



Legislation Text

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000178
ORIGINAL

The Chair

Resolution authorizing satisfaction in full of outstanding in personam judgment against CB Properties, Incorporated for 1986-1998 delinquencies concerning 3551-61 North Teutonia Avenue, and allowing entry into a Four-Party Agreement. (City Attorney)
- Analysis -

This resolution will permit the City of Milwaukee to satisfy, in full, its \$57,200.31 judgment against CB Properties, Incorporated and authorize the City Attorney's Office to enter into a "Four-Party Agreement" pursuant to which the property at 3551-61 North Teutonia Avenue will be remediated and put into tax-paying hands.

Whereas, The City of Milwaukee sued CB Properties, Incorporated ("CB") and Ruth W. Baldwin ("Ruth"), the widower of the sole shareholder of CB, in Milwaukee County Circuit Court Case No. 98-CV-008413 for the 1986-1998 delinquencies against 3551-61 North Teutonia Avenue, Milwaukee, Tax Key No. 271-2701-0 (the "Property"); and

Whereas, The parties to the CB litigation entered into a 6/22/99 "Settlement Stipulation and Order" (the "Stip") that was accepted and ordered by Judge Stanley Miller, pursuant to which the City was paid \$14,455 so that those funds could be paid to Giles Engineering Associates, Inc. ("Giles") to do environmental testing on the Property; and

Whereas, Giles did test and found that the Property was adversely affected by environmental matters; and

Whereas, CB has no remaining assets whatsoever except for the tainted Property; and

Whereas, In light of Giles' findings, under the Stip, and even though the City knew that CB had no remaining assets except for the tainted Property, the City elected to take an in personam judgment against CB for the 1986-1998 delinquencies rather than an in rem foreclosure against the Property; and

Whereas, On 12/13/99, Judge Miller ordered that judgment be entered in the City's favor and against CB with respect to the 1986-1998 delinquencies; and

Whereas, Judgment was entered in the City's favor on 2/15/00 in the amount of \$57,200.31; and

Whereas, The year 2000 assessment for the Property is only \$6,600, the Property being a vacant lot, and the 4/00 pay-off amount for the 1999 delinquencies against the Property was \$707.69; and

Whereas, The City Attorney's Office, having been made aware of the neighboring owner's desire to acquire the Property and to improve it, negotiated the attached Four-Party Agreement with CB, Singh, Inc., and Surjit ("Sam") Toor - subject to the Common Council's approval - under which CB will convey the Property to Singh, Singh will pay the 1999 taxes against the Property, remediate the Property, take good faith steps to improve it, and keep taxes current, in exchange for the City satisfying, in full, its judgment against the Property; and

Whereas, The Common Council recognizes that the City will benefit if the Property gets remediated, improved, and into tax-paying hands; now therefore be it

Resolved, By the Common Council of the City of Milwaukee that the proper City officers be and hereby are authorized and directed to cancel as an account receivable the \$57,200.31 judgment against CB; and be it

Further Resolved, That the City Attorney's Office is authorized and directed: (i) to sign, on behalf of the City, and take the requisite steps to oversee the transaction contemplated by, the Four-Party Agreement in the form (or substantially the same form as) attached to the file as Exhibit A; and (ii) to satisfy in full the City's judgment against CB.

City Attorney
GCH:wt:29990
4/18/00