

CLOSED SESSION MINUTES
MONDAY, DECEMBER 18, 2023
PART 2

LITIGATION:

City Manager Steve Palen explained to the Council that he had another item to discuss. The City lost the lawsuit that the City was in with SIM Properties for the building that was next to the KC Hall on Whitelaw Avenue that the City demolished in 2019. Discussion ensued regarding how bad of condition the building was in prior to demolition and how the structural engineering report stated that the building was in imminent danger of collapse and that is when the decision was made to demolish the building. The City did not follow the proper procedures according to the judge because the City did not obtain a court order and it was not taken in front of the City Council for their approval to proceed with the demolition. The judgement was \$106,000.00 and the City has to forgive the lien that is on the property for the demolition which is around \$50,000.00. Insurance would not cover it. An appeal was not recommended by Sandberg Phoenix. The demolition occurred in September 2019.

There being no further business, the closed session adjourned at 8:32 p.m.