



## Legislation Text

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**File #:** 081432, **Version:** 0

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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. 27<sup>th</sup> 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. 27<sup>th</sup> 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