

Reply to Common Council File No. 141830  
From DOA Budget and Management Division

April 9, 2015

Ref: 15009

Common Council File 141830 contains a resolution to pay a settlement for an assessment claim by US Bank using Common Council Contingent funds.

US Bank contested the assessed value of two parcels in 2012 and 2013. The Board of Review upheld the city's assessed values and US Bank filed a lawsuit. In response to the litigation, efforts were made to understand the difference between the city's assessed value and the value that US Bank believed was appropriate. Based on the income approach, the value would be reduced slightly but would remain higher than US Bank's adjusted value. The City Attorney believed that a settlement was appropriate in this case.

The settlement amount of \$631,220.82 is approximately 11% of the claim amount of \$5.75 million. The City Assessor will submit a request to the Department of Revenue to be reimbursed by the other taxing jurisdictions for an estimated \$378,732.49, or 60% of the settlement amount. The request to use the Council Contingent fund to pay the settlement results from an insufficient balance in the Remission of Taxes fund.

**RECOMMENDATION: ADOPT COMMON COUNCIL FILE NUMBER  
141830**

  
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Jackie Q. Carter  
Budget and Policy Specialist

JQC:dmr

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