

Reply to Common Council File No. 150187  
From DOA-Budget and Management Division

May 21, 2015

Ref: 15024

Common Council File 150187 contains a resolution that authorizes the use of contingent borrowing to pay settlements associated with remission of taxes.

The City Attorney's Office has proposed settlement amounts for 74.37 lawsuits pertaining to NNN Fast Food and partial settlements of billboard cases. The resolution authorizes payment of \$3,891,133.14 paid using contingent borrowing. Payments for such claims are normally made from the Remission of Taxes. However, the current balance is not sufficient to cover the amounts included in the resolution.

The settlement amounts are eligible for reimbursement from other taxing jurisdictions through chargebacks, which is estimated to result in approximately 65% of the amounts being reimbursed. The resolution directs that the reimbursements be deposited to the debt service fund.

**RECOMMENDATION: ADOPT COMMON COUNCIL FILE NUMBER  
150187**



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