

# CITY OF MITCHELL

City Council Meeting  
Agenda Item Request



*The deadline for agenda items is Wednesday at noon, prior to the City Council Meeting*

Meeting Date Requested:  Requested By:

Desired Action of City Council:  Authorization  Approval  Resolution  
 Ordinance  Citizen Request  Discussion

Amount Budgeted in current fiscal year for this item (if applicable):

Agenda Item:

Explanation/Background of Agenda Item Requested:

The city has been in a longstanding dispute regarding the 223 North Main property. The property was a nuisance for many years and the City entered into an agreement with Western on Main LLC and Ron and Jan Christensen that resulted in the City taking ownership of the building.

The City began to pursue a lawsuit against the LLC and Christensens because the mortgages were not satisfied among other reasons. Prior to the City filing its suit, the Christensens and LLC initiated a lawsuit alleging their own claims against the City. The lawsuit was filed in federal court (Civ. 19-4187) and the City added its counterclaims there. The lawsuit carried on and reached a point where the parties sought to mediate the claims.

The parties attended a mediation session on May 11, 2021 and ultimately reached a mediated settlement. The mediated settlement further called for the execution of a formal Settlement Agreement and Release between all the parties.

The basic terms of the settlement are as follows:

- The lawsuit will be dismissed with prejudice;
- The parties release all claims against each other;
- The City receives payments from the other parties;
- The City uses those funds to satisfy the mortgages that were outstanding when the property was transferred.

These steps should resolve all remaining issues between the parties.