

LRB-FISCAL REVIEW SECTION ANALYSIS

FINANCE AND PERSONNEL COMMITTEE

ITEM 5, FILE # 021031

NOVEMBER 20, 2002

MARK A. RAMION

File # 021031 is a resolution reserving a \$590,912.81 appropriation within the Common Council Contingent Fund for potential transfer to the City Attorney Damages and Claims Fund.

Background

1. This resolution reserves a \$590,912.81 appropriation within the Common Council Contingent Fund for potential transfer to the City Attorney Damages and Claims Fund.

Discussion

1. The City Attorney is requesting that \$590,912.81 be reserved in the 2002 Common Council Contingent Fund for the Damages and Claims Special Purpose Account in order to pay for the judgment affirmed on appeal in *Oconomowoc Residential Programs, Inc. et al. v. City of Milwaukee*.
2. The plaintiffs in this case alleged that the city violated the federal fair housing law and the Americans with Disabilities Act by refusing to make an accommodation under the city's zoning ordinances to allow the operation of a group home on North Menomonee River Parkway.
3. On August 8, 2002, the Seventh Circuit Court of Appeals issued a decision that the city had not met the burden of proof that a group home, in the place selected, presented a danger to the residents or placed an additional burden on the city to provide emergency services for the disabled in the dwelling.
4. The judgment against the city represents the total of the awarded damages, attorneys' fees and interest.

Fiscal Impact

1. The total amount of this resolution is \$590,912.81 to be reserved from the Common Council Contingent Fund to fund this claim.
2. The 2002 Damages and Claims SPA has received \$1.1 million from the Contingent Fund, to date in 2002 because of several large claims paid out by the

city. The 2002 Damages and Claims SPA was budgeted for \$2 million. A similar amount is budgeted for 2003.

3. The balance in the 2002 Damages and Claims SPA, on November 13, 2002, is \$228,683.
4. The balance of the 2002 Common Council Contingent Fund, on November 15, 2002 is \$3,540,085. Upon approval of this resolution and File # 021001, the 2002 Contingent Fund encumbered balance will be \$2,789,172.

Prepared by: Mark A. Ramion, X8680
LRB-Fiscal Review Section
November 19, 2002

Cc: Marianne Walsh
Laura Engan
W. Martin Morics
Grant Langley
Barbara Woldt
David Schroeder
Dennis Yaccarino