



**Request for City Council Committee Action
From the City Attorney's Office**

Date: October 8, 2013
To: Ways & Means/Budget Committee
Referral to:

Subject: *Morris Klock v. City of Minneapolis*
Court File No: 27-CV-12-24106

Recommendation: That the City Council approve the settlement of this case by non-monetary relief as defined below, including the removal of the condemnation currently imposed on 1422 Golden Valley Road, and authorize the City Attorney's Office to execute any documents necessary to effectuate settlement.

Previous Directives:

Prepared by: Gregory P. Sautter *10/8-13* Phone: 612-673-2683

Approved by: *[Signature]*
Susan L. Segal
City Attorney

Presenter in Committee: Susan L. Segal, City Attorney

Financial Impact (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information).
- Action requires an appropriation increase to the Capital Budget or Operating Budget.
- Action provides increased revenue for appropriation increase.
- Action requires use of contingency or reserves.
- Business Plan: Action is within the plan. Action requires a change to plan.
- Other financial impact (Explain): Waiver of 2013 Vacant Building Registration Fee \$6,948.00
- Request provided to department's finance contact when provided to the Committee Coordinator.

Community Impact: Other

Background/Supporting Information

Plaintiff challenged the 2012 assessment of a Vacant Building Registration ("VBR") fee on his property at 1422 Golden Valley Road. On August 26, 2013, the Court granted summary judgment in the City's favor affirming the special assessment of \$6,948.00 against Plaintiff's property. Since summary judgment was issued, the City and Plaintiff have had extensive discussions in an attempt to return the property to an occupied and restored state (it has been vacant since 2008). The parties have reached a contingent agreement with the following terms:

- 1) Plaintiff would agree to waive any further appeal of his VBR assessment for \$6,946.00 levied against his property, and allow the funds to be collected through his property taxes;

- 2) The City would agree to remove the property from condemnation status, waiving any requirement for a code compliance inspection;
- 3) Plaintiff, alone, would be allowed to reside at the property upon removal of the condemnation;
- 4) Plaintiff would enter a restoration agreement, which will include holding in abeyance the 2013 Vacant Building Registration fee pending satisfaction of all terms of the restoration agreement (the restoration agreement will include a requirement for an inspection equivalent to a rental licensing inspection),
- 5) Plaintiff would acknowledge that his restoration of the property must comply with applicable zoning restrictions, which, both parties acknowledge limit the property to three dwelling units, unless a variance is procured; and,
- 6) Plaintiff would acknowledge that he must apply through the normal process should he wish to obtain a rental license for the property.

The terms of this agreement were developed in consultation with the Department of Regulatory Services, and we believe that the proposed settlement is in the best interests of the City and recommend approval by this Committee and the City Council.