

Date: June 3, 2025

To: Honorable Mayor and Troy City Council Members

From: Lori Grigg Bluhm, City Attorney

Allan T. Motzny, Assistant City Attorney

Subject: City of Troy v Craig Cassani

As part of the Rochester Road Improvement Project, the City needs a utility easement and a temporary construction permit on property owned by Craig Cassani at 5232 Rochester Road. The City made a good faith offer to acquire this property based on an independent appraisal. The offer was rejected and the City filed a condemnation lawsuit against Cassani and Mortgage Electronic Registration Systems as Nominee for Nationstar Bank (MERS), which had a security interest.

In order to be eligible for the road project funding, the Michigan Department of Transportation imposed a very short timeline for the City to obtain all of the property needed for the project. We attempted to get an immediate order of possession, which would have reserved the right of the property owner to ask for a total price that is higher than the City's appraiser's value. However, the property owner's attorney raised a unique legal issue, based on some deed restrictions that were placed on the property in the 1950's, requiring the property to be used for residential purposes only. However, he would waive this legal argument if the City agreed to pay him an additional \$150,000 plus attorney fees. The City rejected this demand and the property owner then filed a motion to dismiss the case based on the deed restriction argument. After briefing and argument on the issue, Oakland County Circuit Court Judge P. O'Brien denied the property owner's motion to dismiss and ruled the City was entitled to possession. However, the property owner's attorney filed a motion for reconsideration, and therefore objected to the Court signing an order for possession. The attorney has also threatened to file an appeal on the property owner's unique deed restriction argument, and has indicated that he will seek a stay, further delaying the condemnation proceedings. The Judge, although he didn't make any rulings, strongly encouraged the parties to try to resolve this case.

The parties continued settlement negotiations, resulting in the attached proposed final order. The proposed settlement recognizes the potential risks that a trial or appellate judge or jury could reject the different legal positions advanced by the parties. Under the proposed consent judgment, the City would pay total just compensation of \$43,600 and the statutory attorney fee of \$10,458 (1/3 the difference between the good faith offer and the final amount of just compensation). The proposed order would grant the City possession and would conclude the case. The proposed order requires a portion of the payment for MERS, which would be applied against the balance owed on the mortgage. These allocations are currently being negotiated between MERS and Mr. Cassani, and do not increase the total amount. The City will also provide two curb cuts to accommodate an existing horseshoe driveway and preserve a mature evergreen tree, plus restoration of a brick walkway. The City's Engineering Department has approved these requirements.

We recommend approval of this negotiated final order. The majority of the costs for this settlement will come from federal funds, since this is a federally funded project.

STATE OF MICHIGAN OAKLAND COUNTY CIRCUIT COURT

CITY OF TROY, a Michigan Municipal Corporation,

Plaintiffs,

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Case No. 2025-213311-CC HON. DANIEL P. O'BRIEN

CRAIG CASSANI and MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC, as Nominee for NATIONSTAR MORTGAGE, LLC,

Defendants.

City of Troy – City Attorney's Office Lori Grigg Bluhm (P46908) Allan T. Motzny (P37580) Attorneys for Plaintiff 500 W. Big Beaver Road Troy, MI 48084 (248) 524-3320 motznyat@troymi.gov Stephon B. Bagne (P54042)
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Gary Hansz (P44956)
Attorney for Defendant Mortgage
Electronic Registrations Systems, as
Nominee for Nationstar Mortgage, LLC
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STIPULATED FINAL ORDER FOR PAYMENT OF JUST COMPENSATION AND STATUTORY ATTORNEY FEES AND SURRENDER OF POSSESSION AND VESTING OF TITLE

At a hearing of said Court held In the Courthouse in the City of Pontiac, Oakland County, MI on:

PRESENT: HONORABLE DANIEL P. O'BRIEN, CIRCUIT JUDGE

The City of Troy ("Troy") filed this lawsuit to exercise the power of eminent domain. Since all the Defendants have been served with a copy of the complaint as authorized by the provisions of Act 87, PA 1980, MCL 213.51, *et seq.*, and since no Defendant has filed a motion to challenge the necessity of the acquisition of the property within the time period prescribed by the aforementioned Act 87, PA 1980, and since all parties have stipulated to entry of this Order, now therefore,

IT IS ORDERED:

- 1. Title to a permanent easement for public utilities and public service facilities and a regrading and temporary construction permit as described in the Complaint and Declaration of Taking ("Property") has vested in Plaintiff, Troy, by eminent domain, under the valid and proper operation of law, including Act 87, PA 1980. The Property is described in the attached Exhibit A. The easements acquired are attached as Exhibit B.
- 2. Pursuant to the public utilities and public service facilities easement, Troy shall have the right to access, construct, reconstruct, modify, operate maintain, repair, upgrade, improve, inspect, enlarge or remove and/or replace public utilities and public service facilities on the permanent easement for public utilities and public service facilities. The premises disturbed by the exercise of the foregoing actions shall be reasonably restored to its original condition by Troy.
 - 3. Pursuant to the regrading and temporary construction permit, Troy shall

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during the construction of and for a period of six (6) months after completion of the Rochester Road Improvement Project, Barclay to Trinway, Project #02.206.5 have the right to move men, equipment and materials on and through, and to store equipment, materials, and excavated matter on the area of the Temporary Construction Permit. Any premises disturbed by the exercise of any of the foregoing actions shall be reasonably restored to its original condition by Troy.

- 4. In addition to the restoration requirements referenced in paragraphs 2 and 3, Troy shall provide two curb cuts to accommodate the existing horseshoe driveway on the premises and the mature evergreen tree in the area of the regrading and temporary construction permit shall be preserved, and Troy shall restore the brick walkway in the area of the regrading and temporary construction permit.
- 5. Troy shall pay just compensation in the amount of \$43,660. This amount shall be paid within 21 days after entry of this order. This amount shall be paid as follows: \$33,202 to Defendant Craig Cassani via a check payable to him and tendered to Stephon B. Bagne, Esq., and \$10,458 to Mortgage Electronic Registrations Systems, Inc. as Nominee to Nationstar Mortgage, LLC in a check payable as directed by its counsel and tendered to Gary Hansz, Esq. Troy shall also pay \$10,353 in attorney fees via a check payable to Clark Hill PLC and tendered to Stephon B. Bagne, Esq..
- 6. Any amounts currently due as taxes or assessments as of the date of this Order, if any, on the Property may be deducted by the City of Troy from the portion payable to Craig Cassani prior to the delivery of the estimated compensation pursuant to MCL 213.291 and other applicable law.

- 7. Actual physical possession of the Property is surrendered to the City of Troy, without further judicial process, on the date of this order.
- 9. A copy of this order shall be recorded with the Oakland County Register of Deeds by the City with a recorded copy provided to Cassani's counsel. Any discrepancy between the terms of this Order and the Declaration of Taking recorded at Liber 60039, Page 195, Oakland County Records, including specifically without limitation any discrepancy regarding the nature of the interest that the City acquired as an easement and a permit rather than fee simple title, shall be governed by this Order.
 - 10. THIS IS A FINAL ORDER AND CLOSES THE CASE.

	Circuit Judge
	Onean dage
Exempt under MCL 207.505(j) and Clerk, City of Troy, 500 W. Big Bea	MCL 207.526(I). After Recording Return to City ver Rd., Troy, MI 48084
I stipulate to entry of the above orde	er:
Allan T. Motzny (P37580) Attorney for Plaintiff motznyat@troymi.gov	Stephon B. Bagne (P68650) Attorney for Defendant

Gary Hansz (P44956)
Attorney for Defendant Mortgage
Electronic Registrations Systems, as
Nominee for Nationstar Mortgage, LLC
ghansz@trottlaw.com

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Exhibit A

ROCHESTER ROAD BARCLAY TO TRINWAY PROJECT NO. 02.206.5 PARCEL #85

DESCRIPTION OF PERMANENT EASEMENT FOR PUBLIC UTILITIES AND PUBLIC SERVICE FACILITIES:

THE WEST 10 FEET OF THE FOLLOWING DESCRIBED PARCEL:

PART OF SOUTHWEST ¼ OF SECTION 11, T.2N., R.11E., CITY OF TROY, OAKLAND COUNTY, MICHIGAN DESCRIBED AS THE EAST 250 FEET OF THE WEST 265 FEET OF THE SOUTH HALF OF LOT 6 IN "GOLF STREAM SUB', AS RECORDED IN LIBER 49, PAGE 57, OAKLAND COUNTY RECORDS.

CONTAINS 1,317 SQUARE FEET

DESCRIPTION OF REGRADING AND TEMPORARY CONSTRUCTION PERMIT:

THE EAST 20 FEET OF THE WEST 30 FEET OF THE FOLLOWING DESCRIBED PARCEL

PART OF SOUTHWEST ¼ OF SECTION 11, T.2N., R.11E., CITY OF TROY, OAKLAND COUNTY, MICHIGAN DESCRIBED AS THE EAST 250 FEET OF THE WEST 265 FEET OF THE SOUTH HALF OF LOT 6 IN "GOLF STREAM SUB", AS RECORDED IN LIBER 49, PAGE 57, OAKLAND COUNTY RECORDS.

CONTAINS 2.634 SQUARE FEET

TAX ITEM NUMBER: #88-20-11-301-010

