

Resolution No. 30-19

RESOLUTION TO RESOLVE THE REAL PROPERTY TAX OWED BY GREENWHEY ENERGY, INC.

TO THE HONORABLE SUPERVISORS OF THE COUNTY BOARD OF THE COUNTY OF POLK:

Ladies and Gentlemen:

WHEREAS, GreenWhey Energy, Inc. (hereinafter "GreenWhey") is a business located within the Village of Turtle Lake in Polk County at, Lot 3 of Certified Survey Map #5986 recorded in Volume 27 of Certified Survey Maps, Page 50, as Document #780222, being part of the SW ¼ of the NE ¼ of Section 36, Township 34 North, Range 15 West, Village of Turtle Lake, Polk County, Wisconsin; and

WHEREAS, GreenWhey operates as an anaerobic waste treatment facility treating liquid waste from a wide range of agricultural customers, including farmers, cheese producers, soy protein manufacturers, among others, many of which are located in Polk County and the surrounding area; and

WHEREAS, GreenWhey is currently in receivership through a bankruptcy proceeding and owes Polk County delinquent real estate taxes in the amount of \$1,594,144.13 of principal and \$574,782.42 in interest/penalties; and

WHEREAS, if GreenWhey halts operations, the value of the business will be impacted significantly, likely leaving the value at close to \$0; and

WHEREAS, many Polk County businesses rely upon the services provided by GreenWhey; and

WHEREAS, some of the GreenWhey customers have provided emergency capital to keep the facility operational for a limited time in the hope that a buyer will take ownership of the facility and keep it running; and

WHEREAS, time is of the essence as the receiver intends to hold an auction in August and, regardless of the outcome of any potential sale, the receiver will no longer invest any ongoing capital to keep the facility operational; and

WHEREAS, if no entity purchases the facility, the likelihood of the County being able to collect the delinquent real property taxes is significantly reduced if not eliminated entirely.

NOW, THEREFORE, BE IT RESOLVED, that the Polk County Board of Supervisors

42 agree to enter into a payment arrangement with any bona fide purchaser of GreenWhey
43 for the repayment of the total principal amount of the delinquent real estate property
44 taxes so long as the arrangement includes the following terms:

45

- 46 1. The repayment will happen within the 36 months following the closing date of
47 the sale and will be in equal installments.
48 2. The purchaser remains current on all non-delinquent real property tax
49 obligations.

50

51 NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Polk County Board of
52 Supervisors agrees to resolve the interest/penalty balance in a manner that does not
53 impose the liability on the bona fide purchaser once the last payment is received under
54 the installment repayment plan for the principal of the tax delinquency.

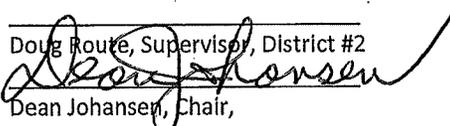
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56

BY:

Brad Olson, Supervisor, District #1

Doug Route, Supervisor, District #2


Dean Johansen, Chair,
Supervisor, District #3,

Chris Nelson, Supervisor, District #4

Tracy LaBlanc, Supervisor, District #5

Brian Masters, Supervisor, District #6

Michael Prichard, Supervisor, District #7

James Edgell, Supervisor, District #8

Kim O'Connell, Supervisor, District #9

Larry Jepsen, Supervisor, District #10

Jay Luke, 1st Vice Chair,
Supervisor, District #11

Michael Larsen, Supervisor, District #12

Russell Arcand, Supervisor, District #13

John Bonneprise, 2nd Vice Chair,
Supervisor, District #14

Joe Demulling, Supervisor, District #15

County Administrator's Note:

Any terms outside of the typical payment plan, 36 equal monthly installments for principle and interest, would be a matter of policy. However, it would be in the County's best interest to come to some sort of agreement with a potential buyer before the facility closes. Once it closes, its value would be near zero and the County's ability to collect any delinquent taxes would be significantly limited.



Nick Osborne
County Administrator

Fiscal Impact Note:

An agreement for the principal tax amount due at sale to be repaid in 36 months would reduce the tax outstanding liability and turn that into revenue in the general fund. We recognize this tax liability in our general ledger. However, the interest amount on any delayed payment for taxes is recognized when received.

Maggie Wickre
Maggie Wickre, Finance Director

Approved as to Form and Execution:

Malia T. Malone
Malia T. Malone, Corporation Counsel

Legal Impact Note: This resolution will remedy the real estate tax delinquency for the property if there is a purchaser who agrees to the terms outlined. Further, this resolution will provide the policy decision on the resolution of the delinquency to the auditors.

Excerpt of Minutes

57 At its regular business meeting on the 16 of July 2019, the Polk County
58 Board of Supervisors acted upon Resolution No. 30-19: Resolution
59 _____
60 _____
61 _____

- Adopted by a majority of the members present by a vote of _____ in favor and _____ against.
- Adopted by unanimous voice vote.
- Adopted as amended. See Below.
- Defeated
- Other:

Insert amendment to resolution according to minutes: see Page 4

SIGNED BY: Dean Johansen
Dean Johansen, County Board Chairperson

ATTEST: Sharon Jorgenson
Sharon Jorgenson, County Clerk

Executive Summary

This resolution is intended to inform any potential purchasers of the GreenWhey facility of the terms the County is willing to accept for repayment of the delinquent real property taxes. Currently, the County is aware of two potential interested parties. Adoption of this resolution will significantly increase the likelihood of the County being made whole with regard to the delinquent principal balance of the real property taxes. It will also increase the likelihood that the facility remains operational, serving many Polk County businesses.

Amendment to Resolution No. 30-19 according to minutes:

On line 47, add "monthly" between equal and installments.

Line 46 and 47 will read: "The repayment will happen within 36 months following the closing date of the sale and will be in equal monthly installments."

CERTIFIED COPY OF POLK COUNTY RESOLUTION

STATE OF WISCONSIN

COUNTY OF POLK

I Sharon E. Jorgenson, Polk County Clerk do hereby certify that the attached hereto and incorporated herein is a full, true and correct copy of Resolution No. 30-19: Resolution to Resolve the Real Property Tax Owed by GreenWhey Energy, Inc adopted by the Polk County Board of Supervisors at its regular business meeting held on July 16, 2019.

 7/16/19

Sharon E. Jorgenson, Polk County Clerk

Date