

CITY OF GLENDALE
5909 North Milwaukee River Parkway
Glendale, Wisconsin 53209

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AGENDA—EMERGENCY COMMON COUNCIL MEETING

Friday, May 29, 2020

8:00 a.m.

1. Call to Order / Roll Call.
2. New Business:
 - a) Resolution Authorizing a Taxation District to Waive Interest and Penalties on Property Tax Payment Installments Due on or After April 1, 2020.
3. Adjournment.

*As the public will not be able to actively participate in this meeting, if you have any concerns or comments please contact your Alderperson.

– Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals.



SUBJECT: Resolution Authorizing a Taxation District to Waive Interest and Penalties on Property Tax Payment Installments Due on or After April 1, 2020.

FROM: Rachel Safstrom, City Administrator

MEETING DATE: May 29, 2020

FISCAL SUMMARY:

Budget Summary:	N/A
Budgeted Expenditure:	N/A
Budgeted Revenue:	N/A

STATUTORY REFERENCE:

Wisconsin Statutes:	N/A
Municipal Code:	N/A

BACKGROUND/ANALYSIS:

On Thursday, May 28, 2020, Milwaukee County passed a resolution delaying interest and penalty on real estate tax payments. In order for the City of Glendale to offer this option to residents, the City must pass a similar resolution.

The resolution passed allows for any taxpayer that is unable to make a timely payment for the May 31, 2020, installment to not be charged interest and penalty until October 1, 2020.

RECOMMENDATION:

The total outstanding taxes as of 2 pm on May 28 is \$1.47 million (313 property owners). This is both residential and business properties. We have had several residents calling to inquire if this would be an option.

ACTION REQUESTED:

Motion to approve the Resolution Authorizing a Taxation District to Waive Interest and Penalties on Property Tax Payment Installments Due on or After April 1, 2020.

ATTACHMENTS:

1. Resolution.
2. Milwaukee County Resolution

CITY OF GLENDALE, WISCONSIN

RESOLUTION NO. _____

*Authorizing a Taxation District to Waive Interest and Penalties on
Property Tax Payment Installments Due on or After April 1, 2020*

WHEREAS, in December, 2019, a novel strain of coronavirus known as COVID-19 was detected, and COVID-19 has continued to spread throughout the world, including to the United States and the State of Wisconsin (“COVID-19 Pandemic”); and

WHEREAS, the federal government, state governments, and local governments are working together to contain the further spread of the disease and treat existing cases; and

WHEREAS, on January 31, 2020, the United States Department of Health and Human Services declared a Public Health Emergency, on March 11, 2020, the World Health Organization declared COVID-19 a pandemic, on March 12, 2020 the Governor of the State of Wisconsin declared a Health Emergency in the State, and on March 14, 2020, the City of Glendale, Milwaukee County (the “City”) declared a state of emergency under authority granted by Wis. Stats. Chap. 323; and

WHEREAS, the federal government has enacted various laws and regulations in response to the COVID-19 Pandemic including, without limitation, the Families First Coronavirus Response Act and the Coronavirus Aid, Relief, and Economic Security Act; and

WHEREAS, because of the COVID-19 Pandemic, on March 24, 2020, Secretary-designee Andrea Palm of the Wisconsin Department of Health Services issued Emergency Order #12, Safer at Home Order (“Safer at Home Order”) requiring that everyone in Wisconsin stay at their home or place of residence except in limited circumstances until April 24, 2020; and

WHEREAS, on April 16, 2020, Secretary-designee Palm extended the Safer at Home Order, with certain modifications, to May 26, 2020, pursuant to Emergency Order #28; and

WHEREAS, the federal, state, local and individual responses to the COVID-19 Pandemic and the uncertainty as to the effectiveness of those responses in mitigating the duration of the COVID-19 Pandemic have created economic hardship and uncertainty in Milwaukee County’s business community, households throughout Milwaukee County and for every Milwaukee County property taxpayer; and

WHEREAS, prominent economists have predicted record level unemployment rates for the coming months and this prediction suggests that County residents will also experience record level unemployment rates in the coming months, and an unprecedented number of businesses and employers throughout the State and in the County have been required to suspend operations; and

WHEREAS, in response to the COVID-19 Pandemic, the various federal laws and regulations implemented as a result of the COVID-19 Pandemic, and the various emergency orders and regulations implemented by state and local governments, on April 15, 2020, the Wisconsin

Legislature enacted 2019 Wisconsin Act 185 (“Act 185”), which Governor Evers signed on April 16, 2020; and

WHEREAS, Section 105(25) of Act 185 authorized, among other things, Milwaukee County to adopt a resolution enabling taxation districts in Milwaukee County to waive interest and penalties on 2020 property tax installment payments due and payable after April 1, 2020, until October 1, 2020; and

WHEREAS, Milwaukee County approved such resolution on May 14, 2020 allowing municipalities to also adopt a resolution enabling taxation districts in Milwaukee County to waive interest and penalties on 2020 property tax installment payments due and payable after April 1, 2020, until October 1, 2020; and

NOW THEREFORE BE IT RESOLVED that pursuant to Section 105(25) of Act 185, the Council hereby finds and authorizes the following:

1. A taxation district is authorized to waive interest and penalties for property taxes payable in 2020 for an installment payment that is due and payable after April 1, 2020. This Resolution authorizes a taxation district to waive interest and penalties as provided in Section 105(25) of Act 185 for all property taxpayers in the taxation district such that if a taxation district authorizes the waiver under Section 105(25) of Act 185, it must offer the waiver to all property taxpayers in the taxation district. Notwithstanding the foregoing, nothing in this Resolution authorizes a taxation district to waive interest and penalties for property taxes payable in 2020 for an installment payment that was due and payable prior to April 1, 2020, except as otherwise permitted under applicable law.
2. The terms from Milwaukee County imposing a penalty on delinquent property tax payments are hereby modified for purposes of implementing the terms of this Resolution and Section 105(25) of Act 185.
3. As provided under Section 105(25) of Act 185, the City shall deviate from the settlement procedure set forth in Wis. Stat. § 74.29 and, instead the City shall settle property taxes, interest and penalties collected on or before July 31, 2020, on August 20, 2020, as provided under Wis. Stat. § 74.29(1), and settle the remaining unpaid taxes, interest, and penalties on September 20, 2020. The August 20, 2020, settlement shall be distributed proportionally to the underlying taxing jurisdictions according to payments collected on or before July 31, 2020.

BE IT FURTHER RESOLVED that all actions heretofore taken by the Council and other appropriate public officers and agents of the City with respect to the matters contemplated under this Resolution are hereby ratified, confirmed and approved.

PASSED AND ADOPTED by the Common Council of the City of Glendale, this 28th day of May, A.D. 2020.

Bryan Kennedy, Mayor

Countersigned:

Megan Humitz, City Clerk

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3
4 **A RESOLUTION**

5
6 Waiving interest and penalties on delinquent real property tax installment payments
7 pursuant to 2019 Wisconsin Act 185 to provide relief to Milwaukee County property
8 owners during the SARS-CoV-2/COVID-19 Pandemic
9

10
11 WHEREAS, the novel coronavirus, SARS-CoV-2/COVID 19 (COVID-19),
12 emerged in December 2019, and has caused a global pandemic, killing approximately
13 250,000 people in the span of a few months by early May, including 60,000 in the
14 United States; and
15

16 WHEREAS, amidst growing evidence of a public health crisis, on January 31,
17 2020, the United States Department of Health and Human Services declared a Public
18 Health Emergency, the World Health Organization declared COVID-19 a pandemic on
19 March 11, 2020, and State of Wisconsin Governor Evers declared a public health
20 emergency on March 12, 2020, the date of the first confirmed COVID-19 diagnosis in
21 Milwaukee County; and
22

23 WHEREAS, the Milwaukee County Executive declared a local public health
24 emergency due to COVID-19 on March 13, 2020; and
25

26 WHEREAS, on March 17, 2020, many Milwaukee County municipalities began
27 restricting food and beverage sales within their borders, affecting many low wage
28 workers and small businesses; and
29

30 WHEREAS, on April 16, 2020, Wisconsin Department of Health Services
31 Secretary-designee Palm extended a modified Safer at Home Order set to expire on
32 April 24, 2020 which requires all in Wisconsin to remain in their residences except for
33 limited circumstances until May 26; and
34

35 WHEREAS, the COVID-19 pandemic has created extreme economic hardship
36 for many individuals and businesses in Milwaukee County and across the United States,
37 including approximately 10 to 12 percent of the American workforce on unemployment
38 insurance during the latter half of April, as reported by the United States Department of
39 Labor; and

40 WHEREAS, those eligible for unemployment insurance receive only a fraction of
41 their normal income and many workers may not be eligible for unemployment benefits;
42 and

43

44 WHEREAS, the Federal Reserve found in its May 2019, "Report on the
45 Economic Well-Being of U.S. Households in 2018," that approximately 40 percent of
46 Americans did not have the cash on hand to cover an emergency expense of only \$400;
47 and

48

49 WHEREAS, Wis. Stat. §§ 74.11, 74.12, and 74.87, among other things, require
50 and specify rules regarding interest and penalties relating to delinquent real property tax
51 installment payments; and

52

53 WHEREAS, the Wisconsin Legislature passed, and Governor Evers signed into
54 law as a relief effort for COVID-19, 2019 Wisconsin Act 185 (Act 185), which among
55 other things, in Section 105(25), enables county boards to, by resolution, allow their
56 municipalities to temporarily waive interest and penalty fees from delinquent real
57 property tax installment payments in spite of Wis. Stat. §§ 74.11, 74.12, and 74.87, for
58 installment payments on real property taxes due after April 1, 2020 and will last until
59 October 1, 2020; after which interest will accrue on any delinquent payments; and

60

61 WHEREAS, pursuant to Act 185, subsequent to County approval of a resolution
62 invoking Section 105(25) of the Act, the municipalities must individually pass resolutions
63 invoking the act for the waiver of real property tax interest and penalties to take effect;
64 and

65

66 WHEREAS, Act 185 authorizes local governments to either provide waivers
67 uniformly or on an individual hardship basis, but the Wisconsin Counties Association
68 recommends not waiving interest and penalties case by case as it would produce
69 administrative difficulty and may be subject to legal challenges; and

70

71 WHEREAS, at its meeting on May 14, 2020, the Committee of the Whole
72 reviewed File No. 20-366, a report from the Office of the Comptroller and the Office of
73 the Treasurer on Act 185 and the potential cost to the County including a requirement to
74 upgrade the current tax collection software to properly account for payments and any
75 waivers of penalty and interest; and

76

77 WHEREAS, this is a trying time for Milwaukee County residents and much of the
78 world and the County Board of Supervisors and County Executive are doing their part to
79 provide relief to fellow citizens; now, therefore,

80 BE IT RESOLVED, pursuant to 2019 Wisconsin Act 185 Section 105(25), the
81 Milwaukee County Board of Supervisors finds and authorizes the following:
82
83

- 84 1. Because of the COVID-19 pandemic, the various federal laws and regulations
85 implemented as a result of the COVID-19 pandemic, the various emergency
86 orders and regulations implemented by state and local governments, and Act
87 185, the Board finds that all property tax payers are experiencing hardship as
88 that term is used in Section 105(25) of Act 185.
89
- 90 2. A taxation district is authorized to waive interest and penalties for property taxes
91 payable in 2020 for an installment payment that is due and payable after April 1,
92 2020. This Resolution authorizes a taxation district to waive interest and
93 penalties as provided in Section 105(25) of Act 185 for all property taxpayers in
94 the taxation district such that if a taxation district authorizes the waiver under
95 Section 105(25) of Act 185, it must offer the waiver to all property taxpayers in
96 the taxation district. Notwithstanding the foregoing, nothing in this Resolution
97 authorizes a taxation district to waive interest and penalties for property taxes
98 payable in 2020 for an installment payment that was due and payable prior to
99 April 1, 2020, except as otherwise permitted under applicable law.
100
- 101 3. The terms of Milwaukee County General Ordinance (MCGO) Section 6.06 –
102 Interest and Penalty on Overdue and Delinquent Taxes, which imposes a penalty
103 on delinquent property tax payments, are hereby modified for purposes of
104 implementing the terms of this Resolution and Section 105(25) of Act 185.
105
- 106 4. As provided under Section 105(25) of Act 185, the County shall deviate from the
107 settlement procedure set forth in Wis. Stat. § 74.29 and, instead the County shall
108 settle property taxes, interest and penalties collected on or before July 31, 2020,
109 on August 20, 2020, as provided under Wis. Stat. § 74.29(1), and settle the
110 remaining unpaid taxes, interest, and penalties on September 20, 2020. The
111 August 20, 2020, settlement shall be distributed proportionally to the underlying
112 taxing jurisdictions according to payments collected on or before July 31, 2020.
113
- 114 5. Notwithstanding Wis. Stat. § 74.57, the County Treasurer is authorized, but not
115 required, to omit from the tax certificate delivered to the County on September 1,
116 2020, all parcels of real property for which a taxation district has waived interest
117 and penalties as provided in this Resolution.
118
- 119 6. The County Treasurer is directed to consult with the Wisconsin Department of

120 Revenue, all taxation districts in the County, and corporation counsel regarding
121 the implementation of this Resolution and the procedures associated with, or
122 contemplated by, this Resolution.

123
124 7. Other County officers are authorized and directed to assist the Treasurer in the
125 interpretation, application and implementation of this Resolution and Section
126 105(25) of Act 185.

127 ; and

128
129 BE IT FURTHER RESOLVED, the City of Milwaukee, as a First Class City, is
130 responsible for administering its own delinquent property tax payments, per Wis. Stat.
131 §§ 74.81 through 74.84, but like the other 18 municipalities in Milwaukee County, still
132 requires the County to adopt this resolution to extend the benefits available under
133 Section 105(25) of Act 185 to their taxpayers by separate resolution; and

134
135 BE IT FURTHER RESOLVED, the Milwaukee County Treasurer is authorized to
136 execute a new agreement with LandNav for the latest software, which will permit the
137 tracking of any waivers of penalty and interest and shall be offered without charge to all
138 county municipalities (except the City of Milwaukee which administers its own
139 delinquent taxes); and

140
141 BE IT FURTHER RESOLVED, that the estimated cost to implement the new
142 software is \$200,000 and shall be charged against CARES Act funding received by the
143 County, and the Department of Administrative Services and the Office of the
144 Comptroller are authorized and directed to process the requisite fund transfer to the
145 appropriate accounts; and

146
147 BE IT FURTHER RESOLVED, that any municipality (except the City of
148 Milwaukee which administers its own delinquent taxes) that adopts a resolution to waive
149 penalty and interest on delinquent property tax installment payments, as permitted
150 under Act 185 and authorized by this resolution, must upgrade to the new LandNav
151 software so that the provisions of the law can be properly administered; and

152
153 BE IT FURTHER RESOLVED, that all actions hereto taken by the Milwaukee
154 County Board of Supervisors and other appropriate public officers and agents of the
155 County with respect to the matters contemplated under this Resolution are hereby
156 ratified, confirmed and approved.