



Legislation Details (With Text)

File #: 081432 **Version:** 0
Type: Resolution **Status:** Passed
File created: 2/10/2009 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:** 3/3/2009
Effective date:

Title: Resolution approving the transfer of money from the contingent fund to the remission of taxes fund and approving and authorizing the execution of a settlement agreement for real estate and personal property taxes in the matter of In Re Tower Automotive Inc. for property located at 3533 N. 27th Street.

Sponsors: THE CHAIR

Indexes: AGREEMENTS, CONTINGENT FUND, SUITS SETTLEMENT, TAX CANCELLATIONS

Attachments: 1. Fiscal Note, 2. Cover Letter, 3. Budget Office Analysis, 4. Hearing Notice List, 5. Hearing Notice List, 6. Contingent Fund Request Form

Date	Ver.	Action By	Action	Result	Tally
2/10/2009	0	COMMON COUNCIL	ASSIGNED TO		
2/16/2009	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
2/16/2009	0	JUDICIARY & LEGISLATION COMMITTEE	HEARING NOTICES SENT		
2/17/2009	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
2/17/2009	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
2/20/2009	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
2/23/2009	0	JUDICIARY & LEGISLATION COMMITTEE	RECOMMENDED FOR ADOPTION AND ASSIGNED	Pass	5:0
2/26/2009	0	FINANCE & PERSONNEL COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	4:0
3/3/2009	0	COMMON COUNCIL	ADOPTED	Pass	13:1
3/9/2009	0	MAYOR	SIGNED		

081432
ORIGINAL

THE CHAIR

Resolution approving the transfer of money from the contingent fund to the remission of taxes fund and approving and authorizing the execution of a settlement agreement for real estate and personal property taxes in the matter of In Re Tower Automotive Inc. for property located at 3533 N. 27th Street.

Resolution approving the transfer of money from the contingent fund to the remission of taxes fund and approving and authorizing the execution of a settlement agreement for real estate

and personal property taxes in the matter of In Re Tower Automotive Inc. for property located at 3533 N. 27th Street.

Whereas, Tower Automotive Inc., (Tower) filed for Chapter 11 Bankruptcy in February 2005; and

Whereas, The City submitted a claim for personal property taxes for tax levy years 2004-2006; and

Whereas, Personal property should not have accrued for tax levy years 2005 and 2006 because the City was aware that Tower's operations had ceased and there were a series of real estate transactions; and

Whereas, The Trustee in the Tower bankruptcy case has offered the City \$106,504.42 as a settlement for the personal property taxes for 2004; and

Whereas, This amount represents the principal due and excludes only interest and penalties; and

Whereas, The Trustee in the Tower bankruptcy case has offered the City \$170,191.36 as a settlement for the real estate taxes for 2004; and

Whereas, This amount represents the principal due and excludes only interest and penalties; and

Whereas, The interest and penalties for the personal property taxes and the real estate taxes would be difficult to collect because they are classified as general unsecured claims; and

Whereas, The Remission of Taxes Fund is used for the cancellation of taxes; and

Whereas, Existing funding will be insufficient and additional funding is necessary to cancel the taxes as proposed in the resolution; now therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the settlement agreement regarding Tower be executed for \$276,695.78 with the remaining tax principal of \$55,403.90 to be charged to the Remission of Taxes Fund, (Fund 0001-Org 2210-Program 1241-Class S163-Acount 636508), said check to be delivered to the Customer Services Division of the Office of the City Treasurer; and, be it

Further Resolved, By the Common Council of the City of Milwaukee, that \$55,403.90 be appropriated from the Common Council Contingent Fund No. 0001 9990 C001 006300 to the Remission of Taxes Fund 0001 2210 1241 S163 Account 636508; and, be it

Further Resolved, That the accrued delinquent interest, penalties, fees, and costs for levy years 2004, 2005, 2006 are hereby cancelled; and, be it

Further Resolved, That the City Comptroller is authorized and directed to make whatever fund transfers are necessary or appropriate to carry out the provision of this resolution.

City Attorney
MC:mtc 142242
February 4, 2009
1060-2005-1262