution of the Board.

(1) The Chair shall be the chief executive officer of the Commission and shall be responsible for the calling of, and shall preside at, meetings of the Board.

(2) The Vice-Chair shall exercise the duties and functions of the Chair in the Chair's absence.

(3) The Secretary shall cause to be kept minutes of the regular, adjourned regular, special, and adjourned special meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director.

(4) The Treasurer shall be the depository of the Commission to have custody of all money of the Commission, from whatever source derived and shall have the powers, duties and responsibilities specified in by-laws or by resolution, and is designated as the public officer or person who has charge of, handles, or has access to any property of the Commission.

(e) Committees; Officers and Employees. The Board shall have the power to appoint such other committees, officers and employees as it may deem necessary.

(f) Delegation of Authority. The Board shall have the power, by resolution, to the extent permitted by the Joint Powers Law or any other applicable law, to delegate any of its functions to one or more of the Directors or officers, employees, administrators or agents of the Commission (including, without limitation, the contactor and any counsel or consultant hired or appointed pursuant to Section 5) and to cause any of said Directors, officers, employees or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Board or the Commission.

(g) By-Laws. The Commission may adopt, from time to time, by resolution of the Board such by-laws for the conduct of its meetings and affairs as the Board may determine to be necessary or convenient.

**Section 8. Fiscal Year.** The Commission's fiscal year shall be the period from January 1 to and including the following December 31, except for the first fiscal year which shall be the period from the date of this Agreement to December 31, 2016.

**Section 9. Disposition of Assets.** At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 3, after payment of all expenses and liabilities of the Commission and provision for the continuing administration of all PACE financings that have been completed and are outstanding at the time of such termination, all property of the Commission both real and personal shall automatically vest in the Members in the manner and amount determined by the Board in its sole discretion and shall thereafter remain the sole property of the Members; *provided, however*, that any surplus money on hand shall be returned in proportion to any contributions made by the Members and not previously repaid.

**Section 10. Accounts and Reports; Audits.** All funds of the Commission shall be strictly accounted for. The Commission shall establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the Commission shall be open to inspection at all times by each Member. The Treasurer of the Commission shall cause an annual audit to be made of the books of accounts and financial records of the Commission by a certified public accountant or public accountant. Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section 10, shall be borne by the Commission and shall be a charge against any unencumbered funds of the Commission available for that purpose.

**Section 11. Funds.** The Treasurer shall receive, have the custody of and disburse Commission funds pursuant to the accounting procedures developed under Section 10, and shall make the disbursements required by this Agreement or otherwise necessary to carry out any of the provisions of purposes of this Agreement.

**Section 12. Notices.** Notices and other communications hereunder to the Members shall be sufficient if delivered to the clerk of the governing body of each Member.

**Section 13. Additional Members; Withdrawal of Members.**

(a) **Counties.** Any County in this State may be added as a party to this Agreement and become a Member upon: (i) the filing by such County with the Commission an executed counterpart of this Agreement, together with a certified copy of the resolution of the governing body of such County approving this Agreement and the execution and delivery hereof; (ii) adoption by the County of the Model PACE Ordinance in accordance with Section 14(a) hereof and a certified copy of the resolution adopting same; and (iii) adoption of a resolution of the Board approving the addition of such County as a Member. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

(b) Municipalities. Any Municipality in this State may be added as a party to this Agreement and become a Member upon: (i) the filing by such Municipality with the Commission an executed counterpart of this Agreement, together with a certified copy of the resolution of the governing body of such Municipality approving this Agreement and the execution and delivery hereof; and (ii) adoption of a resolution of the Board approving the addition of such Municipality as a Member. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

(c) Withdrawal. A Member may withdraw from this Agreement upon written notice to the Board; *provided, however*, that no such withdrawal shall reduce the number of Members to fewer than two (2). Any such withdrawal shall be effective only upon receipt of the notice of withdrawal by the Secretary which shall acknowledge receipt of such notice of withdrawal in writing and shall file such notice as an amendment to this Agreement effective upon such filing. Withdrawal by a Member shall not affect any outstanding PACE loans within such Member's jurisdiction or the Member's obligations, if any, with respect to the certification, collection and remittance of special charges in accordance with the PACE Program, nor shall withdrawal entitle any former Member to impose a tax, fee or charge prohibited to the remaining Members under Section 17.

#### **Section 14. Model PACE Ordinance for County Members.**

(a) As a condition to membership in the Commission, each County Member shall have adopted an ordinance (the "Model PACE Ordinance") in substantially the form, and substantively to the effect, set forth in EXHIBIT A to this Agreement.

(b) As a condition to continued membership in the Commission, a County Member shall not have repealed its Model PACE Ordinance or amended its Model PACE Ordinance unless such amendment has been submitted to and approved by the Board (a "Conforming Amendment") prior to its adoption. The Board shall not unreasonably withhold approval of such an amendment but shall not approve any amendment to a County Member's Model PACE Ordinance that, in the opinion of the Board, would frustrate or unreasonably interfere with the uniform application and administration of the PACE Program. Approvals or non-approvals by the Board shall be final and conclusive.

(c) The repeal of or adoption of an amendment (other than a Conforming Amendment) to a County Member's Model PACE Ordinance shall be deemed to be a voluntary withdrawal by such County Member with the effects set forth in Section 13(c).

**Section 15. Indemnification.** To the fullest extent permitted by law, the Board shall cause the Commission to indemnify any person who is or was a Director or an officer, employee of other agent of the Commission, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Director or an officer, employee or other agent of the Commission, against expenses, including attorneys' fees, judgments, fines, settlements and other amounts actually and reasonably incurred in con-

nection with such proceeding, if such person acted in good faith in a manner such person reasonably believed to be in the best interests of the Commission and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Commission, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. The Board may purchase a policy or policies of insurance in furtherance of any indemnification obligation created.

**Section 16. Contributions and Advances.** Contributions or advances of public funds and of the use of personnel, equipment or property may be made to the Commission by Members for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution or advance. Any such advance may be made subject to repayment, and in such case shall be repaid, in the manner agreed upon by the Commission and the Member making such advance at the time of such advance. It is mutually understood and agreed to that no Member has any obligation to make advances or contributions to the Commission to provide for the costs and expenses of administration of the Commission or otherwise, even though any Member may do so.

**Section 17. Prohibition on Charges.** No Member may impose upon or demand or collect from any Participant any tax, fee, charge or other remuneration as a condition to a Participant's obtaining PACE financing through or with the assistance of the Commission, except that Members may be permitted to do so pursuant to a uniform participant fee schedule established from time to time by the Board as part of the PACE Program.

**Section 18. Immunities.** To the fullest extent permitted by law, all of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, and other benefits which apply to the activity of officers, agents or employees of Members when performing their respective functions, shall apply to the same degree and extent to the Directors, officers, employees, agents or other representatives of the Commission while engaged in the performance of any of their functions or duties under this Agreement.

**Section 19. Amendments.**

(a) Amendments to the Agreement may be proposed by the Board or by any two Members. Except as provided in Section 13 and in Subsection (c), below, this Agreement shall not be amended, modified, or altered, without the affirmative approval of the Board and the affirmative written consent of each of the Members; *provided*, that if the number of Members exceeds ten (10) in number, this Agreement may also be amended with the affirmative approval of the Board and negative consent of each Member. To obtain the negative consent of the Members, the following procedure shall be followed: (i) the Commission shall provide each Member with a notice at least sixty (60) days prior to the date such proposed amendment is to become effective explaining the nature of such proposed amendment and this negative consent procedure; (ii) the Commission shall provide each Member who did not respond a reminder notice at least thirty (30) days prior to the date such proposed amendment is to become effective; and (iii) if no Member objects to the proposed amendment in writing within sixty (60) days after

the initial notice, the proposed amendment shall become effective with respect to all Members. No amendment may impose a direct financial obligation on any Member without that Member's affirmative written consent.

(b) The Board may, without the consent of the Members, amend this Agreement if, in its reasonable opinion and upon the advice of counsel, if deemed appropriate, upon which advice the Board may rely, such amendment is technical or clarifying in nature and does not substantively affect the rights and responsibilities of the Members. Notice of such amendment shall be provided to the Members at least twenty (20) but not more than sixty (60) days prior to the date such proposed amendment is to become effective explaining the nature of such proposed amendment and, upon the written request of any two (2) Members, the Board shall submit the proposed amendment for ratification by the Members in accordance with the procedure otherwise set forth in this Section 19.

**Section 20. Partial Invalidity.** If any one or more of the terms, provisions, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.

**Section 21. Successors.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the other Members.

**Section 22. Miscellaneous.**

(a) This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(b) The Section headings herein are for convenience only and are not to be construed as modifying or governing the language in the Section referred to.

(c) Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

(d) This Agreement shall be governed under the laws of the State of Wisconsin.

(e) Any future amendments to the Joint Powers Laws shall be automatically incorporated into the terms of this Agreement and any terms of this Agreement inconsistent with future amendments to the Joint Exercise of Powers Laws shall, only to the extent necessary, be reformed in a manner consistent with the amendments.

(f) This Agreement is the complete and exclusive statement of the agreement among the Members, which supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the Members relating to the subject matter of this Agreement.

*[SIGNATURES ON FOLLOWING PAGE]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their duly authorized representatives as of the day and year first above written.

<p>On behalf of _____ COUNTY / CITY / VILLAGE / TOWN:</p> <p>By: _____</p> <p>Its: _____</p>	<p>On behalf of _____ COUNTY / CITY / VILLAGE / TOWN:</p> <p>By: _____</p> <p>Its: _____</p>
<p>On behalf of _____ COUNTY / CITY / VILLAGE / TOWN:</p> <p>By: _____</p> <p>Its: _____</p>	<p>On behalf of _____ COUNTY / CITY / VILLAGE / TOWN:</p> <p>By: _____</p> <p>Its: _____</p>
<p>On behalf of _____ COUNTY / CITY / VILLAGE / TOWN:</p> <p>By: _____</p> <p>Its: _____</p>	<p>On behalf of _____ COUNTY / CITY / VILLAGE / TOWN:</p> <p>By: _____</p> <p>Its: _____</p>



**Joint Exercise of Powers Agreement**  
**relating to**  
**WISCONSIN PACE COMMISSION**

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**EXHIBIT A**  
**Model Pace Ordinance**



# **Property Assessed Clean Energy (PACE)**

## **PACE Wisconsin Overview**

**Wisconsin Counties Association and WECC EFS**





# Partnership

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BETTER  
BUILDINGS  
CHALLENGE  
ecoCITY of  
MILWAUKEE







## Member Counties

- |               |              |
|---------------|--------------|
| ○ Ashland     | ○ La Crosse  |
| ○ Bayfield    | ○ Manitowoc  |
| ○ Brown       | ○ Marathon   |
| ○ Chippewa    | ○ Ozaukee    |
| ○ Dane        | ○ Portage    |
| ○ Door        | ○ Racine     |
| ○ Douglas     | ○ Sauk       |
| ○ Dunn        | ○ Sheboygan  |
| ○ Eau Claire  | ○ St. Croix  |
| ○ Fond du Lac | ○ Washington |
| ○ Iowa        | ○ Winnebago  |
| ○ Jefferson   | ○ Wood       |

## WI PACE Commission Status

- Adopted
- Potential

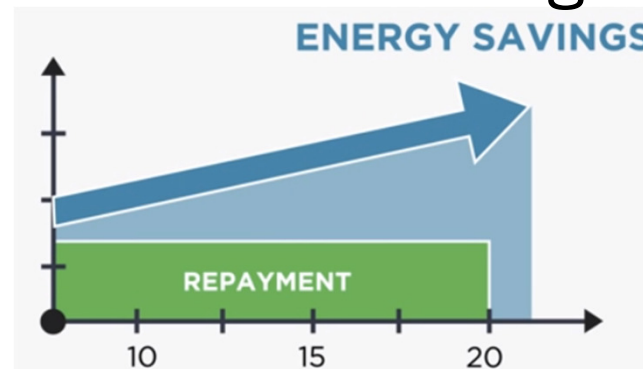


# What is PACE?



Assists local businesses with financing

- Renewable energy
- Energy efficiency
- Water conservation



Loan payments covered by utility bill savings.

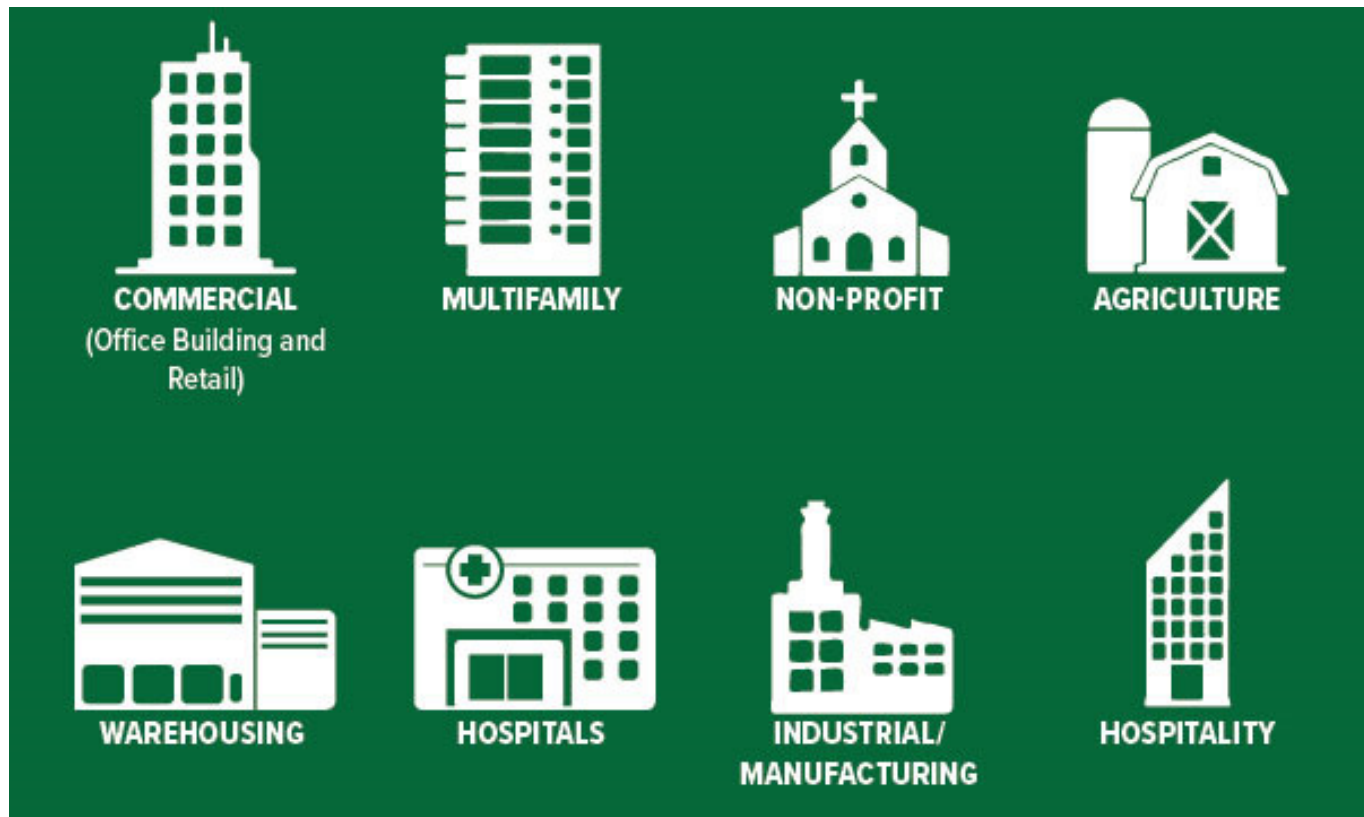


Enabled by State of Wisconsin Legislation  
(Section 66.0627)



Financing is secured by a special charge

# Eligible PACE Projects



# Eligible Improvements



**Boilers & Chillers**



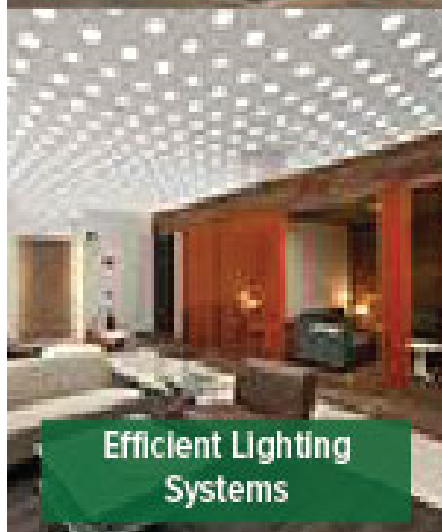
**Pumps & Motors**



**Automated Building Controls**



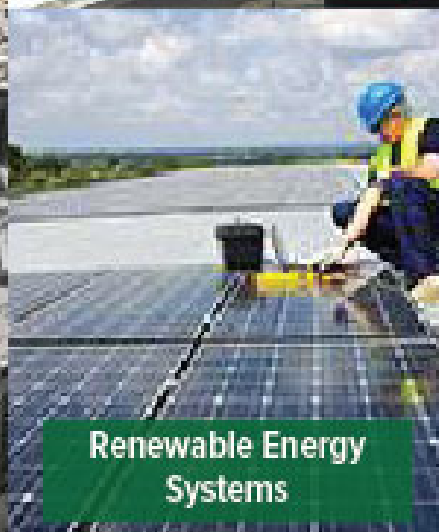
**Building Envelope Improvements**



**Efficient Lighting Systems**



**Heating & Cooling System Upgrades**



**Renewable Energy Systems**



**Hot Water Heating Systems**

# PACE Benefits Communities

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**Stimulate** – job creation and economic activity

**Revitalize** - building stock and improve property values

**Profitable** – Lowers cost of doing business and boost bottom line of local enterprises

**Sustain** - achieve sustainability goals

**Participate** - 100% voluntary, only building owners that opt in pay for the special charge.



# Property Owners Benefit

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- Financing for 100% of PACE Project cost
- Exchange Equity w/ low cost debt
- Long Repayment Periods: up to 20 years.
- Positive Cash Flow
- Increase Net Operating Income & Property Value
- Energy Savings Performance Guarantees
- Transfers to new owner upon sale
- Tenants share cost & savings

# PACE Commission Features

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**No Cost** – PACE requires no credit exposure or general obligation funds from Member Counties.



**Statewide Approach** - uniform program, applied consistently, helps promote scalability by simplifying participation for stakeholders.



**Single Point of Access**– The 3rd party program administrator serves as the go-to contact for stakeholders who need program assistance. The administrator also ensures that projects comply with program requirements and services special charge repayment.



**Open Market** - qualified private lenders provide property owners competitive rates and financing terms. Any contractor or project developer can work on a qualified project.



**Lender Consent** – any existing mortgage lender(s) are required to provide consent to any PACE Loan.

## PACE Commission Minimizes Risk

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- Member County is not required to contribute any Capital or Operating Budget to participate.
- Third Party Program Administrator manages the PACE program, ensures project compliance and administers the Special Charge repayment.
- All PACE loans and Special Charges would require the consent of the existing mortgage holder(s), who may pay off delinquent special charges consistent with other tax delinquencies.
- Member County is not required to settle or reimburse PACE Special Charges to PACE Lenders.
- Collection and enforcement of delinquent special charges would occur pursuant to the County's pre-existing procedures.



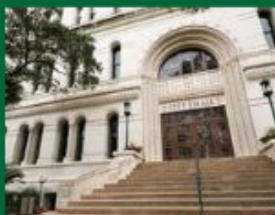
# PACE Wisconsin - [www.PACEWI.ORG](http://www.PACEWI.ORG)

[Home](#)[About Us](#)[Property Owners](#)[Local Governments](#)[Lenders](#)[Contractors](#)[Project Center](#)

Is your community  
participating?



PROPERTY OWNERS



LOCAL GOVERNMENT



LENDERS



CONTRACTORS



## For More Information

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