

**CITY OF WAUKESHA****Administration**

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Committee: None	Committee Meeting Date: Click here to enter a date.
Agenda Item Number: 19-0133	Common Council Meeting Date: 2/19/2019
Submitted By: Brian Running, City Attorney	City Administrator Approval: Kevin Lahner, City Administrator Click here to enter text.
Finance Department Review: Rich Abbott, Finance Director RLA	City Attorney's Office Review: Brian Running, City Attorney BER
Subject: Settlement of Wal-Mart 2017 and 2018 excessive-assessment cases.	

Details:

These are the latest in the long string of excessive-assessment cases we defend each year from stores such as Wal-Mart, Woodman's, Target, Farm and Fleet, etc. Wal-Mart filed two such suits demanding property-tax refunds for tax years 2017 and 2018, challenging the City's assessment of their store. The City assessed at \$14,028,800, and this proposed settlement of both suits would place the assessment at \$12,906,500. Doing so would result in a total refund of \$43,702.97. That is a total refund, including both 2017 and 2018 amounts. A copy of the proposed settlement agreement accompanies this cover sheet.

Options & Alternatives:

The alternative is to refuse to settle and instead go to trial. The risk in doing so is that we may receive a less-favorable result. In light of the current state of the law, the City must concede that there is some possibility of a lower assessment being determined by a court, so we have to attempt to compromise and settle upon the most favorable terms. The advantage of settlement is that we can reach a mutually-agreeable result and have some control over it, rather than roll the dice and hope for the best at trial. The Assessor's office approves of this settlement, and Finance verifies that money is available for the refund.

Financial Remarks:

2017 refund of \$21,737.16 is to be made within 30 days of execution, and 2018 refund of \$21,965.81 is to be made by September 1, 2019. Refunds would be made from account number 9456.55930.

Staff Recommendation:

Approval of the settlement agreement, with authorization for the mayor, clerk, and finance director to execute, is recommended.