



**CITY OF WAUKESHA**

**Administration**

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<b>Committee:</b> None	<b>Date:</b>
<b>Common Council Item Number:</b> 20-0331	<b>Date:</b> 3/3/2020
<b>Submitted By:</b> Brian Running	<b>City Administrator Approval:</b> Kevin Lahner, City Administrator
<b>Finance Department Review:</b> Rich Abbott, Finance Director <a href="#">Click here to enter text.</a>	<b>City Attorney's Office Review:</b> Brian Running, City Attorney BER
<b>Subject:</b> Approve agreement to settle excessive-assessment lawsuit brought by WGBTL Investment LLC.	

**Details:**

This is another real property tax assessment case, similar to the many ones we've been seeing in recent years. WGBTL Investments owns the vary large apartment complex on Kensington Drive, west of St. Paul Avenue and north of MacArthur Road. Our assessment was \$36,177,300 for both 2018 and 2019. WGBTL challenged that, claiming the properties should be assessed at \$31,420,000 for 2018 and \$32,140,000 for 2019. The appraiser hired by the city in connection with the lawsuit valued the properties at \$36,500,000 for both 2018 and 2019.

After direct negotiations between the city and WGBTL, a settlement has been proposed, assessing the properties at \$35,500,000 for both 2018 and 2019. This is a reduction of \$677,300 from the city's 2018 and 2019 assessments, and would result in a refund of \$28,744.80 to WGBTL.

WGBTL also agrees that they will not challenge the assessment for 2020 if it does not exceed \$35,500,000.

**Options & Alternatives:**

The alternative to approving this settlement proposal is to force the matter to go to a trial, and to take our chances that the court would give us a better deal than the settlement proposal. In evaluating our chances at trial, we have to rely upon the judgment of the counsel that our insurance company provides for us, and he recommends approval of this proposal.

**Financial Remarks:**

The refund will be charged to account 9456.55930.

**Executive Recommendation:**

Based on outside counsel's recommendation, approval of this settlement agreement and authorization for the mayor and clerk to execute is recommended.

