



**CITY OF UMATILLA
AGENDA ITEM STAFF REPORT**

DATE: February 18, 2015 **MEETING DATE:** March 3, 2015
SUBJECT: Arguelles Holdings, LLC v. City of Umatilla, Case No.: 2011-CA-674
ISSUE: Settlement

BACKGROUND SUMMARY: On March 10, 2011, Arguelles Holdings, LLC, filed a lawsuit against the City of Umatilla related to the use of its property located at 633 and 635 Umatilla Boulevard, Umatilla, Florida, claiming damages in the amount of 4.5 million stemming from:

- Count I** Denial of Substantive and Procedural Due Process rights pursuant to Fla. Const. Art. I, §§ 2 and 9 (for equitable relief only)
- Count II** Inverse Condemnation
- Count III** Injunction (forbidding the City from denying Arguelles and its tenants fair and reasonable use of the property as a secure rehabilitation center)
- Count V** Bert J. Harris, Jr. Private Property Rights Act
- Count VI** Promissory Estoppel

As part of the settlement, Arguelles Holdings, LLC, will execute a Release and dismiss all counts in the lawsuit with prejudice.

STAFF RECOMMENDATIONS: Approval of Settlement

FISCAL IMPACTS: No direct fiscal impact to the City; \$25,000 to be paid by PGCS, the City's insurance carrier

COUNCIL ACTION:

Reviewed by City Attorney Yes No **VN/A**
(Reviewed by Sherry Hopkins, Esquire, Bell & Roper, P.A., counsel appointed by the PGCS)

Reviewed by City Engineer Yes No **VN/A**
