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July 6, 2017

Honorable Common Council City Hall, Room 205

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Re: Resolution authorizing supplemental settlement agreement relating to the lawsuit entitled *DJK 59 LLC et al. v. City of Milwaukee*.

Dear Honorable Council Members:

Enclosed please find a proposed resolution. We ask that it be introduced and referred to the Committee on Judiciary & Legislation for the committee to take appropriate action, with the following recommendation.

As you may recall, the above-referenced lawsuit was commenced by the entities that own Juneau Village Tower apartments. The Plaintiffs claimed the City wrongfully assessed BID 21 assessments on their property for tax years 2005-2012. The circuit court entered judgment for the Plaintiffs. The City appealed. The court of appeals affirmed the circuit court, but limited the amount of the judgment pursuant to a statute of limitation. The City petitioned the Wisconsin supreme court to review the case, and the supreme court declined to accept the City's petition. The City, therefore, was required to pay the judgment against it.

The judgment, as limited by the court of appeals, was \$483,941.41. Common Council Resolution File No. 161753 authorized the City to pay the judgment, and the City has made payment to the owners of Juneau Village Tower apartments.

Similar to what occurred in the *Yankee Hill Housing Partners v. City of Milwaukee* litigation, *see* Common Council Resolution File Nos. 141332 and 141903, in exchange for a release of claims, BID 21 has offered to contribute 25%



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of the judgment amount, or \$120,985, to be paid at the rate of \$16,667 annually until paid. The City Attorney recommends the City enter into this settlement agreement.

Very truly yours,

6/ GRANT F. LANGLEY

City Attorney

ALLISON N. FLANAGAN

Assistant City Attorney

Enclosure

1056-2014-387.002/1240770