

1 **RESOLUTION NO. _____**

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3 **A RESOLUTION TO AUTHORIZE THE SETTLEMENT OF LITIGATION**
4 **AFTER COURT-ANNEXED MEDIATION, IN AN AMOUNT NOT TO**
5 **EXCEED ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS**
6 **(\$175,000.00); AND FOR OTHER PURPOSES.**

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8 **WHEREAS**, the City took enforcement action pursuant to its Police Powers to protect the life, safety
9 and welfare of tenants at an apartment complex within the City that was not deemed to be operated pursuant
10 to City code provisions; and,

11 **WHEREAS**, the manner in which this action was taken was challenged as a violation of the Due
12 Process Clause to both the Arkansas and U.S. Constitutions; and,

13 **WHEREAS**, the litigation was ordered to Court-Annexed Mediation, and after mediation the parties,
14 including the City Manager on behalf of the City, agreed to a settlement in the amount of One Hundred
15 Seventy-Five Thousand Dollars (\$175,000.00), with the Office of the City Attorney accepting the costs of
16 medication, which was substantially below the sum of Eight Hundred Eighty-Thousand Dollars
17 (\$880,000.00) sought by the plaintiff; and,

18 **WHEREAS**, this litigation settles any and all claims that have arisen, or may arise, out of the matters
19 set forth in the complaint.

20 **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY**
21 **OF LITTLE ROCK, ARKANSAS:**

22 **Section 1.** The City ratifies the actions of the City Manager in the execution of a Mediation Agreement
23 in the case of *A Baby Acre By Grid, LLC, v. City of Little Rock, Arkansas, et al, No. 60CV-18-7587*, Pulaski
24 County Circuit Court, that was executed on May 4, 2023.

25 **Section 2.** The City authorizes the payment of One Hundred Seventy-Five Thousand Dollars
26 (\$175,000.00), forthwith in accordance with the agreement attached as Exhibit A to this resolution.

27 **Section 3.** Funds for the payment of the amount in Section 2 of this resolution will come from General
28 Administration – Fee, Judgement and Damage Claims, Account No. 101002-62010.

29 **Section 4.** Funds for the payment of the cost of mediation will be made by the Office of the City
30 Attorney Litigation Account.

31 **Section 5. *Severability.*** In the event any title, section, paragraph, item, sentence, clause, phrase, or
32 word of this resolution is declared or adjudged to be invalid or unconstitutional, such declaration or
33 adjudication shall not affect the remaining portions of the resolution which shall remain in full force and

1 effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of the
2 resolution.

3 **Section 7. Repealer.** All laws, ordinances, resolutions, or parts of the same that are inconsistent with
4 the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

5 **ADOPTED: May 16, 2023**

6 **ATTEST:**

APPROVED:

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Susan Langley, City Clerk

Kathy Webb, Vice-Mayor

10 **APPROVED AS TO LEGAL FORM:**

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Thomas M. Carpenter, City Attorney

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1 **Exhibit A**

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3 *A Baby Acre by Grid, LLC*

4
5 *vs.*

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7 *City of Little Rock*

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9 **SETTLEMENT AGREEMENT**

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11 The parties hereto agree that this lawsuit and all related claims and controversies between them are
12 hereby settled in accordance with the following terms of this Settlement Agreement.

13 1. The parties acknowledge that bona fide disputes and controversies exist between them, both as
14 to liability and the amount thereof, if any, and by reason of such disputes and controversies they desire
15 to compromise and settle all claims and causes of action of any kind whatsoever which the parties have or
16 may have arising out of the transaction or occurrence referred to above. It is further understood and agreed
17 that this is a compromise of a disputed claim, and nothing contained herein shall be construed as an
18 admission of liability by any party, all such liability being expressly denied.

19 2. Each signatory hereto warrants and represents that:

20 a. such person has authority to bind the party or parties for whom such person acts.

21 b. the claims, suits, rights, and/or interests which are the subject matter hereto are owned
22 by the party asserting same, have not been assigned, transferred or sold, and are free of
23 any encumbrance.

24 3. The parties will execute and file an Agreed Order dismissing all claims unless otherwise stated
25 in the above-styled case with prejudice. Each party will bear its own costs.

26 4. See attached Exhibit "A" which is incorporated herein as though fully set forth word for word.

27 5. Except for the agreements set forth herein, the parties hereby agree to release, discharge, and
28 forever hold the other harmless from any and all claims, demand, or suits, known or unknown, fixed or
29 contingent, liquidated or unliquidated, whether or not asserted in the above case, as of this date, arising
30 from or related to the events and transactions which are the subject matter of this cause. This mutual
31 release runs to the benefit of all attorneys, agents, employees, officers, directors, shareholders, partners,
32 heirs, assigns, and legal representatives of the parties hereto.

33 6. Counsel for the defendant shall deliver drafts of any further documents to be executed in
34 connection with this settlement to counsel for the other parties hereto within 7 days from the date hereof.

1 The parties and their counsel agree to cooperate with each other in the drafting and execution of such
2 additional documents as are reasonably requested or required to implement the provisions and spirit of this
3 Settlement Agreement.

4 7. This Settlement Agreement is made and performable in Pulaski County, Arkansas, and shall be
5 construed in accordance with the laws of the State of Arkansas.

6 8. If one or more disputes arise with regard to the interpretation and/or performance of this
7 Agreement or any of its provisions, the parties agree to attempt to resolve same with RAMSAY
8 MEDIATION & ARBITRATION, the Mediator, who facilitated this settlement. If litigation is brought to
9 construe or enforce this Agreement, the prevailing party shall be entitled to recover attorney's fees, as well
10 as court costs and expenses, including the cost of the mediation.

11 9. Although the mediator has provided a basic outline of this Settlement Agreement to the parties'
12 counsel as a courtesy to facilitate the final resolution of this dispute, the parties and their counsel have
13 thoroughly reviewed such outline and have, where necessary, modified it to conform to the requirements
14 of their agreement. All signatories to this Settlement Agreement hereby release the Mediator from any
15 and all responsibility arising from the drafting of this Settlement Agreement, and by signing this
16 Settlement Agreement acknowledge that they, or their attorneys, have been advised by the mediator in
17 writing that this Settlement Agreement should be independently reviewed by counsel before executing
18 the Agreement.

19 Agreed, this 4th day of May, 2023.

A Baby Acre by Grid, LLC

By 

20 Title Managing Member

City of Little Rock

22 By 

23 Title City Manager

APPROVED AS TO FORM:

Chris P. Gigitt, attorney for
Sharon A. Overton

A Baby Acre by Grid, LLC
Deputy City Attorney, Little Rock

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