



Legislation Text

File #: 050646, Version: 0

050646
ORIGINAL

CHAIR

Resolution approving and authorizing compromise of in personam judgment against Theresa Slyman for in personam liability for 1992-2004 taxes for the property located at 4132 North Holton Street, Milwaukee, Wisconsin.

Resolution approves and authorizes compromise of an in personam judgment expected to be granted to City in the amount of \$207,595.68 for back taxes (1992-2004) for the property located at 4132 North Holton Street, Milwaukee, Wisconsin in exchange for the lesser amount of \$135,829.41

Whereas, The City of Milwaukee ("the City") filed suit against Theresa Slyman ("Slyman") on February 26, 2004, for in personam liability in the amount of \$469,683.58 for tax years 1992 through 2002, for property taxes, special taxes, special charges and special assessment for the property located at 4132 North Holton Street, Milwaukee, Wisconsin ("the Property"); and

Whereas, Slyman is an adult resident of the State of Ohio, residing at 20544 Morewood Pkwy, Rocky River; Ohio; and

Whereas, Slyman asserted certain defenses to the City's claims, including a prior bankruptcy filing; and

Whereas, Slyman's personal liability for taxes and associated claims by the City for the years 1992 through 1998 in the amount of \$330,419.80 have been discharged through the bankruptcy filed March 2, 1998; and

Whereas, The Property has environmental contaminants with potential cost of remediation ranging between \$3,882,000.00 and \$11,247,000.00; and

Whereas, The Property is on the Do-Not- Acquire List; and

Whereas, The Assessor's Office has reduced the assessment to \$200 for the 2005 tax year; and

Whereas, Judgment was entered on behalf of the City against Slyman in the amount of \$207,595.68 on July 29, 2005 for all property taxes, special taxes, special charges and special assessment for the tax years 1997 through and including 2004 pursuant to a stipulation signed by the parties' attorneys; and

Whereas, The stipulation and order provided that the judgment in the full amount be satisfied by a settlement payment of \$135,829.41 pursuant to the terms of the "Payment Agreement" entered between the parties on July 22, 2005, contingent upon approval of such settlement agreement by the Milwaukee Common Council ("Council"); and

Whereas, Slyman shall pay to the City the sum of \$135,829.41, which represents the principal amount of property taxes, special taxes, special charges and special assessments related to the Property and outstanding for the years 1997 through 2004, as follows:

- a. \$4,000.00 within thirty (30) days of the City's Common Council's approval of this Payment Agreement; and

- b. The balance of \$131,829.41 in monthly payments of \$1,800.00 each month, commencing on the first of the month following the payment set forth in Paragraph 1(a) above, except in the event that the first of the following month is less than twenty-one (21) days from such initial payment, monthly payments shall commence on the first of the second month following said initial payment. The balance may be prepaid at any time without penalty.

Whereas, The parties acknowledge that a portion of the Property is currently occupied by Turner Box Company as tenant. In the event Turner Box Company fails to pay rent to Slyman, Slyman may suspend payment to the City. Said suspension of payments may continue, at Slyman's election, but for only so long as the conditions specified herein remain. However, in no event shall such suspension of payments exceed twelve (12) months in the aggregate, over the course of the payments called for herein. In the event the conditions exist which allow for a suspension of payments, Slyman shall give notice to the City as provided herein; and

Whereas, Provided Slyman is not in default of the terms of the Payment Agreement, the City will forebear from exercising its *in rem* remedies with respect to the Property, the collection of the property taxes, special taxes, special charges and/or special assessments related to the Property for levy years 1992 through and including 2004; and

Whereas, In the event the City has not received a payment as provided herein, the City shall provide notice to Slyman, Slyman shall have twenty-one (21) days from the date of the City's notice to cure such late payment. In the event Slyman fails to cure such late payment within twenty-one (21) days, Slyman shall be in default of this Payment Agreement. In the event of such default, the City may proceed with the entry and docketing of the judgment ordered pursuant to the Stipulation entered into between the parties; and

Whereas, Upon the conclusion of the payments, the judgment ordered pursuant to the Stipulation of the parties shall be vacated, the suit dismissed with prejudice, and the City shall satisfy all obligations related to property taxes, special taxes, special charges and/or special assessments for the years 1992 through and including 2004; and

Whereas, If the Council approves such settlement agreement, Slyman's first payment shall be due within thirty days of the date of the resolution; and

Whereas, The settlement of the judgment is in the best interests of the City; now therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Judgment against Slyman be settled for \$135,829.41 and that \$71,766.27 of said Judgment, interest and penalties, be and is hereby cancelled.

City Attorney
City Attorney
August 31, 2005
GOSC:96040