

Bond Case Briefs

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SPECIAL PURPOSE DISTRICTS - MINNESOTA

110 Wyman, LLC v. City of Minneapolis

Court of Appeals of Minnesota - March 30, 2015 - N.W.2d - 2015 WL 1401612

Property owners in city's downtown special services district challenged service charges for special services provided by the city. The District Court granted city's motion for summary judgment. Property owners appealed.

The Court of Appeals held that special-benefit standard did not apply to service charges imposed on property owners under special services districts statute.

Statutorily-imposed "reasonably related" special services standard, rather than common law special-benefit standard, applied to landowners' challenge to charges imposed on property owners in special service district in city's downtown, for special services provided. Services provided, including security, marketing and promotion, graffiti removal, landscaping, and administrative services, were too difficult to measure in terms of benefit to the properties served, as required by special-benefit standard.

Under "reasonably related" standard in statute authorizing city's governing body to create a special service district by ordinance, propriety of service charges imposed was to be measured by charges' proportion to city's cost of providing such services, rather than by special-benefit standard, which required that the amount of charges could not exceed the benefit to the property assessed.