This opinion is nonprecedential except as provided by Minn. R. Civ. App. P. 136.01, subd. 1(c).

STATE OF MINNESOTA
IN COURT OF APPEALS
A25-1108

BC Seva, LLC, d/b/a Suburban Studios, et al.,
Relators,

vs.

City of Brooklyn Center,
Respondent.

Filed April 6, 2026
Affirmed
Worke, Judge

City of Brooklyn Center

Bryan J. Huntington, Katherine A. Cochran, Victoria M. Callander, Larkin Hoffman Daly & Lindgren Ltd., Minneapolis, Minnesota (for relators)

Jason J. Kuboushek, Michael Conlin-Brandenburg, Iverson Reuvers, Bloomington, Minnesota (for respondent)

Considered and decided by Worke, Presiding Judge; Ross, Judge; and Bratvold, Judge.

NONPRECEDENTIAL OPINION

WORKE, Judge

Relators challenge respondent-city's revocation of a hospitality-accommodation license based on the city's determination that the recuperative-care services offered at the facility were outside the scope of the licensure. We affirm.

FACTS

In 1998, respondent City of Brooklyn Center's city council approved an application submitted by Extended Stay America to rezone certain property from Industrial Park to Planned Unit Development Industrial Park (PUD). The plan called for an "extended stay or efficiency hotel." A declaration of covenants and restrictions (declaration) stated that the property was subject to "zoning and land use restrictions imposed by the city," and specified "covenants, conditions, and restrictions" that "run with the land" and are enforceable against successors. The declaration provided that the property:

> shall be used and developed for a 104 unit, three story efficiency hotel of approximately 45,450 square feet without either a restaurant or a bar and for no other use unless the owners . . . secure either an amendment to the [PUD] plan and conditions approved by the [c]ity [c]ouncil or a rezoning . . . to a zoning classification which permits such other use.

Relator BC Seva, LLC d/b/a Suburban Studios (BC Seva) holds a hospitality-accommodation license to operate a hotel on the property.

On May 29, 2025, BC Seva entered into an agreement with relator Care Chexx, LLC (Care Chexx). Care Chexx provides recuperative-care services, described as:

> short-term medical support and essential services for people experiencing homelessness or housing instability. It's designed for those recovering from illness, injury, or surgery who no longer need to stay in the hospital. [Care Chexx] provides a safe and structured space with medical oversight, case management, and supportive care.

The agreement identified BC Seva as the "owner" of the property and Care Chexx as the "manager" and "the exclusive operator of the [property]." Care Chexx accepted the covenants, conditions, and restrictions related to the property. The agreement provided:

> The primary use of the [building] shall remain as a hotel providing temporary lodging, meals, and related guest services. In addition to these core hospitality functions, [Care Chexx] may elect to provide supportive wellness services designed to promote guest stability, health, and well-being. These ancillary services are intended to complement the hotel's operations and enhance the overall experience of guests. The [hotel] shall not be primarily used for hospital services, skilled nursing care, or any other licensed healthcare services in each case to the extent a facility license is required under state law for such services.

BC Seva was to "deliver the [property] and [hotel] clean and ready for program use by June 2, 2025." The agreement was signed by Jay Patel, as the manager of BC Seva, and by four managers for Care Chexx: Keith Lattimore, Kimberly Cleminson, Timothy Lattimore, and Cedric Lattimore.

Care Chexx announced a grand opening to occur on June 2, 2025. The announcement stated:

> Care Chexx LLC is proud to announce the grand opening of our 125-bed Recuperative Care Program, serving the greater Twin Cities area. This much-needed facility will provide short-term residential care for individuals who are medically stable and no longer require hospitalization—but who are not yet well enough to recover in traditional shelters or on the streets.

On May 31, 2025, the fire department responded to a call to the property and noticed activity that led them to believe that the property was no longer functioning as a hotel. On June 4, 2025, city staff conducted an inspection and spoke with Cedric Lattimore about the facility.

On June 13, 2025, the city sent BC Seva a letter advising that there had been a change in use, which was not permitted under its hospitality-accommodation licensure.

The city asserted that Cedric Lattimore "stated that Care Chexx had rented all the rooms" and would be "operating a [Department of Human Services (DHS)] Recuperative Care Facility," providing "care to individuals experiencing homelessness and who required additional care and support in a clinical setting following illness, injury, or hospitalization." Cedric Lattimore stated that "rooms would not be available to the public as Care Chexx's lease agreement stipulates the leasing of all rooms." The city directed BC Seva to cease recuperative-care operations. The city notified BC Seva of the opportunity for a hearing.

On June 23, 2025, at the city council regular meeting, the city council considered whether to revoke BC Seva's hospitality-accommodation license. On behalf of BC Seva, Patel stated that the "primary use of the building shall remain as [a] hotel," and that currently, 73 rooms were occupied by hotel guests and 12 or 13 were occupied by recuperative-care individuals. Cedric Lattimore explained that, when he was questioned during the city's inspection, he was merely dropping off supplies and misspoke because he is not the appropriate person to talk to about the facility.

The city council concluded that BC Seva was in violation of its hospitality-accommodation license. The conclusion was based on several findings, including: 1) Care Chexx and BC Seva have a lease agreement; 2) Care Chexx has a recuperative-care license through the DHS; 3) Care Chexx is identified as a provider operating from the hotel; 4) there is full-time medical staff onsite; 5) the facility was not open to the public; 6) patients are allowed to stay up to 60 days; and 7) patients do not pay individually for rooms with a credit card; rather, the facility is reimbursed after it submits claims to the DHS for services. The city council also found that BC Seva violated zoning requirements

because the property was approved to operate as an "efficiency hotel," and for "no other use."

The city council revoked the hospitality-accommodation license. BC Seva requested a stay of the revocation. The city council granted a stay as to hotel operations but denied the stay as it related to recuperative-care services.

This certiorari appeal followed.

DECISION

The parties agree that the city's decision to revoke the hospitality-accommodation license was a quasi-judicial decision. This court's "authority to interfere in the management of municipal affairs is . . . limited and sparingly invoked." *White Bear Docking & Storage, Inc. v. City of White Bear Lake*, 324 N.W.2d 174, 175 (Minn. 1982); *see also Big Lake Ass'n v. St. Louis Cnty. Plan. Comm'n*, 761 N.W.2d 487, 491 (Minn. 2009) ("Our limited and deferential review of a quasi-judicial decision is rooted in separation of powers principles."). A reviewing court's function in reviewing the proceedings of a municipality is to "determine whether the council exercised an honest and reasonable discretion, or whether it acted capriciously, arbitrarily, or oppressively." *Sabes v. City of Minneapolis*, 120 N.W.2d 871, 875 (Minn. 1963).

Zoning Violation

Relators first argue that there was no zoning violation. When the city originally approved the rezoning application, the declaration stated that the property would be developed as an "extended stay or efficiency hotel" and for "no other use," unless the owners obtained an amendment to the PUD plan and conditions approved by the city, or

rezoning to a classification permitting another use. The obligations and restrictions were enforceable against successors.

Relators violated the declaration by using the property as something other than an efficiency hotel. This is true even if we accept relators' claim that the property is "primarily" used as a hotel. The declaration stated that "no other use" was permitted.

Relators suggest that the meaning of "extended stay hotel" is ambiguous and that it could encompass the use of the hotel as a recuperative-care facility because recuperative care and hotels provide the same or similar services. The city's ordinance defines an extended stay hotel.

To interpret a city ordinance, this court applies the rules of statutory construction. *Chanhassen Ests. Residents Ass'n v. City of Chanhassen*, 342 N.W.2d 335, 339 n.3 (Minn. 1984). The goal is to determine and execute the intent of the city council. *See Hayden v. City of Minneapolis*, 937 N.W.2d 790, 795 (Minn. App. 2020), *rev. denied* (Minn. Apr. 14, 2020). We must first determine whether the ordinance is ambiguous. *Id.* An ordinance is ambiguous if it is subject to more than one reasonable interpretation. *Id.* If an ordinance is unambiguous, this court applies the plain and ordinary meaning of its terms. *Frank's Nursery Sales, Inc. v. City of Roseville*, 295 N.W.2d 604, 608 (Minn. 1980).

The city's ordinance defines "[h]otel, [e]xtended [s]tay" as

> a building which provides a common entrance, lobby, and stairways, and in which lodging is commonly offered with or without meals. Guests stay at an extended stay hotel for periods of more than a month. The hotel rooms offer amenities such as self-serve laundry and in-suite kitchens consistent with long term accommodations.

Brooklyn Center, Minn., Unified Development Ordinance (UDO) § 35-9200 (2023). This definition unambiguously does not include recuperative-care services.

Care Chexx described its services as "short-term residential care for individuals who . . . no longer require hospitalization—but who are not yet well enough to recover in traditional shelters or on the streets." The record supports the city council's findings that Care Chexx has a full-time medical staff onsite, allows patients to stay up to 60 days, and is paid through reimbursement after submitting claims to the DHS. "Residential care" services are unlike those under the definition of an extended-stay hotel, which include laundry and an in-suite kitchen. Relators argue that "amenities" is not defined, but one does not expect a medical staff onsite at a hotel or to pay for a room through a claim-disbursement program with the DHS.[1]

The city properly revoked the license because relators violated the zoning requirements by providing recuperative-care services at a facility that had been zoned to provide an extended stay or efficiency hotel and for no other use.

License Violation

Relators also argue that the city's decision was arbitrary because it conflicts with the evidence and the city failed to consider alternatives. First, we do not reweigh evidence or evaluate witness credibility. *See Staeheli v. City of St. Paul*, 732 N.W.2d 298, 303 (Minn. App. 2007). And the city found that relators were providing recuperative-care

[1] Even if an extended stay hotel was not defined by the UDO, Care Chexx's services would not fall under a general definition of an extended stay hotel.

services at a facility that held a hospitality-accommodation license. At the open meeting, relators did not deny that they were providing the services. Their main argument was that they were operating as both a hotel and a recuperative-care facility, stating that hotel guests occupied 73 rooms and 12 or 13 rooms were occupied by recuperative-care individuals. But the hospitality-accommodation license does not allow for a hybrid model.

The city has defined "[h]ospitality accommodation" as "[a]ny facility such as a hotel, motel, condominium, resort, or any other facility or place offering six or more lodging units to guests for periods of less than thirty days, but not including jails, hospitals, care facilities, senior living centers, residential treatment facilities, prisons, detention homes, and similar facilities." Brooklyn Center, Minn., City Ordinances ch. 23, § 23-2402(C) (2019). This definition is unambiguous and expressly excludes "care facilities." So, the hospitality-accommodation license does not allow for a hotel and a recuperative-care facility to operate under that licensure. The evidence supports the city's decision to revoke the hospitality-accommodation license.

Violation of Federal Law

Relators also suggest that the city violated the Americans with Disabilities Act (ADA) and their right to equal protection.

"There are three ways to prove discrimination under the ADA . . . disparate treatment, disparate impact, and refusal to reasonably accommodate." *Hinneberg v. Big Stone Cnty. Hous. & Redev. Auth.*, 706 N.W.2d 220, 225 (Minn. 2005). Relators claim that the city's revocation constituted disparate treatment against individuals receiving recuperative care. However, the city is enforcing zoning requirements and ensuring that

BC Seva is in compliance with a license to operate a hospitality accommodation. In fact, the city stated that relators could seek an amendment and/or rezoning in order to lawfully operate a recuperative-care facility. Relators have not established that the city has violated federal law by enforcing zoning requirements and restrictions placed on the license for which BC Seva applied.

Equal protection guarantees that similarly situated people must be treated alike. U.S. Const. amend. XIV, § 1; Minn. Const. art. I, § 2. The threshold inquiry for an equal-protection analysis is whether "the claimant is similarly situated in all relevant respects to others whom the claimant contends are being treated differently." *Schroeder v. Simon*, 985 N.W.2d 529, 549 (Minn. 2023) (quotation omitted). Absent the claimant demonstrating that they are part of "a discrete and identifiable group" that is treated differently than a similarly situated group, an equal-protection claim fails. *Forslund v. State*, 924 N.W.2d 25, 35-36 (Minn. App. 2019) (quotation omitted).

Relators argue that the city offered no rationale explaining why recuperative-care patients should not be allowed to stay at hotels like any other guest. But these groups—hotel guests and recuperative-care patients—are not similarly situated and being treated differently. There is no evidence that a recuperative-care patient would be denied a hotel room if the individual booked a room at the hotel as a guest would. There is no evidence of an equal-protection violation by the city enforcing a zoning ordinance and requiring BC Seva to comply with the license for which it applied and was issued.

Affirmed.