

**IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

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In re	:	Chapter 9
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CITY OF DETROIT, MICHIGAN,	:	Case No. 13-53846
	:	
Debtor.	:	Hon. Steven W. Rhodes
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**DEBTOR’S OBJECTION AND BRIEF IN OPPOSITION TO CORRECTED
CLASS CLAIMANTS’ MOTION FOR APPLICATION OF
FED.R.BANKR.P 7023 AND FOR RELATED RELIEF**

The City of Detroit (“City”) files this Objection and Brief in Opposition to the Corrected Class Claimants’ Motion for Application of Fed.R.Bankr.P. 7023 and for Related Relief (“Motion”) filed by LaSalle Town Houses Cooperative Association, Nicolet Town Houses Cooperative Association, Lafayette Town Houses, Inc., Joliet Town Houses Cooperative Association, and St. James Cooperative (“Cooperatives”), on behalf of themselves and the class. In support of this Objection, the City respectfully represents as follows:

1. It is not necessary or proper for this Court to decide, as sought in the Motion, whether to enter an order certifying the proposed class when it previously granted the Cooperatives’ request to litigate this precise issue in the U.S. District Court. It is also not necessary for this Court to consider the balance of the relief requested by the Cooperatives when this Court’s lift stay order provides that any

alleged liability of the City would be resolved by the U.S. District Court. The Motion does not articulate any need, under the facts here, for a separate certification order in this Court. Indeed, a second certification order would present a myriad of unnecessary issues, including the appellate rights of the parties, when there is already a process in place in the U.S. District Court to finally decide this question and the question of the City's alleged liability.

2. On December, 18, 2013, this Court granted the Cooperatives relief from the automatic stay to allow them to “continue prosecution of the class action for the limited purpose of pursuing class certification, establishing liability, and seeking to enjoin the DWSD from charging improper rates.”¹ On February 25, 2014, the Cooperatives filed the Motion which seeks, among other things, entry of an order certifying the class, appointing class counsel and the application of Fed. R. Bankr. P. 7023. On March 3, 2013, the U.S. District Court entered an order granting class certification and appointing class counsel.²

3. The City does not intend to, nor does it believe this Court's order permits, a challenge in this bankruptcy case to a final order entered by the U.S.

¹ Order for Relief from the Automatic Stay to Allow Class Action to Proceed at 2. [Doc. No. 2223].

² Order Denying Motion to Dismiss [#22], Granting Motion to Certify Class [#20], Finding Renewed Motion to Certify Class [#38] Moot, Finding Renewed Motion to Dismiss [#45] Moot and Cancelling Oral Argument and Setting Status Conference for March 4, 2014. [Doc. No. 47 in District Court Case No. 12-cv-13747].

District Court regarding class certification, class counsel or liability. This Court ordered that these issues would be decided by the U.S. District Court and the City will abide by any final order from the U.S. District Court for purposes of its bankruptcy case. A parallel certification, appointment or order by this Court is not necessary or economic. As such, the Motion should be denied.

Dated: March 14, 2014

Respectfully submitted,

By: /s/Timothy A. Fusco
Jonathan S. Green (P33140)
Stephen S. LaPlante (P48063)
Timothy A. Fusco (P13768)
MILLER, CANFIELD, PADDOCK AND
STONE, P.L.C.
150 West Jefferson
Suite 2500
Detroit, Michigan 48226
Telephone: (313) 963-6420
Facsimile: (313) 496-7500
green@millercanfield.com
laplante@millercanfield.com
fusco@millercanfield.com

David G. Heiman (OH 0038271)
Heather Lennox (OH 0059649)
JONES DAY
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Telephone: (216) 586-3939
Facsimile: (216) 579-0212
dgheiman@jonesday.com
hlennox@jonesday.com

Bruce Bennett (CA 105430)
JONES DAY
555 South Flower Street Fiftieth Floor
Los Angeles, California 90071
Telephone: (213) 243-2382
Facsimile: (213) 243-2539
bbennett@jonesday.com

ATTORNEYS FOR THE CITY OF DETROIT

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the forgoing ***DEBTOR'S OBJECTION AND BRIEF IN OPPOSITION TO MOTION TO EXTEND TIME TO FILE CLASS CLAIMANTS' PROOF OF CLAIM*** was served upon counsel as listed below, via electronic mail and First Class United States Mail:

Robert N. Bassel
P.O. Box T
Clinton, MI 49236
Bbassel@gmail.com

By: /s/Timothy A. Fusco
Timothy A. Fusco
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
Telephone: (313) 963-6420
fusco@millercanfield.com

Dated: March 14, 2014