

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

MODEL CITIES CITIZEN GOVERNING BOARD,
a Michigan non-profit corporation,
et al,

Plaintiffs,

vs.

Civil Action

No. 33871

CITY OF DETROIT,
a Michigan municipal corporation,
et al,

Defendants.

CONSENT JUDGMENT

At a session of said Court held
in the Federal Building, City of
Detroit, Wayne County, Michigan,
on Dec 8, 1971.

PRESENT: HON. ROBERT E. DeMASCIO
U.S. DISTRICT JUDGE

Upon reading and filing the Stipulation to Entry of
a Consent Judgment, and the Court being fully advised in the
premises,

IT IS HEREBY ADJUDGED that the Settlement Agreement
executed by the parties through their respective attorneys, dated
Dec 2, 1971, which agreement is attached
hereto, be incorporated in this Judgment.

IT IS FURTHER ORDERED that the Temporary Restraining
Order of December 5, 1969, and the Modified Temporary Restraining
Order of February 24, 1971, be dissolved;

Part

U.C. II Agreement

By request, rec.
from DHC 2/15/72

UNITED STATES DISTRICT COURT
UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION
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MODEL CITIES CITIZEN GOVERNING BOARD,
a Michigan non-profit corporation,
MODEL CITIES CITIZEN GOVERNING BOARD,
a Michigan non-profit corporation,
et al,

Plaintiffs,
Plaintiffs,

Civil Action
Civil Action
No. 33871

vs.

CITY OF DETROIT,
a Michigan municipal corporation,
et al,

Defendants,
Defendants.

STIPULATION TO ENTER CONSENT JUDGMENT

STIPULATION TO ENTER CONSENT JUDGMENT

WHEREAS, the above captioned lawsuit was instituted
by Plaintiff relating to the right AND citizen participation in
the planning of the University City, No. 2, Urban Renewal Project,
CONSENT JUDGMENT
which Project covers the area in the City of Detroit bounded by

CITY OF DETROIT, the north; Franklin Avenue to the west; Canfield
a municipal corporation, Defendant,

MICHAEL M. GLUSAC,
Corporation Counsel,
WILLIAM J. COUGHLIN,
THOMAS J. O'DOWD,
Assistant's Corporation Counsel,
Attorneys for Defendant,
1010 City-County Bldg.,
Detroit, Michigan 48226

DEC 14 1971

MODEL CITIES CITIZEN GOVERNING BOARD,
Edward King, Attorney for Plaintiffs,
651 E. Jefferson,
Detroit, Michigan 48226

COMMITTEE FOR CONCERNED
PROPERTY OWNERS,
Intervening Defendants,
Kenneth M. Davies,
Attorney for Intervening
Defendants,
2034 Guardian Bldg.,
Detroit, Michigan 48226



UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN

NOW, THEREFORE, SOUTHERN DIVISION

MODEL CITIES CITIZEN GOVERNING BOARD,
a Michigan non-profit corporation,
et al,

Plaintiffs,

vs.

Civil Action

No. 33871

CITY OF DETROIT,
a Michigan municipal corporation,
et al,

Defendants.

STIPULATION TO ENTER CONSENT JUDGMENT

WHEREAS, the above-entitled lawsuit was instituted by Plaintiff relating to the right of citizen participation in the planning of the University City, No. 2, Urban Renewal Project, which Project covers the area in the City of Detroit bounded by Warren Avenue on the north; Trumbull Avenue on the west; Canfield Avenue on the south to Third; Third Avenue north to Forest, and then Forest Avenue east to Cass Avenue, which is the east boundary;

WHEREAS, during the course of negotiations the parties hereto have reached an agreement in principle as to the replanning of the Project, and as to steps to be taken pending the replanning, which agreement is dated Dec. 2, 1971 and attached hereto;

UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

NOW, THEREFORE, the parties through their respective attorneys, hereby stipulate and agree that a Consent Judgment be entered in the above-entitled cause, incorporating by reference the aforementioned settlement agreement dated Dec 2, 1971; further, that the Judgment provide that the Temporary Restraining Order, dated December 5, 1969, and the Modified Restraining Order, dated February 24, 1970, in this cause be dissolved; further, that the Court retain jurisdiction of this cause, pending completion of all matters referred to in the settlement agreement incorporated by the judgment, to hear any and all disputes, and to enforce any and all obligations under this Judgment.

CITY OF DETROIT, Defendant

by _____
Thomas J. O'Dowd
Assistant Corporation Counsel
1010 City-County Building
Detroit, Michigan 48226

MODEL CITIES CITIZEN GOVERNING BOARD,

Kay LaVerne Halonen,
Cynthia Urban,
Donald Nocenski,
Betsy Johnson,
Willie Young,
William Hanson,

Plaintiffs, Agreement

COMMITTEE OF CONCERNED
PROPERTY OWNERS,
Intervening Defendants,

by _____
Edward King
Attorney for Plaintiffs
651 E. Jefferson
Detroit, Michigan 48226

by _____
Kenneth M. Davies
Attorney for Intervening
Defendants,
2034 Guardian Bldg.,
Detroit, Michigan 48226

UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF MICHIGAN

SOUTHERN DIVISION

MODEL CITIES CITIZEN GOVERNING BOARD,
a Michigan non-profit corporation,
et al,

Plaintiffs,

vs.

Civil Action

No. 33871

CITY OF DETROIT,
a Michigan municipal corporation,
et al,

Defendants.

CONSENT JUDGMENT

At a session of said Court held
in the Federal Building, City of
Detroit, Wayne County, Michigan,
on Dec 2, 1971.

PRESENT: HON. ROBERT E. DeMASCIO
U.S. DISTRICT JUDGE

Upon reading and filing the Stipulation to Entry of
a Consent Judgment, and the Court being fully advised in the
premises,

IT IS HEREBY ADJUDGED that the Settlement Agreement
executed by the parties through their respective attorneys, dated
Dec 2, 1971, which agreement is attached
hereto, be incorporated in this Judgment.

IT IS FURTHER ORDERED that the Temporary Restraining
Order of December 5, 1969, and the Modified Temporary Restraining
Order of February 24, 1971, be dissolved;

IT IS FURTHER ORDERED that the Court will retain jurisdiction of this cause, pending completion of all matters referred to in the Settlement Agreement, attached hereto and incorporated in this Judgment, for the purpose of enforcing any and all obligations of the parties under this Judgment.

ROBERT E. DeMASCIO

UNITED STATES DISTRICT JUDGE

Dated: Dec. 8, 1971

APPROVED AS TO FORM:

CITY OF DETROIT, Defendant,

COMMITTEE FOR CONCERNED
PROPERTY OWNERS,
Intervening Defendants,

by

Thomas J. O'Dowd
Asst. Corporation Counsel,
1010 City-County Bldg.,
Detroit, Michigan 48226

by

Kenneth M. Davies
Attorney for Intervening
Defendants,
2034 Guardian Bldg.,
Detroit, Michigan 48226

MODEL CITIES CITIZEN GOVERNING BOARD,
Kay LaVerne Halonen,
Cynthia Urban,
Donald Nocenski,
Betsy Johnson,
Willie Young,
William Hanson,

Plaintiffs,

by

Edward King
Attorney for Plaintiffs
651 E. Jefferson
Detroit, Michigan 48226

A TRUE COPY

FREDERICK W. JOHNSON, Clerk

BY Kay J. Johnson
DEPUTY CLERK

SETTLEMENT AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 1971, by and between all Plaintiffs and all Defendants, in settlement of the action currently pending in the United States District Court for the Eastern District of Michigan, Southern Division, Civil Action No. 33871, relative to the University City II Urban Renewal Project (Mich. R-111), hereinafter referred to as the "UC II Project."

WITNESSETH:

WHEREAS, the above entitled lawsuit was instituted by Plaintiffs to enforce the right of citizen participation in planning of the UC II Project, which Project covers the area in the City of Detroit bounded by Warren Avenue on the north, Trumbull Avenue on the west, Canfield on the south to Third Avenue, Third Avenue north to Forest, and then Forest Avenue east to Cass Avenue, which is the east boundary (all of which area is hereinafter referred to as the "UC II Area"); and

WHEREAS, during the course of negotiations, the parties hereto have reached agreement in principle as to the replanning of the Project, and as to steps to be taken pending the replanning, so that: 1) The maximum number of homes in the UC II Area may be salvaged and rehabilitated (maintaining full occupancy insofar as possible to provide housing for persons, especially present UC II Area residents, to prevent the accelerated deterioration and vandalism inherent from vacancies); 2) presently UC II Area residents may be given the fullest possible opportunity to remain in the UC II Area, and adequate relocation assistance will be afforded to them; 3) the UC II Area will retain its character as a residential area; and 4) maximum feasible

consultation and citizens participation will occur throughout replanning of the development of the UC II Project; and

WHEREAS, the parties now wish to expedite and implement replanning and redevelopment of the UC II Area with all possible efficiency and effectiveness;

NOW, THEREFORE, the parties hereto agree as follows:

I. Initial Actions

A. Acquisition. Immediately upon execution of this Settlement Agreement, Defendants shall proceed to offer to purchase, at fair and reasonable terms, all property and buildings (see Schedule A attached hereto) at any time slated to be acquired pursuant to the UC II Project, provided, however, that with respect to property in the vicinity of the Poe-Edmonson School, and identified in Schedule A-1 attached hereto, to be used in connection with Detroit Schools, Defendants shall acquire such property promptly, either by submitting offers to purchase promptly, or by employing eminent domain condemnation procedures for acquisition of such land. Offers to purchase shall be submitted to owners of all such property (other than school property). Offers to purchase shall be submitted to owners of all such property within ten (10) days of execution of this Settlement Agreement; provided, however, that no such property owners shall be required to sell property to the Defendants, or any of them, pending replanning of the development of University City II Project, and all such offers to purchase shall include notice of this fact, conspicuously and clearly set forth.

B. Survey. A survey of each building in the UC II Area (see Schedules A and B attached hereto) shall be made by a team of building inspectors from the Department of Buildings and Safety Engineering. The inspectors shall record all deficiencies, and notices will be sent to owners in cases involving dangerous or hazardous conditions. A Plaintiff or representative of Plaintiff(s) may accompany the inspectors and Plaintiff(s) will be furnished a copy of all building reports. The survey has been completed at the time of execution of this Settlement Agreement. Results of the survey shall not be considered by the Defendants in determining an approximate purchase price for acquisition under Paragraph I A hereof, but are to be employed only for classification of buildings pursuant to Paragraph I C hereof.

C. Classification.

1. Procedure for Classifying - With the information gathered from the building survey, the Detroit Housing Commission ("DHC") and Plaintiffs' Negotiating Team, with the Assistance of the Technical Assistant referred to in Paragraph IV D hereof, shall jointly classify all buildings in the UC II Area into one of the following three classifications:

Class B Buildings - Buildings rehabilitable but incapable of being made habitable by maintenance and minor repairs.

Class C Buildings - Buildings in such an advanced state of disrepair, deterioration, or damage that rehabilitation would be impractical or uneconomic. The maximum limit on rehabilitation cost shall not exceed the estimated marketable resale price, after

rehabilitation less the estimated land reuse value if cleared. The maximum limit on rehabilitation cost shall not exceed seventy-five (75%) percent of the cost of constructing new buildings and facilities of comparable size, type, and number of rooms. (Neither land cost nor land value enter into this computation).

2. Settlement of Disputes - In the event of disagreement as to the appropriate classification of any building in the UC II Area, the appeal procedure set forth in Paragraph V A hereof shall apply.

II. Actions Relative to Classified Buildings Owned by the City Pending Replanning of UC II Project

A. Class A Buildings.

1. Occupancy and Priorities - The Detroit Housing Commission shall exercise every reasonable effort to keep all Class A Buildings owned by it occupied and maintained at all times. Any such Class A building which is vacant when acquired, or which becomes vacant after acquisition, shall immediately be used as a housing resource, giving priority to the following groups:

First Priority - Relocates of UC II Area.

Second Priority - Relocates of Model Neighborhood Sub-Area A.

Third Priority - Residents of the above areas from time to time living in substandard units.

In the event no persons from any of the above priority groups are available to occupy any vacant Class A building or dwelling unit therein, the DHC shall arrange for other Model Neighborhood Sub-Area A persons, or others, in need of housing, to occupy the same, so that full occupancy of all Class A buildings shall be maintained at all times insofar as possible.

2. Rent Review - The DHC shall contract with an individual appraiser (described in Paragraph IV E hereof) and selected in accordance with the terms thereof, who shall establish an adjusted economic rent (market rent minus the profit factor) for each unit to be acquired and occupied in the UC II Project.

The Relocation and Site Management Division of the DHC will utilize recommendations of the appraiser in setting the rents for City-owned units in the UC II Project, and promptly upon determination of an appropriate rent, the DHC will notify the tenant and the CRB. Such notice will set forth the City's proposed adjusted economic rent together with a statement as to the amount of the adjusted economic rent recommended by the appraiser with respect to the particular unit. If there is a variance between the adjusted economic rent recommended by the appraiser and the rent proposed by the City, the notice will also state the City's reasons for such variance.

The rent to be charged by the DHC shall be the adjusted economic rent, subject to the following exceptions:

- a) Tenants on Welfare - The adjusted economic rent for the unit or the maximum amount allowable under welfare regulations, whichever is lower, will be used.

- b) Elderly Persons with Limited Income - The adjusted economic rent for the unit or the maximum amount allowable under welfare regulations, whichever is lower, will be used.
- c) Tenants Whose Income Falls Within Public Housing Authority Limits - The adjusted economic rent or the maximum allowable under public housing standards, whichever is lower, will be used.
- d) Demonstrated Hardship Cases - Rental can be adjusted downward, if necessary, from adjusted economic rent, so that rental for the tenant does not exceed the minimum percent of the tenant's gross income as allowed by the HUD Urban Renewal Handbook or Model Cities guidelines, including CDA Letter No. 5 as amended from time to time.
- e) Displacees Subject to CDA Letter No. 5 - Regulations set forth in CDA Letter No. 5 relative to rental shall prevail in the event the rent specified therein shall be lower than the adjusted economic rent.
- f) Other Regulations and Statutes and Policies - Any other regulations, and statutes and policies from time to time existing which provide for rental lower than the adjusted economic rent for the building or dwelling in question.

In the event of dispute as to appropriate rental, the appeal procedures set forth in Paragraph V shall be available.

3. Initial Repairs and Maintenance - Promptly upon acquisition of a Class A building, the DHC shall be prepared to make all repairs and perform any maintenance necessary to place such building in a habitable condition, and such initial repairs and maintenance shall not constitute a basis for permitting a building to remain vacant.

4. Continuing Repairs and Maintenance - The DHC is responsible for maintaining Class A buildings owned by it, and for providing minor repairs to such buildings, during replanning of the UC II Project, so that such buildings shall remain in habitable condition at all times. Such repairs and maintenance shall be performed in an expeditious manner with as little disruption to the tenants' normal home life as possible. Tenants may negotiate with the DHC to perform such repairs and maintenance and to be compensated therefor, provided such services and compensation are of the types allowable by HUD.

5. Emergency or Urgent Repairs - Emergency and/or urgent repairs required during normal DHC working hours shall be established promptly upon execution of this Settlement Agreement, to assure that emergency and/or urgent repairs required for occupied dwellings at times other than normal working hours, that is evenings, weekends, holidays, etc., shall be performed in a timely manner.