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CITY COUNCIL AGENDA ITEM

Date: July 7, 2021

To: Honorable Mayor and City Council Members

From: Lori Grigg Bluhm, City Attorney
Allan T. Motzny, Assistant City Attorney
Julie Quinlan Dufrane, Assistant City Attorney
Nicole F. MacMillan, Assistant City Attorney

Subject: 2nd Quarter 2021 Litigation Report

The following is the quarterly report of pending litigation and other matters of interest.
Developments during the SECOND quarter of 2021 are in bold.

A. ANATOMY OF THE CASE

Once a lawsuit has been filed against the City or City employees, the City Attorney's office prepares a memo regarding the allegations in the complaint. At that time, our office requests authority from Council to represent the City and/or the employees. Our office then engages in the discovery process, which generally lasts for several months, and involves interrogatories, requests for documents, and depositions. After discovery, almost all cases are required to go through case evaluation (also called mediation). In this process, three attorneys evaluate the potential damages, and render an award. This award can be accepted by both parties, and will conclude the case. However, if either party rejects a case evaluation award, there are potential sanctions if the trial result is not as favorable as the mediation award. In many cases, a motion for summary disposition will be filed at the conclusion of discovery. In all motions for summary disposition, the Plaintiff's version of the facts are accepted as true, and if the Plaintiff still has failed to set forth a viable claim against the City, then dismissal will be granted. It generally takes at least a year before a case will be presented to a jury. It also takes approximately two years before a case will be finalized in the Michigan Court of Appeals and/or the Michigan Supreme Court.

B. ZONING CASES

These are cases where the property owner has sued for a use other than that for which the land is currently zoned and/or the City is suing a property owner to require compliance with the existing zoning provisions.

1. International Outdoor, Inc. v City of Troy - On February 3, 2017, International Outdoor, Inc. filed this lawsuit in the Federal District Court for the Eastern District of Michigan challenging the constitutionality of the City's sign ordinance. International argues, among other things, that since the City does not require permits for temporary signs or special event signs, the permit requirement to erect a billboard is a content based restriction, allegedly in violation of the 2015 Reed v. Town of Gilbert U.S. Supreme Court case. According to International, the ordinance is unconstitutional and should not



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have been applied as a basis to deny the permits for its requested billboards. International states it is seeking injunctive and declaratory relief and money damages, but the complaint does not request any specific remedy. However, the case was filed under 42 U.S.C. Section 1983, which allows for the recovery of attorney fees if the plaintiff prevails on any aspect of the case. The lawsuit was assigned to Judge George Caram Steeh. The City filed a motion to dismiss. A hearing on the motion was scheduled for June 26, 2017. On June 30, 2017, the Court entered its order granting in part and denying in part the City's motion to dismiss. The Court granted the City's motion to dismiss Count II of the complaint, which alleged the Sign Ordinance contained content based restrictions imposed without a compelling government interest. However, the Court denied the City's motion as to Count I, which alleged the variance provisions of the Sign Ordinance constituted an unconstitutional prior restraint because it gives the Building Code Board of Appeals unbridled discretion in deciding a variance request. The City filed a motion for reconsideration, which is still pending with the Court. On December 20, 2017, the Court entered its order denying the motion for reconsideration, but clarifying that the Court had not made a final decision on the validity of Troy's Sign Ordinance. The City must now file an answer to Count I of the complaint. The City filed its answer, and the parties are now engaging in discovery. Discovery is continuing. Plaintiffs scheduled depositions of former and select current members of the Building Code Board of Appeals, and the City objected. Plaintiff then filed a motion to compel the depositions, to which the City responded. The Court issued an order stating that there would not be oral argument on the motion, so we are now waiting for the Court's decision concerning these depositions. The Court denied Plaintiff's motion to compel depositions. Plaintiff has now filed a motion for summary judgment, and the City's response is due October 11th. The City filed a response to the motion for summary judgment and a cross motion for summary judgment in favor of the City. A hearing on both the Plaintiff's motion and the City's motion was held on January 16, 2019. On January 18, 2019, the Court issued its opinion and order denying Plaintiff's motion for summary judgment and granting the City's motion for summary judgment. The Court entered a final judgment in the case in favor of the City. Plaintiff has now filed an appeal with United States Court of Appeals for the Sixth Circuit in Cincinnati, Ohio. Plaintiff also filed a motion in the District Court, claiming entitlement to attorney fees based on the Court's rulings, some of which were favorable to the Plaintiff, even though the case was dismissed in favor of the City. The City timely responded to this motion, which is still pending. As required by the Sixth Circuit Court of Appeals, the parties participated in an unfruitful mediation conference call on March 6, 2019. Afterwards, the Sixth Circuit established its appellate briefing schedule, requiring Plaintiff's brief to be filed on or before April 29, 2019, and the City's response is due May 28, 2019. On April 1, 2019, District Court Judge Steeh issued his opinion and order denying the Plaintiff's motion for attorney fees. Plaintiff has filed a second appealing to challenge the denial of attorney fees. On motion of the Plaintiff, the second appeal was consolidated with the initial appeal and the briefing schedule was amended. Plaintiff filed its appellate brief, and the City timely filed its response. The case has been scheduled for oral argument on October 16, 2019 before the U.S. Court of Appeals for the Sixth Circuit in Cincinnati. The Court heard oral arguments on October 16, 2019,



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and the parties are now waiting for the Court to issue its opinion. As of March 31, 2020, the Court had not yet issued an opinion. The parties are still waiting for the Court to issue an opinion. On September 4, 2020, the U.S. Court of Appeals issued an opinion affirming the dismissal of Count I of Plaintiff's complaint, but reversing the lower court's dismissal of Count II and remanding the case. Two judges joined the majority opinion, and the third judge issuing a dissenting opinion, indicating he would have affirmed the dismissal of Count II. The City has filed a motion for rehearing en banc, requesting rehearing before the entire panel of U.S. Sixth Circuit Court of Appeals judges, seeking an affirmation of the dismissal of Count II. On December 21st, the Sixth Circuit Court of Appeals entered an order denying the City's motion for rehearing en banc. The case was remanded to the District Court. Judge Steeh directed the parties to file supplemental briefs on remand. The City filed its supplementary brief and a reply to Plaintiff's supplementary brief. We are awaiting a decision from the Court. **On April 6, 2021, the Court entered an Order Dismissing Count II of Plaintiff's Complaint and Denying Plaintiff's Motion for Attorney Fees and it entered a Judgment in favor of the City. On April 19, 2020, the Plaintiff filed a motion for reconsideration of the Court's April 6, 2021 decision. On May 5, 2021, the Court denied Plaintiff's motion for reconsideration. On June 1, 2021, Plaintiff filed an appeal in United States Court of Appeals for the Sixth Circuit.**

2. Tollbrook, LLC v City of Troy - Tollbrook submitted an application for a rezoning of three parcels on McClure, from one family residential zoning to Big Beaver Form Based District zoning. This application was proposed as a straight rezoning request, and was denied by Troy City Council, consistent with the recommendation from the Planning Commission. Plaintiff filed this Complaint, alleging substantive due process violations. Plaintiff filed it in Oakland County Circuit Court, and the City removed it to federal court, since the parties previously litigated a very similar case before Judge Goldsmith. Plaintiff then filed a motion to request a transfer of the case back to the Oakland County Circuit Court. This motion was briefed by the parties, and is pending. The motion is still under advisement. On March 5, 2021, Judge Goldsmith entered an Order, remanding the case to the Oakland County Circuit Court.
3. Tollbrook West LLC. v City of Troy - Tollbrook West submitted an application to rezone two parcels located at 3109 Alpine and an adjacent vacant parcel from R-1B to Big Beaver District zoning. This straight rezoning application was denied by the Troy City Council on July 22, 2019, consistent with the Planning Commission recommendation. Plaintiff filed this Complaint, alleging substantive due process violations. Plaintiff filed it in Oakland County Circuit Court, and the City removed it to federal court, since the parties previously litigated a very similar case before Judge Goldsmith. Plaintiff then filed a motion to request a transfer of the case back to the Oakland County Circuit Court. This motion was briefed by the parties, and is pending. The motion is still under advisement. On March 5, 2021, Judge Goldsmith entered an Order, remanding the case to the Oakland County Circuit Court.



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4. Wendy and Thomas Boike v City of Troy and Troy ZBA - This case is an appeal from a decision of the Troy Zoning Board of Appeals (ZBA) denying a variance request. The appeal involves a home located on Park Manor in the Parkview on the Beach subdivision that was approved by Troy City Council on January 23, 2017 under the Cluster Option provision of the zoning ordinance. The property owners (Appellants) applied for a variance from the rear yard setback provision and sought to build a deck that would be within three feet of the rear property line where a twenty-five foot setback is required. The ZBA denied the variance on a 5 to 2 vote. The appeal was assigned to Oakland County Circuit Court Judge Denise Langford Morris. As required, the City filed all variance request documents and videos (Record on Appeal) with the Court on February 3, 2021. Both sides then filed appeal briefs, and the Court has scheduled oral argument for May 19, 2021. **On May 25, 2021, the Court entered its opinion and order affirming the decision of the ZBA to deny the variance. This case is now dismissed.**

C. EMINENT DOMAIN CASES

These are cases in which the City wishes to acquire property for a public improvement and the property owner wishes to contest either the necessity or the compensation offered. In cases where only the compensation is challenged, the City obtains possession of the property almost immediately, which allows for major projects to be completed.

There are no pending eminent domain cases for this quarter.

D. CIVIL RIGHTS CASES

These are cases that are generally filed in the federal courts, under 42 U.S.C. Section 1983. In these cases, the Plaintiffs argue that the City and/or police officers of the City of Troy somehow violated their civil rights.

1. Adam Community Center v. City of Troy et. al. and U.S. v. City of Troy - Plaintiff filed this lawsuit against the City of Troy, the Troy City Council, the Troy Planning Commission, the Troy Zoning Board of Appeals, and each of the individual members of the Troy Zoning Board of Appeals, challenging the ZBA denial of significant variance requests for the property at 3565 Rochester Road. Plaintiff needed these variances to have a place of worship, plus a library, gym, and banquet center. Plaintiff's eleven count complaint argues that the City of Troy, the Troy City Council and the Troy Planning Commission, as the entities responsible for Troy's zoning ordinance, violated ADAM's Constitutional First and Fourteenth Amendment rights (Exercise of Religion, Freedom of Speech and Freedom of Assembly), ADAM's Fifth Amendment Rights, the Religious Land Use and Institutionalized Persons Act (RLUIPA), and also ADAM's Michigan Constitutional Rights. ADAM argues that there is no other Islamic house of worship in the City, and therefore the City and/or the Defendants violated their First Amendment Rights and RLUIPA. Plaintiff's lawsuit also alleges that the City and the individual ZBA members engaged in discrimination in denying ADAM's variance



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requests. Plaintiff also asserts that there were procedural irregularities at the June 19, 2018 public hearing which allegedly entitle ADAM to injunctive and declaratory relief, as well as compensatory and punitive damages. Specifically, ADAM is seeking a Court order overriding the ZBA's variance denials and the City's zoning regulations for churches, plus damages. The City filed a motion to dismiss as its first responsive pleading, seeking dismissal of the entire case, and/or dismissal of some of the claims and defendants. On March 12, 2019, the Court entertained oral argument on the motion, and the parties are now waiting for a written decision from U.S. District Court Judge Nancy Edmunds, who is the presiding judge for this case. On April 4, 2019, the Court granted in part and denied in part the City's Motion for Dismissal. Plaintiff's state law claims were dismissed by Court order. The case is now proceeding through discovery. On September 19, 2019, the United States of America filed a lawsuit against the City in the United States District Court for the Eastern District of Michigan alleging RLUIPA violations. In its complaint, the United States claims it is basing its claim on the City's treatment of Adam Community Center in its effort to establish a place of worship in the City. The U.S. is seeking injunctive and declaratory relief. The case was assigned to Federal District Court Judge Paul Borman, and then consolidated with the ADAM case, handled by Judge Nancy Edmunds. The Court scheduled a settlement conference for the two consolidated cases for December 17, 2019. On October 16, 2019 and October 21, 2019, two of the individual ZBA members were dismissed from the case with Plaintiff's consent. Motions to dismiss the remaining individual ZBA members were filed on November 25, 2019 and November 26, 2019, and the Court scheduled its hearing on the summary judgment motions for January 15, 2020. The Court cancelled the hearing date on the motion to dismiss the individual defendants and rescheduled the hearing for March 4, 2020. After the oral argument, the parties are waiting a decision from the Court. Discovery is continuing on the case filed by the United States. The parties are continuing with discovery, including the scheduling of depositions. On August 26, 2020, Judge Edmunds granted the motion for summary judgment filed on behalf of the individual ZBA member defendants and dismissed those defendants from the case, finding that they were entitled to dismissal based on qualified immunity. Adam has filed a motion for rehearing with regard to the dismissal of ZBA member Glenn Clark only. The Court has indicated it will decide the motion without oral argument but is allowing a response to the motion to be filed by October 13. On December 20th, the Court entered its Order Denying Adam's Motion for Reconsideration, so all individual defendants remain dismissed. The City filed a motion for summary judgment in both the Adam and USA case seeking a dismissal of all remaining claims against the City. Adam and the USA also filed motions for summary judgment. The City filed its responses to Adam's and USA's motions for summary judgment and has received Adam's and the USA's responses. The City then filed replies to the responses from Adam and USA. The Court issued an order declaring that all the motions for summary judgment will be decided without oral argument. The parties are now awaiting a decision by the Court.

2. **Carter v. Shearer et. al. and Louis Vuitton et.al.** – On Friday, April 16, 2021, a lawsuit was filed against two Troy Police Officers (one identified, the other named



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as “John Doe”) as well as the Louis Vuitton store and a Louis Vuitton sales clerk (identified as “Jane Doe”). It was filed in the federal court (Eastern District of Michigan), and assigned to Judge Terrence Berg. The lawsuit alleges that the individual Troy police officers violated her constitutional rights (4th and 14th Amendment), and also a separate claim under state law of false arrest. As its first responsive pleading, the City filed a motion to dismiss, alleging that Plaintiff’s Complaint has failed to state a valid claim.

3. **Viau v. Troy-** Ms. Viau filed this lawsuit in federal court (Judge Mark Goldsmith), alleging that her 10-year daughter was discriminated against in a summer soccer program when the participants were divided into groups to scrimmage. She alleges that the City and its employees are liable, based on a 14th Amendment Equal Protection Claim, and also a State law claim that her daughter was denied public accommodation because she felt compelled to withdraw from the soccer camp. Our office has submitted an agenda item for the July 12, 2021 City Council meeting, asking for the authority to represent the City.

E. PERSONAL INJURY AND DAMAGE CASES

These are cases in which the Plaintiff claims that the City or City employees were negligent in some manner that caused injuries and/or property damage. The City enjoys governmental immunity from ordinary negligence, unless the case falls within one of four exceptions to governmental immunity: a) defective highway exception, which includes sidewalks and road way claims; b) public building exception, which imposes liability only when injuries are caused by a defect in a public building; c) motor vehicle exception, which imposes liability when an employee is negligent when operating their vehicle; d) proprietary exception, where liability is imposed when an activity is conducted primarily to create a profit, and the activity somehow causes injury or damage to another; e) trespass nuisance exception, which imposes liability for the flooding cases.

1. **Barnwell v. City of Troy et al** - This suit was filed in Oakland County Circuit Court, and assigned to Judge Phyllis McMillen. Troy is one of several municipalities to be sued as a result of the massive rainstorm that occurred on August 11, 2014. Plaintiffs have asked for a class action certification to allow all Troy persons damaged by flooding to also make claims. In this lawsuit, the named Defendants are Troy and the Oakland County Water Resources Commissioner (and especially the George W. Kuhn Retention facility (GWK RTF). This lawsuit is very similar to lawsuits filed against Royal Oak, Madison Heights, Clawson, Oak Park, Hazel Park, Berkley, Huntington Woods, Ferndale, and Pleasant Ridge. The City filed a timely answer to the complaint, and the case is now in the discovery phase. The Court has issued a discovery order, governing all of the currently pending Oakland County flooding cases. The parties are currently engaging in the discovery process. This case is still in the discovery phase. The first phase of discovery is complete, and the City has reviewed all notice of claims. The Court has set a deadline for raising any legal issues about the claims that cannot be resolved prior to that time. After the latest status conference, the Court issued a



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scheduling order, setting deadlines for the parties to file motions concerning notices of claims. On November 2, 2018, the Court heard oral argument on a motion filed by Oakland County challenging the notice of claims. On November 20, 2018, the Court filed an opinion and order, denying Oakland County's Motion. On December 7, 2018, Oakland County filed a claim of appeal, which is pending. Oakland County's appeal is still pending, but the parties are also exploring facilitation of the case, as required by the Court's order staying the proceedings. The parties have scheduled a facilitation starting September 16, 2019. The City participated in the facilitation, which did not resolve the claims. Although Troy's case is stayed at this time, the Court held a conference on December 10, 2019 for all attorneys on a companion case involving most of the other municipal defendants. Although Troy's case remains stayed, several of the other municipal defendants have companion cases filed by Hanover Insurance Company that are not stayed. All of the parties continue the settlement dialogue. The parties have verbally negotiated a proposed global settlement of all cases, and are preparing a written document for presentation to the municipal defendants for approval. Written documentation to effectuate a proposed global class action settlement is being reviewed and revised. All municipal defendants are presenting the proposed global settlement agreement to their respective governing bodies. If all governing bodies approve, the settlement will go before the Court for acceptance on January 20, 2021. The Court preliminarily approved the proposed settlement agreement, and Plaintiffs' Counsel mailed out notice to all potential claimants. The matter is scheduled for a final fairness hearing on April 8, 2021. **The final settlement agreement was approved by the Court, requiring the parties to pay their portion of the settlement on or before June 8, 2021. The municipalities also have up to four years to complete improvements to the sewer. The City timely paid its portion of the settlement on May 15, 2021.**

2. Tschirhart v. Troy - Plaintiff filed this wrongful death lawsuit against the City, claiming that the City and individual City employees and contractors were responsible for the drowning death of Plaintiff's son, Shaun Tschirhart, at the Community Center pool on April 15, 2015. Shaun was swimming in the pool that day as part of a Friendship Club activity, and unfortunately suffered a seizure while swimming. Plaintiff's complaint alleges gross negligence, and an alleged failure to properly screen, train, and supervise City employees. The case is assigned to Oakland County Circuit Court Judge Daniel O'Brien. As its first responsive pleading, the City filed a motion for dismissal, arguing that Plaintiff had failed to assert a viable claim against the City. This motion is pending before the Court. The Court denied the City's motion, and the City immediately filed a claim of appeal with the Michigan Court of Appeals, challenging the denial of governmental immunity. A timely brief on appeal will be filed once the Court issues a briefing schedule. The City's brief on appeal is due February 7, 2019. A timely brief on appeal was filed by the City of Troy Defendants. Plaintiff's brief on appeal is expected to be filed by April 12, 2019. The briefs have been submitted, and the parties are waiting for the Court to schedule oral argument. Oral argument was held on December 6, 2019 in the Court of Appeals. On December 17, 2019, the Court issued an Opinion and Order reversing the trial court's decision, agreeing with the City that summary



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disposition should have been granted to the City of Troy and the individually named Troy defendants. The Court, however, remanded the case to the trial court, allowing Plaintiff an opportunity to seek leave to amend her Complaint. Plaintiff filed an application for leave to appeal with the Michigan Supreme Court. The parties anticipate that oral argument will be scheduled for March or April 2021. The Michigan Supreme Court did not schedule this matter for its March, April, or May docket, so the parties are hoping that oral argument on the application will happen in June 2021. **The parties are still waiting for the Michigan Supreme Court to schedule oral argument in this matter.**

3. Grier v. City of Troy, et al - On November 19, 2019, Ms. Grier was in a U.S. post office vehicle parked on Robart Street. She reports that she was making a delivery, and a City of Troy truck was plowing snow, and the wing plow on the City's truck accidentally sideswiped the postal truck, causing a large indentation spanning the length of the postal vehicle. Plaintiff filed a complaint against the City, the City employee who was operating the snow plow, her auto insurance company, and the Michigan assigned claims fund. The case is assigned to Oakland County Circuit Court Judge Phyllis McMillen. The City has filed a timely answer to the complaint, and the parties are now engaged in the discovery process. The discovery process is still ongoing. The parties met with the Court for a status conference, and the Court ordered the parties to participate in facilitation in lieu of the case evaluation process. **Discovery is still on going. Court ordered facilitation has been scheduled for July 27, 2021.**
4. Jeffrey Martin v. Troy- Mr. Martin was a pedestrian travelling on Coolidge Highway near Maple Road on September 14, 2020. He alleges that he stepped into a pothole on the roadway, injuring his right foot. The complaint asserts a state statutory claim of failing to maintain the roadway in reasonable repair; a public nuisance claim; and a negligence claim, where he argues that governmental immunity is not applicable. This case was filed in the Oakland County Circuit Court, and assigned to Judge Poles. The City filed a motion for summary disposition, and the court will hear argument on the issue on August 18, 2021.
5. PolSELLI v. Troy- Mr. PolSELLI was riding his motorcycle on Maple Road on May 1, 2020. He alleges that he lost control of his motorcycle when trying to change lanes. He claims that there was construction in this area, but no warnings. Our office has submitted an agenda item for the July 12, 2021 City Council meeting, asking for the authority to represent the City.

F. MISCELLANEOUS CASES

1. Michigan Association of Home Builders; Associated Builders and Contractors of Michigan; and Michigan Plumbing and Mechanical Contractors Association v. City of Troy. - The Plaintiffs filed a complaint for Declaratory and Injunctive Relief in the Oakland County Circuit. On the date of filing the Plaintiffs also filed a Motion for Preliminary Injunction and Order to Show Cause. The Plaintiffs allege that the City of



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Troy has violated Section 22 of Michigan's Stille-DeRossett Hale Single State Construction Code Act by collecting fees for building department services that are not reasonably related to the cost of providing building department services. They are alleging that the City of Troy has illegally entered into a contract with Safe Built of Michigan, Inc. for building services that provides that 20% of each building permit fee be returned to the City to cover services that are not "reasonably related to the cost of building department services," as required by state statute. The Plaintiffs also assert a violation of the Headlee Amendment, arguing that the 20% returned to the City is a disguised tax that was not approved by voters. The Plaintiffs are asking for a declaratory judgment, as well as a return of any "surplus" building department service funds collected to date. Plaintiffs also request an order requiring the City to reduce its building department fees. The City of Troy was served with the Complaint and the Motion for Preliminary Injunction and Order for Show Cause on Wednesday, December 15, 2010. The parties were required to appear at Court on Wednesday, December 22, 2010, but the Court did not take any action at that time. Instead, the Court adjourned the matter to January 19, 2011. In the interim, the parties may engage in preliminary discovery in an attempt to resolve this matter. The parties are conducting discovery. The parties have completed discovery. Trial in this matter is scheduled for January 30, 2012. After being presented with motions for summary disposition, the Court ordered the parties to engage in mediation with a neutral municipal audit professional. Financial documents concerning this case are now being reviewed by an independent CPA. It is expected that the April 19, 2012 trial date will be postponed until after this review is complete. Mediation was unsuccessful in resolving this case, and therefore the Court is expected to issue an order on the pending Summary Disposition Motions. The trial date has been adjourned. On November 13, 2012, Oakland County Circuit Court Judge Shalina Kumar issued her order in favor of the City, and dismissed this case. Plaintiffs filed an appeal, which is now pending in the Michigan Court of Appeals. Appellant's brief is expected to be filed soon. The parties timely filed their appellate briefs, and are now waiting for the Court of Appeals to schedule a date for oral argument. The Court of Appeals has not yet scheduled oral argument for this case. The parties are still waiting for a date for oral argument. Oral argument was held on March 4, 2014. On March 13, 2014, the Court of Appeals issued its opinion ruling in the City's favor and affirming the Circuit Court's decision dismissing the case. On April 23, 2014, Plaintiff Home Builders filed an Application for Leave to Appeal with the Michigan Supreme Court. Troy's response was filed on May 19, 2014. The Michigan Supreme Court considered the application for leave to appeal and ordered that the matter be scheduled for oral argument. The Court also permitted the parties to submit supplemental briefs, which are due October 29, 2014. The City timely filed its supplemental brief with the Michigan Supreme Court. The parties are now waiting for the Court to set a date for oral argument on the application. The Michigan Supreme Court entertained oral arguments on the application for leave to appeal on March 11, 2015. On June 4, 2015, the Michigan Supreme Court reversed the decisions of the Court of Appeals and the Circuit Court and ruled there was no requirement for Plaintiffs to exhaust their administrative remedies. The case was remanded to Circuit Court for further proceedings. A status conference was held on June 18, 2015 with Judge Kumar. During the status



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conference, Judge Kumar scheduled a hearing for September 2, 2015, allowing the parties to address the issues that were previously raised in the motion for summary disposition but were not decided since the case was initially dismissed for failure to exhaust administrative remedies. At the hearing on September 2, 2015, Judge Kumar allowed Plaintiffs to request additional discovery within 30 days. Thereafter, both parties are allowed to file supplemental briefs. Supplemental briefs have been filed and we are awaiting a decision. On February 5, 2015, Judge Kumar issued her opinion and order ruling in favor of the City and dismissing the case. Plaintiffs filed a Claim of Appeal with the Michigan Court of Appeals on February 23, 2016. The Plaintiffs and the City have both filed appellate briefs. Based on our request, the Michigan Municipal League Legal Defense Fund, Public Corporations Section of the State Bar of Michigan, Michigan Townships Association and also Safe Built have filed a motion asking for permission to file amicus briefs supporting the City's position. The Michigan Association of Realtors has sought permission to file an amicus brief supporting Plaintiffs' position. The Plaintiffs filed a reply brief. We are waiting for the Court of Appeals to rule on the motions for amicus briefs and to schedule a date for oral argument. Oral argument has not yet been scheduled. The parties presented oral arguments on September 7, 2017. On September 28, 2017, the Court of Appeals entered a two to one decision affirming the Circuit Court's grant of summary disposition in favor of the City. The Plaintiffs have filed an application for leave to appeal to the Michigan Supreme Court. The City timely filed an answer to the application. Additionally, the Michigan Municipal League's Legal Defense Fund, the Government Law Section of the State Bar of Michigan, and the Michigan Townships Association filed a motion to file an amicus curiae brief with the Supreme Court, supporting the City's position and asking for a denial of the application for leave to appeal. The Court granted the request for MML's amicus brief on January 5, 2018, and the brief was accepted for filing. The Michigan Realtor's Association filed a motion to file an amicus brief on behalf of Plaintiff Home Builders on February 23, 2018. On June 20, 2018, the Michigan Supreme Court entered an order granting the Michigan Realtor's Association's motion to file a brief amicus curiae. The Court also ordered that oral arguments be scheduled on Plaintiff's application for leave to appeal, and established a schedule for submitting supplemental written briefs. The Court accepted an amicus brief from the Michigan Health and Hospital Association and the Michigan Society of Association Executives, which was drafted by the attorney representing the Home Builders. The parties are now waiting for the Supreme Court to schedule oral argument. On December 19, 2018, the Michigan Manufacturers Association filed a motion to file a brief amicus curiae, and attached its proposed brief to the motion. On December 21, 2018, the Supreme Court granted the motion and accepted the brief that was submitted on December 19, 2018 for filing. The Michigan Supreme Court presided over the oral argument on March 7, 2019. After oral argument, the Court granted a motion to file a late amicus curiae brief. The City filed a response seeking to address the arguments raised in that brief and attached a proposed response. On April 5, 2019, the Court granted the City's motion to file a response to the amicus curiae brief and accepted the City's response for filing. The parties are now waiting for the Supreme Court to issue its opinion. On July 11, 2019, the Michigan Supreme Court entered its decision holding that the use of the revenue generated by



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the City's building inspection fees to pay the Building Department's budgetary shortfalls in previous year's violates the State Construction Code Act. The Court reversed the decisions of the Court of Appeals and the Circuit Court and remanded the case back to the Circuit Court for further proceedings. On remand the City can still present evidence to justify the retention of a portion of the fees. The Court permitted additional discovery, as requested by Plaintiff, and the City has responded to the numerous discovery requests. The Plaintiffs sought additional discovery, which the City objected to. The Plaintiffs then filed a motion to compel additional discovery and the City filed a response to the motion. The parties resolved the motion without a hearing with a stipulated order in which the City agreed to provide some additional information, which has now been provided. The Plaintiffs have now indicated they would like to take some depositions. Because of the Emergency Declaration, and the difficulty in conducting depositions, Plaintiff filed a motion to extend the discovery deadline, and the City has not objected to this Motion. The Court has scheduled a new trial date. Plaintiffs filed a motion for summary disposition. The Court issued a scheduling order, requiring the City to respond on or before November 18, 2020, and scheduling the hearing for December 2. Oral argument was held on the summary disposition motion on December 2nd. We are awaiting a decision from the Court. The Court granted Plaintiffs' motion to file supplemental information. Plaintiffs then filed a supplementary brief, and the City filed its response. We are awaiting a decision by the Court on the summary disposition motion. **On May 26, 2021, the Court entered its opinion and order denying both requests for summary disposition. The Court ruled that the Michigan Association of Home Builders had standing to pursue a claim under the Headlee Amendment but it dismissed the Headlee Amendment claims of Associated Builders and Contractors of Michigan and Michigan Plumbing and Mechanical Contractors Association on the basis those Plaintiffs did not establish standing. The case will now proceed to trial unless otherwise resolved through facilitation. The Court has scheduled a status conference for June 30th.**

2. Roumayah Consulting, LLC and Kevin Roumayah v City of Troy - Plaintiff Roumayah LLC is the master tenant for property at 33611 Dequindre Road in Troy that it subleases for use by caregivers registered under the Michigan Medical Marihuana Act (MMMA) to cultivate medical marihuana. Plaintiff Kevin Roumayah is a registered caregiver under MMMA and uses one of the suites at 33611 for a medical marihuana grow operation. The Plaintiffs filed a lawsuit in Oakland County Circuit Court challenging the validity of the City of Troy Medical Marihuana Grow Operation License Ordinance, Chapter 104 that went into effect May 3, 2018. Plaintiffs claim they are entitled to injunctive relief because: 1) the ordinance is a zoning ordinance that was not adopted in accordance with the Michigan Zoning Enabling Act (MZEA); 2) the Plaintiffs have a valid nonconforming use under the MZEA; 3) the ordinance results in a taking of Plaintiffs property without just compensation and due process; 5) the ordinance deprives Plaintiffs of equal protection under the law; and 6) the ordinance is invalid because it is preempted by the MMMA. The Plaintiffs are seeking a declaratory judgment that the ordinance is invalid and an injunction to preclude enforcement of the ordinance. The case was assigned to Oakland County Circuit Court Judge Leo Bowman. Plaintiffs'



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request for a temporary restraining order and/or preliminary injunction was denied by the Court on June 13, 2018. The case is now in the discovery phase. During the pendency of this case, the Michigan Court of Appeals issued an opinion in a separate case that directly addressed the issue of whether a municipal ordinance is preempted by the MMMA. That case was appealed to the Michigan Supreme Court. The Supreme Court's decision on that appeal will have a direct impact on the outcome of this case. Thus, the Plaintiff and the City stipulated to a stay of proceedings pending the outcome of the appeal to the Michigan Supreme Court. On December 12, 2018, Judge Bowman issued an order to stay the proceedings. On January 23, 2019, the Michigan Supreme Court granted the township's application for leave to appeal in the other case, as mentioned above, so the Supreme Court will likely determine whether a municipal ordinance is preempted by the MMMA. The parties are still waiting for the Michigan Supreme Court to issue its decision in the Byron Township case. The oral argument in the Byron Township case was scheduled for October 3, 2019. The Supreme Court has not yet issued its opinion in this case. As of March 31, 2020, the Supreme Court has not issued its opinion in the Byron Township case. The Supreme Court issued its opinion in *DeRuiter v. Byron Township* on April 27, 2020, which was favorable to the municipal defendant. Roumayah's attorney has not yet responded to the City's inquiry about Plaintiff's plans and/or potential reinstatement of the case after the *DeRuiter* decision.

3. Thomas Darling v. City of Troy - Plaintiff Thomas Darling filed this Whistleblower lawsuit against the City of Troy on October 10, 2019. It is assigned to Oakland County Circuit Court Judge Daniel P. O'Brien. Darling was the City's former finance director, and was terminated on July 15, 2019. He argues that his termination resulted from his participation in the 2016 Craig Lange investigation of Brian Kischnick and his assistance with the Plante & Moran forensic engagement. This case will be primarily handled by outside labor counsel/insurance counsel. The City timely filed its answer to the complaint. The parties are conducting discovery. The parties are continuing with the exchange of discovery and scheduling depositions. After filing motions for summary disposition, one of Plaintiff's counts is dismissed, and the other remains pending. The City filed a motion for reconsideration as to the remaining count. The trial date is re-scheduled for January 2021. Due to COVID restrictions, the Court adjourned the trial date from January to May 2021. Because of COVID, all jury trials were temporarily postponed at the Oakland County Circuit Court. The jury trial has now been adjourned until October 25, 2021.
4. Gillman v. Troy - Mr. Gillman filed this lawsuit, challenging the City's denial of his Freedom of Information Request. The City's denial was based on the fact that there was a pending investigation. This case was filed in the Oakland County Circuit Court, and assigned to Judge Daniel P. O'Brien. Plaintiff filed a Motion for Summary Disposition, and the City filed its response on July 7, 2021. The court scheduled oral argument for July 28, 2021.



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5. **Lickey-Davison v City of Troy** – Plaintiff filed this claim and delivery action seeking a return of firearms seized by the Troy Police Department after responding to a report of a fight between Plaintiff and his girlfriend. The firearms were taken into possession by the police for safekeeping. The City filed an answer to the complaint and the motion for possession pending judgment. On May 5, 2021, the case was resolved with an order allowing the firearms to be returned to Plaintiff. This case is now concluded.
6. **Howard v City of Troy** – Plaintiff filed this claim and delivery action seeking a return of a firearm seized by the Troy Police Department when Plaintiff was arrested for operating a vehicle with a high bodily alcohol content and unlawfully carrying a dangerous weapon. The City filed an answer to the complaint and the motion for possession pending judgment. On April 21, 2021, the Court denied Plaintiff's motion for possession. The parties subsequently agreed to a consent order to allow the firearm to be returned to a third party. This case is now concluded.
7. **Mai v City of Troy** – Plaintiff filed this claim and delivery action seeking a return of firearms seized by the Troy Police Department after responding to a report that Plaintiff pulled out a gun in front of his girlfriend and threatened suicide. The City filed an answer to the complaint and the motion for possession pending judgment. On April 21, 2021, the Court denied Plaintiff's motion for possession and set the case for a pretrial on May 26th. Subsequently, the parties resolved the case with an order allowing the firearms to be returned to a third party. This case is now concluded.
8. **Daniel v City of Troy** – Plaintiff filed this claim and delivery action seeking a return of a handgun seized by the Troy Police Department after he was partially concealing it in the Somerset south parking lot. Since the Plaintiff could not provide proof of ownership and since the handgun was not registered, the Plaintiff was issued a citation for carrying an unregistered handgun. The City has filed an answer to the complaint. Prior to the first court date, Plaintiff was able to confirm his ownership of the firearm and since Plaintiff was never charged with an offense that would require forfeiture of the firearm, the parties agreed to a consent order returning his firearms. This case is now concluded.
9. **Nogoy v City of Troy** – Plaintiff filed this claim and delivery action seeking a return of two handguns that were voluntarily turned over by the Plaintiff as he was departing his home. The police were called to the home because of a complaint by Plaintiff's wife. The City has filed an answer to the complaint and a motion for immediate possession of the firearms. The case was assigned to Judge Hartig and is scheduled for a hearing on the motion on July 21, 2021.

G. CRIMINAL APPEALS/ DISTRICT COURT APPEALS



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These are cases involving an appeal from a decision of the 52-4 District Court in an ordinance prosecution case.

1. City of Troy v. Tierra Posey - In 2016, Defendant pled guilty to possession of marijuana. Defendant failed to appear for her sentence date later in 2016, and remained in bench warrant status until July 2020. In the interim, the Michigan Regulation and Taxation of Marihuana Act was passed in 2018 (recreational marihuana). Defendant argued in District Court that although she was guilty of a crime in 2016, she could not be punished since marihuana is now legal. Judge McGinnis denied the Defendant's motion to dismiss the charge. Defendant filed an appeal with the Oakland County Circuit Court. The case has been assigned to Judge Rae Lee Chabot. The City filed a timely response to the appeal. The parties are waiting for the Court to issue an opinion on the appeal. **The Court granted Defendant's application for leave to appeal. It issued a scheduling order, which has oral argument scheduled in October 2021.**
2. City of Troy v Aubrey and Kagan - These two intoxicated driving cases were consolidated. Defendants challenged the admission of breath alcohol test results from the City's DataMaster instrument, based on the alleged fraud committed by the Michigan State Police contractor who conducted the mandatory 120- day inspections of the instrument in February, June, and September of 2019. That contractor faced a criminal investigation for alleged fraud on 120- day Data Master inspection certifications in other jurisdictions in Michigan. Troy's DataMaster instrument was not implicated as one of the instruments involved in the alleged fraudulent conduct. After a lengthy evidentiary hearing over three separate days, on December 23, 2020, 52-4 District Court Judge Kirsten Nielsen Hartig issued an opinion and order suppressing the breath test results. Judge Hartig opined that the City could not show its DataMaster instrument was reliable at the time the breath tests were administered to the defendants. The City filed an application for leave to appeal the decision of Judge Hartig with the Oakland County Circuit Court, and the appeals were assigned to Judge Phyllis C. McMillen. The Defendants filed a response to Troy's application for leave to appeal. On February 9, 2021, Judge McMillen granted the City's application for leave to appeal in both cases. As a result, the District Court files will need to be provided to the Circuit Court, and then the parties will file appellate briefs. **All parties have filed appellate briefs. The cases have been consolidated with another criminal appeal filed by Defendant Kyla Marcial appealing a decision of Judge McGinnis denying a motion to suppress breath test results involving the same arguments made in the Aubrey and Kagan cases. Oral argument on the consolidated appeals has been scheduled for August 25, 2021.**
3. City of Troy v Kyla Marcial- This case contains similar legal issues as presented in the above matters, Kagan and Aubrey. Defendant Marcial was charged with operating a vehicle while intoxicated, and she challenged the admission of breath alcohol test results from the City's DataMaster instrument, based on the alleged fraud committed by the Michigan State Police contractor who conducted the mandatory 120- day inspections of the instrument in February, June, and



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September of 2019. That contractor faced a criminal investigation for alleged fraud on 120- day Data Master inspection certifications in other jurisdictions in Michigan. Troy's DataMaster instrument was not implicated as one of the instruments involved in the alleged fraudulent conduct. The case involving Defendant Marcial was litigated in front of Judge McGinnis, and after a lengthy evidentiary hearing, Judge McGinnis issued an opinion and order allowing the breath test results to be admitted. Defendant Marcial filed an application for leave to appeal the decision with the Oakland County Circuit Court. For judicial economy purposes, this case was later consolidated with the Kagan and Aubrey matters (above) and re-assigned to Judge Phyllis C. McMillen. All parties have filed briefs on appeal, and oral argument has been scheduled for August 25, 2021.

H. ADMINISTRATIVE PROCEEDINGS

There are no pending administrative proceedings at this time.

If you have any questions concerning these cases, please let us know.