



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

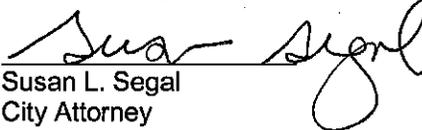
Date: October 27, 2014  
To: Ways & Means/Budget Committee  
Referral to:

**Subject:** Waiver of Conflict of Interest for Stinson Leonard Street

**Recommendation:** That the City Council consent to the selection of Stinson Leonard Street (the "Firm") to serve as Bond Counsel for the City or MCDA for the issuance of 501(c)(3) Bank Qualified Bank Direct Tax-exempt Minneapolis Community Development Agency Revenue Bonds for Stone Bridge Building Company, an affiliated building company for Stone Bridge World School and waive any conflict of any interest between the City of Minneapolis or the MCDA and the Firm arising out of the Firm's representation of entities in matters unrelated to this transaction.

**Previous Directives:**

Prepared by:  Peter W. Ginder Phone: (612) 672-2478

Approved by:   
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):  
 Request provided to department's finance contact when provided to the Committee Coordinator.

**Community Impact** (select only those category(ies) that apply and delete the others, then delete this sentence)

Neighborhood Notification

City Goal(s):

Comprehensive Plan

Zoning Code

Other

**Background/Supporting Information**

The Firm has been selected by the borrower to act as bond counsel for MCDA-issued revenue bonds for Stone Bridge Building Company, an affiliated building company for Stone Bridge World School. The Firm (formerly Leonard Street Deinard) has previously been qualified to act as bond counsel for the City and, being otherwise qualified to act as bond counsel, we recommend that the Firm be authorized to represent the City or MCDA in this revenue bond issuance. In addition, the Firm represents clients in matters in which it may have a conflict of interest with the City. The City Council, on August 16, 2013, has previously waived the conflict of interest for the predecessor company of Stinson Leonard Street (Leonard Street Deinard). While the representations are distinct and unrelated to the instant revenue bond issuance, the City Attorney's Office has determined that it would be appropriate to recommend that the City Council grant a waiver to the Firm in connection with the following matters:

## EXISTING ADVERSE MATTERS

1. Canadian Pacific Railway, in connection with a Minneapolis Contaminated Sites Initiative
2. Roto-Rooter, in connection with a 2011 City of Minneapolis licensure issue
3. Arthur's Riverfront Properties, in connection with a Moose on Monroe License Dispute
4. Augie's Cabaret, in the matter of Augie's Cabaret v. the City of Minneapolis
5. RPU, Inc., in connection with the City of Minneapolis watermain break
6. Hubbard Broadcasting, Inc., in connection with Minneapolis Police Department Internal Affairs
7. The Ackerberg Group, in connection with Greenway Housing Development
8. Pawn America, in connection with an Automated Pawn System
9. City Center Realty Partners v. County of Hennepin
10. Megabus, USA, LLC, in connection with City of Minneapolis land-use compliance
11. First and University Investor LLC, in connection with tax appeal (Superior Plating Property)
12. Minikahda Club, in connection with appeal of property tax assessment

In addition, we are requesting an advance conflict of interest waiver as to the Firm's representation of the City or MCDA on this revenue bond issue and the Firm's ongoing representation of Canadian Pacific Railway and its affiliates in Future Routine Matters adverse to the City or the MCDA. For purposes of this waiver, "Future Routine Matters" is defined to include (i) regulatory, land use, licensing, environmental, condemnation and tax protests, and (ii) other civil matters, including civil litigation, which are (A) similar to past matters in which Canadian Pacific Railway and its affiliates was adverse to the City or MCDA and was represented by the Firm, and (B) unrelated to the present bond issuance.

PWG:hnp