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June 2, 2020

To the Honorable Common Council Of the City of Milwaukee Room 205 – City Hall

Re:

Resolution Authorizing Settlement of Claims in the Lawsuits Entitled *CP-South Howell LLC et al. v. City of Milwaukee*Common Council File No. 200101

Dear Council Members:

Enclosed please find a resolution recommending settlement of the above-referenced cases, which we ask be introduced and referred to the Committee on Judiciary and Legislation with the below recommendation. A companion resolution to authorize an appropriation from the Contingent Fund in order to fully fund the proposed settlement was filed separately by the Budget and Management Division and referred to the Finance and Personnel Committee.

In the above-referenced lawsuits, CP-South Howell LLC et al. ("CPSH") claimed the City excessively assessed its property and violated Article VIII, section I of the Wisconsin Constitution ("Uniformity Clause") for tax years 2016-2019. Cumulatively, CPSH seeks a tax refund of approximately \$1,148,000 plus interest and costs.

After reviewing new information submitted by CPSH during the pendency of litigation as well as new information submitted by CPSH's competitors, CPSH and the City Assessor have agreed to settle CPSH's claims relative to its 2016-2019 assessments for \$507,000. Although the City must initially pay the \$507,000 in full, following chargebacks from other taxation districts, the City's final outstanding liability will be approximately \$170,000.

SUSAN E. LAPPEN PATRICIA A. FRICKER HEIDI WICK SPOFRI GREGG C. HAGOPIAN JAY A. UNORA KATHRYN Z. BLOCK **KEVIN P. SULLIVAN** THOMAS D. MILLER **ROBIN A. PEDERSON** JEREMY R. MCKENZIE PETER J. BLOCK JENNY YUAN ALLISON N. FLANAGAN HEATHER H. HOUGH ANDREA J. FOWLER PATRICK J. MCCLAIN NAOMI E. GEHLING BENJAMIN J. ROOVERS **ELLENY B. CHRISTOPOULOS** TYRONE M. ST. JUNIOR HANNAH R. IAHN JULIE P. WILSON **GREGORY P. KRUSE** KIMBERLY A. PRESCOTT SHEILA THOBANI KATRYNA C. RHODES NICOLE F. LARSEN JAMES M. CARROLL WILLIAM G. DAVIDSON MEIGHAN M. ANGER ALEXANDER R. CARSON JENNIFER J. TATE Assistant City Attorneys



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In consultation with the City Assessor, the City Attorney now recommends settlement of this matter for the proposed refund, inclusive of all interest and costs. In exchange for this settlement and payment, CPSH will stipulate to dismiss the cases.

Very truly yours,

TEARMAN SPENCER

City Attorney

ALLISON N. FLANAGAN

Assistant City Attorney

Enclosure /ANF

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