

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

	X	
	:	Chapter 9
IN RE	:	
	:	Case No. 13-53846
CITY OF DETROIT, MICHIGAN,	:	
	:	Hon. Steven W. Rhodes
DEBTOR	:	
	X	

**STIPULATION RESOLVING OBJECTION OF THE UNITED STATES OF AMERICA  
TO CITY OF DETROIT’S MOTION FOR ENTRY OF AN ORDER PURSUANT TO 11  
U.S.C. 105(a) AND FED. R. BANKR. P. 3007 APPROVING CLAIM OBJECTION  
PROCEDURES**

The United States of America, on behalf of the United States Department of Housing and Urban Development (“USG”), the Equal Employment Opportunity Commission (“EEOC”) and the City of Detroit, Michigan (the “City,” and together with the USG and EEOC, the “Parties”), by and through their undersigned counsel, state as follows in support of the entry of the revised *Order Pursuant to 11 U.S.C. 105(a) and Fed. R. Bankr. P. 3007 Approving Claim Objection Procedures*, attached hereto as Exhibit 1.

1. On June 10, 2014, the City filed its Motion for Entry of an Order Pursuant to 11 U.S.C. 105(a) and Fed. R. Bankr. P. 3007 Approving Claim Objection Procedures [Dkt. No. 5270] (the “Procedures Motion”), seeking approval of certain procedures for filing omnibus claim objections on grounds other than those found in Fed. R. Bankr. P. 3007, and related relief.

2. On June 24, 2014, the USG filed an objection to the Procedures Motion, seeking certain changes to the notices to be provided with respect to omnibus claims objections governed by the Procedures Motion (the “Objection”) [Dkt. No. 5560].

3. On June 24, 2014, the EEOC filed a concurrence to the Objection (the “Concurrence”) [Dkt. No. 5571].

4. No other objections to the Procedures Motion were filed.

5. In resolution of the Objection and the Concurrence, the Parties have agreed that the proposed order attached to the Procedures Motion be modified to reflect that in the event the City objects to a claim of the United States, its agencies, departments or agents in an omnibus objection governed by the Procedures Motion, the City will provide a customized notice to such claimant. Such notice will include: (a) the omnibus objection but not the exhibits, (b) identify the claim to which an objection is being filed by number, and the grounds for such objection, and (c) notify the claimant of the steps it must take to contest the objection.

6. For all other claimants, the City will follow the noticing procedures as provided for in the Procedures Motion.

7. Subject to the foregoing modifications in the proposed order attached hereto as Exhibit 1, the USG and EEOC hereby withdraw the Objection and the Concurrence.

8. A redline of the proposed order attached to this Stipulation and the proposed order attached to the Procedures Motion is attached hereto as Exhibit 2.

**WHEREFORE** the parties respectfully request that the Court enter an order in the form attached hereto as **Exhibit 1** resolving the USG’s and EEOC’s objections to the Procedures Motion and grant such other relief as is warranted under the circumstances.

Respectfully submitted by:

<p><b>FOLEY &amp; LARDNER, LLP</b></p> <p>By: <u>/s/ John A. Simon</u> John A. Simon (P61866) Tamar N. Dolcourt (P73425) 500 Woodward Ave., Ste. 2700 Detroit, MI 48226 Phone: (313) 234-7100 <a href="mailto:jsimon@foley.com">jsimon@foley.com</a> <a href="mailto:tdolcourt@foley.com">tdolcourt@foley.com</a> <i>Counsel to the Debtor, City of Detroit Michigan</i></p>	<p><b>UNITED STATES DEPARTMENT OF JUSTICE – CIVIL DIVISION</b></p> <p>By: <u>/s/ Matthew J. Troy (with consent)</u> Matthew J. Troy Trial Attorney P.O. Box 875 Ben Franklin Station Washington, DC 20044-0875 Phone: (202) 514-9038 <a href="mailto:Matthew.troy@usdoj.gov">Matthew.troy@usdoj.gov</a> <i>Counsel to United States of America</i></p>
<p><b>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</b></p> <p>By: <u>/s/ Kenneth Bird (with consent)</u> Kenneth Bird Dale Price (P55578) Senior Trial Attorney 477 Michigan Avenue, Room 865 Detroit, MI 48226 Phone: (313) 226-7808 <a href="mailto:Dale.price@eeoc.gov">Dale.price@eeoc.gov</a></p> <p><i>Counsel to the Equal Employment Opportunity Commission</i></p> <p>Dated: July 9, 2014</p>	

4819-2298-1660.1

**EXHIBIT 1: PROPOSED ORDER**

4819-2298-1660.1

**IN THE UNITED STATES BANKRUPTCY COURT  
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**ORDER PURSUANT TO 11 U.S.C. § 105(a) AND FED. R. BANKR. P. 3007  
APPROVING CLAIM OBJECTION PROCEDURES**

Upon the Motion, dated June 10, 2014 (the “Motion”),<sup>1</sup> of the City of Detroit, Michigan (the “City”), pursuant to section 105(a) of title 11, United States Code (the “Bankruptcy Code”) and Rule 3007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), requesting approval of certain claim objection procedures intended to streamline the claims process and conserve the City’s resources, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; upon resolution of the Objection to the Motion filed by the United States of America, and the Concurrence in the Objection filed by the Equal Employment Opportunity Commission, and a hearing having been held to consider the relief requested in the Motion (the “Hearing”) or no Hearing being required; and upon the record of the Hearing and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interest of the City, its creditors, and all parties in interest, and that the legal and factual bases set forth in the

Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that the Claim Objection Procedures set forth in the Motion are approved as provided herein; and it is further;

ORDERED that, notwithstanding anything to the contrary in Bankruptcy Rule 3007, the City, and other parties in interest, in addition to those grounds set forth in Bankruptcy Rule 3007(d), are authorized to file Omnibus Objections to claims seeking reduction, reclassification, or disallowance of claims on one or more of the following grounds (the “Additional Permitted Grounds”):

- (a) the amount claimed contradicts the City’s books and records;
- (b) the claims were incorrectly classified;
- (c) the claims do not identify a valid basis for any liability of the City;
- (d) the claims do not include sufficient documentation to ascertain the validity of such claim or fail to specify the asserted claim amount (other than “unliquidated”), to the extent not already covered by Bankruptcy Rule 3007(d)(6);
- (e) the claims have been addressed by the Plan or otherwise are not subject to the claims process in this case
- (f) the claims have been settled, waived or withdrawn pursuant to an agreement with the City;
- (g) the claims are objectionable under section 502(e)(1) of the Bankruptcy Code; and
- (h) the claims are objectionable under section 502(d) of the Bankruptcy Code; and it is further

ORDERED that the City is authorized to file Omnibus Objections to no more than 100 claims at a time on the Additional Permitted Grounds; and it is further

ORDERED that, except as expressly provided herein, the City shall comply with the requirements for Omnibus Objections set forth in Bankruptcy Rule 3007(e), except that in the

event the City objects to a claim of the United States, its agencies, departments or agents in an omnibus objection governed by this Order, the City will provide a customized notice to such claimant. Such notice will: (a) include the omnibus objection but not the exhibits, (b) identify the claim to which an objection is being filed by number, and the grounds for such objection, and (c) notify the claimant of the steps it must take to contest the objection; and it is further

ORDERED that the City will file a Declaration in support of each Omnibus Objection filed on one of the Additional Permitted Grounds; and it is further

ORDERED that in the event a timely response to an Omnibus Objection is filed, the initial hearing on the response shall be non-evidentiary; and it is further

ORDERED that any order sustaining an Omnibus Objection shall be a final order for each claim referenced in the Omnibus Objection as if an individual objection had been filed for such claim; and it is further

ORDERED that nothing in this Order shall constitute an admission of the validity, nature, amount, or priority of any claim asserted in this case; and it is further

ORDERED that entry of this Order is without prejudice to the City's right to seek entry of an order modifying or supplementing the relief granted herein; and it is further

ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

**EXHIBIT 2: REDLINE ORDER COMPARISON**

4819-2298-1660.1



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

	X		
	:		<del>CHAPTER 9</del> <a href="#">Chapter 9</a>
<b>IN RE</b>	:		
	:		<del>CASE NO</del> <a href="#">Case No.</a> 13-53846
<b>CITY OF DETROIT, MICHIGAN,</b>	:		
	:		<del>HON. STEVEN W. RHODES</del> <a href="#">Hon. Steven</a>
<b>DEBTOR</b>	:		<a href="#">W. Rhodes</a>
	X		

**ORDER PURSUANT TO 11 U.S.C. § 105(a) AND FED. R. BANKR. P. 3007  
APPROVING CLAIM OBJECTION PROCEDURES**

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creditors, and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that the Claim Objection Procedures set forth in the Motion are approved [as provided herein](#); and it is further;

ORDERED that, notwithstanding anything to the contrary in Bankruptcy Rule 3007, the City, and other parties in interest, in addition to those grounds set forth in Bankruptcy Rule 3007(d), are authorized to file Omnibus Objections to claims seeking reduction, reclassification, or disallowance of claims on one or more of the following grounds (the “Additional Permitted Grounds”):

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- (e) the claims have been addressed by the Plan or otherwise are not subject to the claims process in this case
- (f) the claims have been settled, waived or withdrawn pursuant to an agreement with the City;
- (g) the claims are objectionable under section 502(e)(1) of the Bankruptcy Code; and
- (h) the claims are objectionable under section 502(d) of the Bankruptcy Code; and it is further

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ORDERED that entry of this Order is without prejudice to the City's right to seek entry of an order modifying or supplementing the relief granted herein; and it is further

ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

Document comparison by Workshare Compare on Tuesday, July 08, 2014 1:59:56 PM

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Document 2 ID	file:///foleylaw.com/userdata/home/20119/UserProfile/Desktop/Modified Claims Procedures Order.docx
Description	Modified Claims Procedures Order
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Split/Merged cell	
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Deletions	3
Moved from	0
Moved to	0
Style change	0
Format changed	0
<b>Total changes</b>	<b>10</b>