

# Memorandum

**REPORT TO:** City Commission

**FROM:** Greg Sullivan, City Attorney  
Kelley Rischke, Assistant City Attorney

**SUBJECT:** Authorize the City Manager to Sign a Settlement and Release Agreement Resolving the Village Investment Group v. City of Bozeman Litigation

**MEETING DATE:** October 7, 2025

**AGENDA ITEM TYPE:** Agreement - Legal

**RECOMMENDATION:** Authorize the City Manager to sign the Settlement and Release Agreement resolving the Village Investment Group v. City of Bozeman litigation.

**STRATEGIC PLAN:** 7.3 Best Practices, Creativity & Foresight: Utilize best practices, innovative approaches, and constantly anticipate new directions and changes relevant to the governance of the City. Be also adaptable and flexible with an outward focus on the customer and an external understanding of the issues as others may see them.

**BACKGROUND:** Village Investments Group filed a lawsuit against the City of Bozeman on August 31, 2022 alleging the City Commission's denial of Plaintiff's subdivision application, known as the Parklands Major Subdivision Preliminary Plat (Application 21419), was arbitrary, capricious, or unlawful. The Plaintiff sought an award of actual damages resulting from the denial and for an award of attorneys' fees and costs. The lawsuit is filed as Case number DV-22-822D in the 18th Judicial District Court.

The attached Contingent Settlement and Release states that the lawsuit will be dismissed and will grant a release to the City for any related claims if the City Commission approves a revised preliminary plat application and pays for the application fee related to the revised application, which totals \$6,170.00.

On September 9, 2025, the City Commission considered item F.5 on the consent agenda and voted to approve the Parklands Amended Subdivision Preliminary Plat application (Application 25273), which was the revised preliminary plat application submitted by Plaintiffs. Application 25273 was publicly noticed with an opportunity to provide written public comment as well as the opportunity to provide oral public comment at the Community Development Board's September 8, 2025 meeting and before the City Commission at its September 9, 2025 meeting. On September 23, 2025, the City Commission adopted findings of fact for application 25273. The City is

prepared to pay the amount of \$6,170.00, which was contributed by the City's insurer, in satisfaction of this Contingent Settlement and Release.

This agenda item authorizes the City Manager to execute the Settlement Release Agreement and finalize all contingencies necessary to resolve this litigation against the City.

**UNRESOLVED ISSUES:** None.

**ALTERNATIVES:** None identified.

**FISCAL EFFECTS:** There is no fiscal impact to the City. The amount of \$6,170 will be paid to the Plaintiff by the City's insurer.

Attachments:

[Village Investment Group v. City of Bozeman Settlement and Release.pdf](#)

Report compiled on: September 25, 2025