

Reply to Common Council File No. 081289
From DOA-Budget and Management Division

March 12, 2009

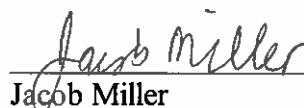
Ref: 09007

Common Council File Number 081289 is a resolution allowing for the transfer of up to \$134,949.23 from the 2009 Common Council Contingent Fund to the Remission of Taxes Fund. This is the result of a settlement reached by the City Attorney's Office relating to properties owned by Metropolitan Associates, Granville Holding, and Northland Apartments. The settlement would entail property tax refunds for 2006, 2007 and 2008 for these properties.

The Remission of Taxes fund has a budget of \$1,000,000 for 2009, \$886,897.33 of that amount was designated for previous remissions in files 081054 and 081055, and \$66,350 from this fund was previously transferred to the City Treasurer's Office to dispose of other remissions. These previous payments would require the use of the Common Council Contingent Fund to pay for this settlement. The city would be expected to recoup some funds from other Milwaukee area jurisdictions if this settlement is agreed to.

The Assessor's Office asked not to settle the case when a proposed settlement was presented to the Finance and Personnel Committee in February 2009, arguing that doing so would set a precedent and encourage further challenges of city assessments. The Finance and Personnel Committee placed the issue on file, and requested the City Attorney's Office to continue with legal proceedings in this case. The City Attorney's Office has returned with a settlement that has lowered the city's payment by nearly \$40,000 from the earlier proposed settlement. Given the earlier decision from the Finance and Personnel Committee on this file, the Budget and Management Office recommends that any actions should be left to the best judgment of the Committee.

**RECOMMENDATION: DEFER TO THE JUDGMENT OF THE FINANCE
AND PERSONNEL COMMITTEE FOR FILE NUMBER 081289**



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