

STATE OF MICHIGAN
COURT OF APPEALS

CHARLES A. FORBES,

UNPUBLISHED
January 31, 1997

Plaintiff-Appellant,

v

No. 181940
Wayne Circuit Court
LC No. 93-329118

MICHAEL ILITCH, LITTLE CAESAR
ENTERPRISES, OLYMPIA ARENAS, INC.,
and DETROIT TIGERS, INC.,

Defendant-Appellees,

and

CITY OF DETROIT, DOWNTOWN
DEVELOPMENT AUTHORITY, EMMET S.
MOTEN, JR., FRANK S. BARBEE and LEWIS,
WHITE and CLAY, P.C.,

Defendants.

CHARLES A. FORBES,

Plaintiff-Appellant,

v

No. 184668
Wayne Circuit Court
LC No. 93-329118

MICHAEL ILITCH, LITTLE CAESAR
ENTERPRISES, OLYMPIA ARENAS, INC.,
and DETROIT TIGERS, INC.,

Defendant-Appellees,

and

CITY OF DETROIT, DOWNTOWN
DEVELOPMENT AUTHORITY, DETROIT
TAX FINANCE AUTHORITY, EMMET S.
MOTEN, JR., FRANK S. BARBEE and LEWIS,
WHITE and CLAY, P.C.,

Defendants.

Before: Hoekstra, P.J., and Hood and Marilyn Kelly, JJ.

PER CURIAM.

In these consolidated appeals, plaintiff Charles A. Forbes appeals as of right orders of the Wayne Circuit Court granting defendants-appellees' motion for partial summary disposition and awarding defendants-appellees costs and attorney fees. We affirm.

This case involves a dispute over property located in an area of Detroit near the Fox Theater known as the "Theater District." In late 1987, plaintiff and defendants City of Detroit, Downtown Development Authority (DDA), Little Caesar Enterprises, Inc. (LCE), and Olympia Arenas, Inc. (OAI) entered into written agreements to redevelop this area. According to a document referred to by the parties as the "multi-party agreement," plaintiff was to sell properties, including the Fox Theater, to the DDA in exchange for the opportunity to acquire various other properties in and around the Theater District, including the Wolverine Building. Under the agreement, defendants were required to transfer marketable title in the Wolverine Building to plaintiff by March 1, 1988. Plaintiff also claimed the right to purchase certain other parcels of property known as the "expansion block" based upon a letter sent to plaintiff by defendant Moten, the Director of the Community and Economic Development Department. Defendants were unable to acquire marketable title by March 1, 1988, and attributed the delay to the Department of Housing and Urban Development. Defendants also failed to acquire title to the expansion block within the specified time period, and later indicated to plaintiff that they did not consider the letter discussing the expansion block to be an enforceable contract.

In October 1993, plaintiff filed suit against defendants City of Detroit, the DDA, and defendant Moten, alleging breach of contract, fraud, and promissory estoppel, and seeking specific performance of the multi-party agreement, as well as damages resulting from defendants' failure to convey the property to which he believed he was entitled. In May 1994, plaintiff was granted leave to amend his complaint to include defendants-appellees Michael Illitch, LCE, OAI, and the Detroit Tigers, Inc. as party defendants.

Plaintiff's amended complaint further alleged that defendants-appellees were attempting to cause the City of Detroit and the DDA to breach the terms of the agreements involving plaintiff so that the property at issue could be utilized as part of a stadium development planned for this area. Plaintiff claimed that defendants-appellees' actions amounted to tortious interference with contractual relations

and tortious interference with an advantageous relationship. Following hearings, the trial court granted summary disposition in defendants-appellees' favor and awarded defendants-appellees costs and attorney fees. The instant appeal ensued.

Plaintiff first argues that the trial court erred in granting summary disposition pursuant to MCR 2.116(C)(8) with respect to plaintiff's tortious interference claims against defendants-appellees. We disagree. A motion for summary disposition pursuant to MCR 2.116(C)(8) tests the legal sufficiency of a claim by the pleadings alone. *York v 50th District Court*, 212 Mich App 345, 347; 536 NW2d 891 (1995). While all factual allegations in support of the claim are accepted as true, mere statements of a pleader's conclusions, unsupported by allegations of fact, will not create a cause of action. *Id.* Here, because plaintiff failed to support his conclusory statements with allegations of fact, summary disposition was properly granted.

With respect to plaintiff's claims of tortious interference with a contract, the elements required to prove such a claim are: (1) the existence of a contract; (2) a breach, and (3) an unjustified instigation of the breach by the defendant. *Mahrle v Danke*, 216 Mich App 343, 350; 549 NW2d 56 (1996). Here, we agree with the trial court that plaintiff failed to plead any facts supporting his conclusion that the instigation of the breach was caused by defendants-appellees without justification. Plaintiff's complaint contains no factual allegations identifying the alleged breach caused by defendants-appellees, nor are there any factual allegations addressing causation.

Likewise, with respect to plaintiff's claim of tortious interference with a business relationship,¹ the elements of the claim are as follows: (1) the existence of a valid business relationship or expectancy; (2) knowledge of the relationship or expectancy by the defendant; and (3) an intentional interference by the defendant inducing or causing a breach or termination of the relationship with resultant damage to the plaintiff. *BPS Clinical Laboratories v Blue Cross and Blue Shield of Michigan (On Remand)*, 217 Mich App 687, 698-699; 552 NW2d 919 (1996). Where a defendant's actions were motivated by legitimate business reasons, they do not constitute interference. *Id.* at 69. Again, we believe summary disposition was properly granted because we agree with the trial court that there are no factual allegations supporting plaintiff's conclusion that defendants-appellees intentionally interfered with plaintiff's advantageous relationship. To the extent plaintiff acknowledges that defendants-appellees were seeking the property for the development of a new downtown sports arena, plaintiff implicitly acknowledges that defendants-appellees' actions could not have constituted interference. *Id.*

Given our conclusion that summary disposition was properly granted pursuant to MCR 2.116(C)(8), we need not examine whether summary disposition was also properly granted pursuant to MCR 2.116(C)(7).

Plaintiff next argues that the trial court erred in awarding defendants-appellees costs and attorney fees pursuant to MCR 2.625(A)(2) and MCL 600.2591; MSA 27A.2591. We disagree. Plaintiff's claims, stemming from defendants-appellees alleged interference with his right to receive property based upon a contract under which defendants had already failed to perform, was devoid of legal merit and the trial court's award of sanctions on this basis was not clearly erroneous.

Affirmed.

/s/ Joel P. Hoekstra

/s/ Harold Hood

/s/ Marilyn Kelly

¹ We assume for purposes of this appeal that this alleged cause of action is separate from plaintiff's claim of tortious interference with a contract. Given that all of plaintiff's claims stem from the non-fulfillment of the multi-party agreement, we question whether these are in fact two separate causes of action. We treat them as separate, however, because we believe resolution of this issue would involve determining whether the multi-party agreement remained an enforceable contract susceptible to interference after the initial date for transfer of the properties at issue passed, or whether it terminated at that date. Because we need not decide this issue to affirm the grant of summary disposition pursuant to MCR 2.116(C)(8), we decline to do so.