



CITY OF WAUKESHA

Administration

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Committee: None	Date:
Common Council Item Number: 20-0129	Date: 2/4/2020
Submitted By: Brian Running	City Administrator Approval: Kevin Lahner, City Administrator KL
Finance Department Review: Rich Abbott, Finance Director Click here to enter text.	City Attorney's Office Review: Brian Running, City Attorney BER
Subject: Approval of agreement to settle excessive-assessment lawsuit, Harp & Eagle v. City of Waukesha	

Details:

Harp & Eagle, Ltd., the owner of the Clarke Hotel and Five Points Pub, filed a lawsuit against the City claiming excessive property tax assessments for 2018 and 2019. Their appraiser valued the property at \$1,170,000 for 2018 and \$1,290,000 for 2019. Our appraiser valued the property at \$1,220,000 for both years. Note that the plaintiff's 2019 appraisal included personal property, when the value of personal property is subtracted, the total value is very close to our appraisal. The plaintiff has agreed to settle for the amount of our appraiser's value, which results in a refund of \$11,082 for 2018 and \$10,948 for 2019, a total of \$22,031. The settlement agreement also provides that the plaintiff will not object to the 2020 assessment if it does not exceed \$1,220,000.

Options & Alternatives:

There are two alternatives: Approve the settlement agreement and dismiss the lawsuit, or not approve the agreement and force the matter to go to trial. Given that the settlement proposal is equal to our own appraiser's valuation, going to trial is not recommended. In fact, our insurance company might refuse to pay the attorney fees for us to go to trial if we do not settle, given the circumstances.

Financial Remarks:

This assessment refund should be paid out of account 9456.55930. It is anticipated at the state will send a denial letter to the City in regards to charging back the other jurisdictions because it is in a TID. When we receive that letter Denise will JE the total amount to a TID (most likely TID 11).

Executive Recommendation:

Approve the settlement agreement and authorize the mayor and clerk to execute it.

