



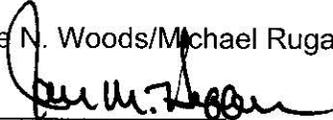
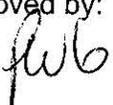
**Request for City Council Committee Action
From the City Attorney's Office**

Date: September 8, 2005
To: Ways & Means/Budget Committee
Subject: Katharina Mickelson Claim Against City of Minneapolis, et al.

Recommendation: That the City Council authorize settlement of Katharina Mickelson's Claim in the amount of \$24,000.00 payable to Katharina Mickelson and her attorney, Bruce Rasmussen, from Fund/Org. 6900 150 1500 4000, and that the City Attorney be authorized to execute any documents necessary to effectuate this settlement.

Previous Directives:

Prepared by: Sydney N. Woods/Michael Rugani, Assistant City Attorneys Phone: 673-2625

Approved by: 
 Jay M. Heffern
City Attorney

Presenter in Committee: Jay M. Heffern, City Attorney

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain): \$24,000.00 from Fund/Org. 6900 150 1500 4000
- Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact:

City Goals: Build Community

Background/Supporting Information

On December 18, 2004, the house Mickelson was living in at 4623 Lyndale Avenue North burned to the ground as a result of an Operation 100 by MPD. Claimant's son was a suspect in a double shooting resulting in one death. The son reportedly went to the address and police responded. MPD used several canisters of Clear Out during the call. During the call a fire broke out, destroying the residence. The following day, MPD stated the son was not a suspect. He was never charged with any crime surrounding the homicide.

Sgt. McKenna of the Arson Unit investigated and determined that the use of the Clear Out was the cause of the fire (the fire was reported on Channel 5 news and our office is in possession of a videotape a report indicating Sgt. McKenna determined the fire was due to "misuse of" Clear Out by MPD). Sgt. McKenna confirmed this with the City Attorney's Office.

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Mickelson filed a Claim Form attaching an itemized list of her property losses and expenses for lodging (Camden Motel and Extended Stay America) totaling \$55,335.00. When asked for further substantiation of the amounts and items, her attorney, Bruce Rasmussen, stated she had no records as everything was lost in the fire. Rasmussen submitted letters from friends and family detailing the furnishings within Mickelson's home.

Mickelson's upstairs neighbors also filed a claim and were compensated for their losses in the amount of \$23,958.00. The claim was paid because they were considered innocent third parties. It is now apparent that Mickelson is also an innocent third party.

Based upon the above facts, it is almost certain that Plaintiff would prevail on this claim. If she were to prevail, the City would be liable for Plaintiff's losses and her attorney's fees. For these reasons, we entered into negotiations with Plaintiff's attorney to attempt to reach an early resolution of this matter. Plaintiff has now agreed to accept \$24,000.00 for full and complete settlement of this matter, including attorney's fees. For the reasons set forth above, we believe this is a prudent settlement which is in the best interests of the City.

05I-0147