



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Pamela Whitmore
Meeting Date:	Thursday, January 9, 2025
Category:	STAFF REPORTS
Type:	INFO/ACTION
Subject:	Noticed Closure from Broadmoor Manufactured Home Park 1) Closed Session Pursuant to Minnesota Statutes, Section 13D.05, Subdivision 3(b) for an Attorney-Client Protected Discussion with the City's Attorney Regarding Threatened Litigation by Schierholz & Associates in Response to City Receipt of the Minnesota Attorney General's Office's Objection to Broadmoor Valley Closure Statement 2) Discussion of Cancellation of Public Hearing
Background Information:	<p>The City received notice from Paul Schierholz on behalf of Schierholz & Associates of the intent to cease operation of Broadmoor Valley as a manufactured home park as of December 1, 2025. The notice received contained the mandatory language typed in the correct font as required under Minn. Stat. §327C.095 and addressed the topics required by Minn. Stat. § 327C.015. Accordingly, the City had to presume sufficiency of the notice.</p> <p>Violations of Minn. Stat. Chapter 327C, including the sufficiency of closure notices, falls within the purview of the duties of the Office of Attorney General. <i>See generally</i>, Minn. Stat. § 327C.015, Minn. Stat. § 8.31. As you may recall, there were concerns from at least one of the speakers at the December 17, 2024 council meeting that they had heard the Notice was not sufficient. At that time, staff instructed Council that the AG made that determination as the enforcement agency.</p> <p>On January 8, 2025, the City received a copy of a letter sent that same day from the Office of the Attorney General to Paul Schierholz and Schierholz & Associates, Inc., as well as to his attorneys, notifying Mr. Schierholz that the AG deemed the notice insufficient. The AG based its findings on the fact that the Notice contained the word “unknown” with respect to when sites located within the specific, alternative parks listed out in the notice would become available and at what cost.</p> <p>As a reminder, the statutory hearing process with which the City must comply under Minn. Stat. § 327C.07 et seq., and specifically Minn. Stat. § 327C.095 becomes triggered only upon receipt of receiving the “closure statement”. The AG now has deemed no notice of closure has yet occurred because of the deficiencies in the November notice. Specifically, the AG letter states “[b]ecause your November 18 letter does not contain this critical information, it does not meet the lawful standard for a “closure statement” under section 327C, and so does not operate as 12-months’ lawful notice of Broadmoor Valley’s closure under section 327C.095(a).” The AG set forth next steps for Mr. Schierholz/Schierholz & Associates, requiring “.... you must rescind your November 18, 2024, letter immediately by notifying all persons to whom you sent the letter that it was not a lawful “closure statement,” and that consequently you are not able to close Broadmoor Valley on December 1, 2025, in compliance with Minnesota law.” With respect to possible (likely) future notices, the AG wrote “[f]inally, any future legally effective closure notices must meet <i>all</i> requirements set by section 327C, including the provision of at least 12-months’ notice to park residents from the date of any future closure statement. <i>See</i> Minn. Stat. § 327C.095, subd. 1. The</p>

	<p>previous attempts to notify residents about the closure of the park lacked critical, legally required information, and so did not start the 12-month clock.”</p> <p>As a result, staff proposes cancelling the public hearing unless an updated notice containing the additional information identified as missing by the AG is received by the City before the meeting. If Council approves cancellation, then staff likely will come before Council again at a future date to set a new date of public hearing and provide Council with a copy of an updated Closure Statement. Of course, if staff receives notice between the date of this memorandum and the Council Meeting, then staff likely will recommend Council keep the current hearing date, time and location as scheduled.</p>
Fiscal Impact:	None
Alternative/ Variations:	Keep the Public Hearing on the calendar as schedule
Recommendations:	Approve cancellation of the Public Hearing