

Reply to Common Council File No. 160370
From DOA-Budget and Management Division

July 18, 2016

Ref: 16024

File 160370 contains a resolution appropriating up to \$950,000 from the 2016 Common Council Contingent Fund for payment of a settlement regarding litigation entitled CP South Howell v. City of Milwaukee.

The above referenced matter pertains to the settlement agreement that resulted from the plaintiff's challenge to assessed values on two parcels (5201 South Howell and 5220 South Howell) for multiple assessment years. The original refund request, plus interest and statutory costs, totaled approximately \$2.4 million. The City Attorney's Office has recommended that the Common Council approve this settlement payment to avoid further exposure.

Payments for such settlement claims are usually made from the Remission of Taxes Fund account (0001-9900-0001-S163-006300). However, the current balance in the account is insufficient to cover the full amount of the claim. The 2016 Common Council Contingent Fund is a legal and appropriate funding source for payment of this settlement. The city can also expect to be reimbursed for two-thirds of the settlement amount from other taxing jurisdictions.

If this resolution is adopted, \$3,081,668 will remain unexpended in the 2016 Common Council Contingent Fund.

RECOMMENDATION: ADOPT COMMON COUNCIL FILE NUMBER 160370



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JQC:dmr

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