



Legislation Text

File #: 210709, Version: 1

210709
SUBSTITUTE 1

THE CHAIR

Substitute resolution authorizing the transfer of up to \$192,000 from the Common Council Contingent Fund to the City Attorney's Office's Damages and Claims Special Purpose Account for the purpose of paying the judgment against the City of Milwaukee in the adversary proceeding entitled *City Wide Investments, LLC v. City of Milwaukee*, U.S. Bankruptcy Court Eastern District of Wisconsin, Case No. 17-22900, Adv. No. 17-02115.

Resolution authorizing the transfer of up to \$192,000 from the Common Council Contingent Fund to the City Attorney's Office's Damages and Claims Special Purpose Account for the purpose of paying the judgment against the City of Milwaukee in the adversary proceeding entitled *City Wide Investments, LLC v. City of Milwaukee*, U.S. Bankruptcy Court Eastern District of Wisconsin, Case No. 17-22900, Adv. No. 17-02115.

Whereas, a judgment was entered against the City of Milwaukee in the adversary proceeding entitled *City Wide Investments, LLC v. City of Milwaukee*, U.S. Bankruptcy Court Eastern District of Wisconsin, Case No. 17-22900, Adv. No. 17-02115, and

Whereas, the unpaid principal balance of the judgment is \$180,106.26 plus interest, for a total that will not exceed \$192,000 before October 31, 2021; and

Whereas, the City has exhausted its appeal rights for the above judgment; and

Whereas, City Wide Investments, LLC ("Debtor") is delinquent on property tax payments for seven other properties it owns in the City of Milwaukee, with total delinquent taxes exceeding \$192,000; and

Whereas, parties have agreed to set off their respective claims such that the City would satisfy Debtor's delinquent taxes on the properties shown below, up to a total amount of \$192,000 inclusive of interest, with the oldest tax debt to be satisfied first and with any remaining tax delinquency or interest over and above the \$192,000 to remain due and owing;

and

Whereas, City of Milwaukee retains its right to collect on any municipal court judgments, Water Works debt, or any other City charges, fees, or citations owed by Debtor, subject to any applicable bankruptcy law; and

Whereas, the City is obligated to make the judgment payment out of the City Attorney's Damages and Claims Fund; and

Whereas, the judgment amount exceeds the available balance in the Damages and Claims Fund Special Purpose Account (006300-0001-1490-0001-S118-2021); and; now therefore be it

Resolved, By the Common Council of the City of Milwaukee, that the City Comptroller is authorized to transfer up to \$192,000 from the Common Council Contingent Fund (0001-9990-0001-C001-006300), to the City Attorney's Damages and Claims Fund (006300-0001-1490-2632-S118) and, be it

Further Resolved, that upon transfer of these funds, the City Attorney is authorized and directed to expend up to \$192,000 from the City Attorney's Damages and Claims Special Purpose Account toward the following tax delinquencies, with the oldest debts on each property to be paid first:

<u>Tax Key</u>	<u>Address</u>	<u>Up to Amount Owed 9/30/21</u>	<u>or 10/31/21</u>
4670707000	2258 S Chase Ave	\$59,662.13	\$60,141.32
5070899000	3039 S 7 th St	\$29,653.30	\$29,886.49
4971120000	2335 S 7 th St	\$31,426.58	\$31,666.91
4690628000	2214 S 15 th St	\$26,396.62	\$26,615.46
4692711000	2146 S 16 th St	\$ 545.98	\$ 545.98
4590734000	1725 S 24 th St	\$22,437.89	\$22,621.97
4600142000	1313-1315 W Rogers St	\$30,582.05	\$31,265.82

; and be it

Further Resolved, That the proper City officers are authorized to make necessary transfers to the appropriate accounts or fund to disperse the settlement amount.

Budget and Management Division

City Attorney

Hannah Jahn

August 31, 2021