



Legislation Text

File #: 50446, Version: 1

Fiscal Note

The proposed resolution authorizes a \$73,713 tax refund pursuant to a settlement agreement. The properties consist of four parcels containing multi-family units located at 6845, 6833, 6901, and 6913 Littlemore Drive in the City of Madison. The refund will be paid through a reduction in property tax revenue budgeted in the 2018 Adopted Operating Budget.

Title

Resolution authorizing the settlement and payment of a tax refund for tax year 2016 for *Glacier Valley I, LLC v. City of Madison*, Dane County Circuit Court Case number 17CV1535. Authorizing entry into settlement agreement and approving payment of \$73,713.33 from City resources to effectuate the settlement.

Body

Background

The subject properties consist of four parcels containing multi-family units located at 6845, 6833, 6901 and 6913 Littlemore Drive in the City of Madison. The four parcels sold in 2016 for a total price of \$19,587,982. The City set the 2016 assessment at an adjusted sale price of \$18,775,000. Glacier Valley filed an objection with the Board of Review, which sustained the assessment and the Plaintiff subsequently brought this suit.

The Plaintiff filed a subsequent objection to their 2017 assessment of \$ 18,775,000, the same assessed value as 2016. The Plaintiff presented additional information surrounding the 2016 sale price that was unknown to the Plaintiff at the time of the sale along with other market data. The Board of Review reduced the 2017 assessment of the parcels to \$15,700,000.

Settlement

The City has reached a tentative settlement with the Plaintiff for the 2016 assessment of \$15,700,000, which is the same assessed value set by the Board of Review for 2017. This would result in a total refund for the four parcels of \$73,713.33. This resolution seeks approval of the settlement agreement with Glacier Valley I, LLC along with all other approvals necessary to carry out the settlement including adjusting the City's revenues.

Under the proposed settlement, Glacier Valley, I LLC will be paid a total of \$73,713.33 as a refund for the 2016 tax year and the parties will stipulate to the dismissal of the lawsuit. Glacier Valley I, LLC, will not be paid any interest or costs. This resolution authorizes the City Attorney to sign the Settlement Agreement on behalf of the City of Madison.

The City Attorney and the City Assessor recommend the approval of the proposed Settlement Agreement.

Necessary Authorizations

This resolution

1. Approves the Settlement as outlined above.
2. Authorizes the City Attorney to sign the Settlement Agreement on behalf of the City.
3. Approves the payment in total of \$73,713.33 to settle tax year 2016.

WHEREAS, Glacier Valley I, LLC pursued an action against the City of Madison for excessive assessment for

its four parcels located at 6845, 6833, 6901 and 6913 Littlemore Drive in the City of Madison. 6845, 6833, 6901 and 6913 Littlemore Drive for tax year 2016; and

WHEREAS, Glacier Valley I, LLC and City of Madison have reached a proposed settlement regarding the 2016 assessment, which settlement the Common Council finds is the best interest of the City; and

WHEREAS, The City Attorney, City Assessor and the Finance Director all recommend the approval of the settlement as described in this resolution; the City Attorney will subsequently enter into a Settlement Agreement for the following total tax refund of \$73,713.33 with no additional interest or costs.

NOW, THEREFORE BE IT RESOLVED, that the Common Council authorizes the payment of \$73,713.33 from City resources to Glacier Valley I, LLC in full settlement for tax year 2016;

BE IT FURTHER RESOLVED, that the Assessor and other City staff are authorized to file for reimbursement from other taxing jurisdictions pursuant to Wisconsin Department of Revenue procedures; and

BE IT FINALLY RESOLVED, that the City Attorney is authorized to sign the settlement agreement on behalf of the City of Madison.