

MEMORANDUM OF UNDERSTANDING

WHEREAS, on March 12, 2020, the State of Wisconsin declared a public health emergency due to an outbreak of COVID-19, a contagious, and at times fatal, respiratory disease; and

WHEREAS, in response to the COVID-19 pandemic, the Wisconsin Legislature adopted 2019 Wisconsin Act 185 (“Act 185”) on April 15, 2020, which was signed by Governor Evers on April 16, 2020; and

WHEREAS, Act 185 authorizes, *inter alia*, a taxing district to adopt a resolution waiving interest and penalties until October 1, 2020 on 2019 property tax installment payments due and payable after April 1, 2020 if the county board first adopts a resolution authorizing such waiver and establishing criteria for determining hardship; and

WHEREAS, on March 17, 2020, Mayor Nickels issued a Proclamation that delayed the March 31 property tax installment payment for City of Manitowoc (the “City”) taxpayers until May 31 and waived any interest that would have otherwise accrued during that period; and

WHEREAS, Manitowoc County (the “County”) intends to adopt a resolution that authorizes the waiver of interest and penalties by its taxation districts pursuant to Act 185 and finds that a general hardship exists in Manitowoc County; and

WHEREAS, the City intends to adopt a resolution approving the waiver of interest and penalties by the City as authorized by the County under Act 185; and

WHEREAS, by adopting a resolution as authorized by Act 185, the County will adjust the usual settlement timeline from a final settlement date of August 20 to a two-step settlement of August 20 and a second final settlement date of September 20, 2020; and

WHEREAS, settling on September 20 would cause complications and other problems when taxpayers have until October 1, 2020 to pay their tax bills;

NOW, THEREFORE, in consideration of the premises set forth above, and the mutual agreements and understandings set forth below, the parties enter into this Memorandum of Understanding and agree as follows:

1. SETTLEMENT.

a. Pursuant to Act 185, the City will perform an “initial” settlement with the County for taxes collected on or before July 31, 2020, on August 20, 2020 (the “August Settlement”). The August Settlement shall be distributed proportionally to the underlying taxing jurisdictions.

b. The City and the County agree that the September 20, 2020 settlement will not be performed as of that date, but rather shall be conducted after October 1, 2020 (the “Final Settlement”). The Final Settlement will be completed by October 15, 2020 and shall settle the remaining unpaid taxes, interest, and penalties.

c. Due to reliance on the Mayor’s Proclamation, all City taxpayers who made their January 31 payment on time will have their final payment due date deferred until October 1. Additionally, interest will be charged from October 1 rather than February 1 for City taxpayers who made their January 31 payment but failed to pay their taxes in full by October 1.

2. TAX CERTIFICATES. The City agrees to provide the County with a data file on September 1, 2020 that shows all unpaid taxes as of the close of business on August 31, 2020 so that the County may issue tax certificates consistent with its statutory duty under Wis. Stat. § 74.57.

3. SIGNATURE AUTHORITY. The persons signing this Memorandum warrant that they have been authorized to enter into this Memorandum by and on behalf of their respective parties and that they have full and complete authority to bind their respective parties by executing this Memorandum.

MANITOWOC COUNTY

CITY OF MANITOWOC

By: _____
Amy Kocian
Manitowoc County Treasurer

By: _____

Date: _____

Date: _____

By: _____
Bob Ziegelbauer
Manitowoc County Executive

By: _____

Date: _____

Date: _____